IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

THIS OFFERING OF THE SECURITIES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER REGULATION 2(1)(SS) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").

IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing. The following applies to the pre-numbered preliminary placement document of Mrs. Bectors Food Specialities Limited (the "**Company**") dated September 5, 2024 in relation to the proposed qualified institutions placement of equity shares of ₹ 10 each ("**Equity Shares**") by the Company filed with BSE Limited and National Stock Exchange of India Limited (the "**Stock Exchanges**") (such document, the "**Preliminary Placement Document**") attached to this e-mail, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Preliminary Placement Document. In accessing the Preliminary Placement Document, you acknowledge and agree to be bound by the following terms and conditions, including any modifications to them, from time to time, each time you receive any information from us as a result of such access. The information in the Preliminary Placement Document is confidential and subject to updation, completion, revision, verification, amendment and change without notice. ICICI Securities Limited and SBI Capital Markets Limited (the "**Book Running Lead Managers**") or any person who controls any of them or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Preliminary Placement Document or their respective contents or otherwise arising in connection therewith. **You acknowledge that the Preliminary Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.**

INVESTING IN THE EQUITY SHARES DESCRIBED IN THE PRELIMINARY PLACEMENT DOCUMENT INVOLVES RISKS AND YOU SHOULD NOT INVEST ANY FUNDS IN THE EQUITY SHARES, UNLESS YOU ARE PREPARED TO RISK LOSING ALL OR PART OF YOUR INVESTMENT. YOU ARE ADVISED TO CAREFULLY READ THE SECTION TITLED "RISK FACTORS" AS WELL AS INFORMATION CONTAINED ELSEWHERE IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION.

THE EQUITY SHARES OFFERED IN THE ISSUE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS IN THE UNITED STATES, AND UNLESS SO REGISTERED, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS. YOU UNDERSTAND THAT THE EQUITY SHARES OFFERED IN THE ISSUE ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS", AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT ("REGULATION S") AND YOU REPRESENT THAT YOU WERE OUTSIDE THE UNITED STATES WHEN THE OFFER TO PURCHASE THE EQUITY SHARES WAS MADE TO YOU AND YOU ARE CURRENTLY OUTSIDE THE UNITED STATES AND THAT YOU ARE NOT ACQUIRING OR SUBSCRIBING FOR THE EQUITY SHARES AS A RESULT OF ANY "DIRECTED SELLING EFFORTS" (AS DEFINED IN REGULATION S).

FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE EQUITY SHARES OF THE COMPANY AND DISTRIBUTION OF THE PRELIMINARY PLACEMENT DOCUMENT, SEE "SELLING RESTRICTIONS", "NOTICE TO INVESTORS", AND "TRANSFER RESTRICTIONS". THE ATTACHED PRE-NUMBERED PRELIMINARY PLACEMENT DOCUMENT MAY NOT BE FORWARDED, DOWNLOADED, DELIVERED OR DISTRIBUTED, IN WHOLE OR IN PART, ELECTRONICALLY OR OTHERWISE TO ANY OTHER PERSON AND MAY NOT BE

REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE EQUITY SHARES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT.

The Issue and the distribution of the Preliminary Placement Document is being done in reliance upon Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and Section 42 and Section 62 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, each as amended (together, the "**Companies Act**"). The offer of Equity Shares in the Issue should not be construed as an invitation, offer or sale of any securities to the public in India.

The Preliminary Placement Document has not been and will not be registered or filed as a prospectus or a statement in lieu of prospectus with any registrar of companies in India under the Companies Act, and the Preliminary Placement Document should not be considered an offer document under the SEBI ICDR Regulations or any other applicable law. The Preliminary Placement Document has been submitted to the Stock Exchanges. The Preliminary Placement Document has not been, and will not be, reviewed or approved by any regulatory authority in India or abroad, including the Securities and Exchange Board of India, any registrar of companies in India or any stock exchange in India.

NOTHING HEREIN CONSTITUTES AN OFFER OF EQUITY SHARES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

The Preliminary Placement Document is personal to each prospective investor and does not constitute an offer or invitation or solicitation of an offer to the public or to any other person or class of investors.

Confirmation of your Representation: You are accessing the attached Preliminary Placement Document on the basis that you have confirmed your representation, agreement and acknowledgement to the Book Running Lead Managers that: (1) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions and to the extent that you purchase the securities described in the attached Preliminary Placement Document, you will be doing so pursuant to Regulation S; (2) the securities offered hereby have not been registered under the Securities Act; (3) you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto by electronic transmission; (4) you are a "Qualified Institutional Buyer" as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not restricted from participating in the offering under the SEBI ICDR Regulations and other applicable laws and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (5) you are aware that your name will be included in the Placement Document as proposed allottees along with the number of Equity Shares proposed to be Allotted to you and the percentage of your post issue shareholding in the Company and you consent to such disclosure; (6) you are aware that if you, together with any other Qualified Institutional Buyers belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, the Company shall be required to disclose your name, along with the name of such other Allottees and the number of Equity Shares Allotted to you and to such other Allottees, on the website of the Stock Exchanges, and you consent to such disclosure; (7) you are aware that if you are circulated the Preliminary Placement Document or are Allotted any Equity Shares in the Issue, the Company is required to disclose details such as your name, address, PAN, email-id and the number of Equity Shares Allotted along with other relevant information as may be required, to the Registrar of Companies, N.C.T of Delhi and Haryana and you consent to such disclosures; and (8) that you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto and the final placement document for the Issue by electronic transmission.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or the Book Running Lead Managers to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) in the United States or elsewhere. You are reminded that the attached Preliminary Placement Document has been delivered to you on the basis that you are a person into whose possession the attached Preliminary Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Preliminary Placement Document to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or invitation or solicitation in any place where offers, invitations or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and Book Running Lead Manager or any affiliate of the Book Running Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Book Running Lead Managers or such affiliate on behalf of the Company in such jurisdiction. Further, nothing in this electronic transmission constitutes an offer or an invitation or solicitation of an offer or an offer or invitation to the public under the Companies Act, 2013, or any other applicable law, by or on behalf of either the Company or the Book Running Lead Managers to subscribe for or purchase any of the equity shares described in the attached Preliminary Placement Document. The attached Preliminary Placement Document has not been and will not be filed as a prospectus with any registrar of companies in India and is not and should not be construed as an offer document under the SEBI ICDR Regulations or any other applicable law. The attached Preliminary Placement Document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, the Reserve Bank of India, any registrar of companies in India or any stock exchange in India. The attached Preliminary Placement Document is not and should not be construed as an invitation, offer or sale of any securities to the public in India.

The Preliminary Placement Document been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, Book Running Lead Managers or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any of them accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Placement Document distributed to you in electronic format and the hard copy version available to you on request from the Book Running Lead Managers. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature. The attached Preliminary Placement Document is intended only for use by the addressee named herein and may contain legally privileged and / or confidential information. If you are not the intended recipient of the attached Preliminary Placement Document, you are hereby notified that any dissemination, distribution or copying of the attached Preliminary Placement Document is strictly prohibited. If you have received the attached Preliminary Placement Document in error, please immediately notify the sender or the Book Running Lead Managers by reply email and destroy the email received and any printouts of it.

You are reminded that no representation or warranty, expressed or implied, is made or given by or on behalf of any Book Running Lead Managers named herein, nor any person who controls them or any director, officer, employee or agent of them, or affiliate or associate of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any of the equity shares described in the attached pre-numbered Preliminary Placement Document by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) FORWARD, DISTRIBUTE OR DELIVER THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT, ELECTRONICALLY OR OTHERWISE, OR DISCLOSE THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON OR (2) REPRODUCE IN WHOLE OR PART THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISSEMINATION, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY

WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Preliminary Placement Document attached hereto.

This Preliminary Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations on a private placement basis and no offer is being made through this Preliminary Placement Document to the public or any other categories of investors. This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The information in this Preliminary Placement Document is not complete and may be changed.

MRS BECTORS FOOD SPECIALITIES LIMITED

Mrs. Bectors Food Specialities Limited ("**Company**") was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Limited pursuant to a resolution of the shareholders dated December 7, 2001 and a fresh certificate of incorporation dated December 10, 2001 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana, For further details, see "***General Information***" on page 614.

Registered Office:
Theing Road, Phillaur, Jalandhar 144 410, Punjab, India;
Corporate Office: Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61, Gurugram 122 102, Haryana, India
Tel No.: +91 124 4096 300; **Website**: www.bectorfoods.com; **Email**: atul.sud@bectorfoods.com;
Contact Person: Atul Sud, Company Secretary and Compliance Officer;
Corporate Identity Number: L74899PB1995PLC033417

Issue of up to [●] equity shares of face value of ₹10 each ("**Equity Shares**") at a price of ₹ [●] per Equity Share ("**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million ("**Issue**"). For further details, see "***Summary of the Issue***" on page 37.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED ("COMPANIES ACT, 2013").

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on BSE and NSE as on September 4, 2024 were ₹1,591.45 and ₹1,593.20per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from NSE and BSE, each dated September 5, 2024. Our Company shall make applications to the Stock Exchanges to obtain final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 55 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges, RoC or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (*each as defined hereinafter*). This Preliminary Placement Document and the Placement Document relate to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. For further details, please see "***Issue Procedure***" on page 252. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where such offers and sales are made. See "***Selling Restrictions***" on page 268 for information about eligible offerees for the Issue and "***Transfer Restrictions***" on page 276 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Any information on the websites of our Company, our Subsidiaries, our Associate, as applicable, or any other website directly or indirectly linked to such websites, or the websites of the Book Running Lead Managers (*as defined hereinafter*) or of their respective affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Preliminary Placement Document is dated September 5, 2024

BOOK RUNNING LEAD MANAGERS	
ICICI SECURITIES LIMITED	**SBI CAPITAL MARKETS LIMITED**

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains information with respect to us and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to us and the Equity Shares are, in every material respect, true and accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to us and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to us and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as on the date of this Preliminary Placement Document and neither our Company nor the BRLMs have any obligation to update such information to a later date.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. The Book Running Lead Managers have not separately verified all the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or by any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with us or this Issue or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on either the Book Running Lead Managers or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and its Subsidiaries and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as on any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI, the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively.

Subscribers and purchasers of the Equity Shares offered in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in the sections "***Representations by Investors***" and "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 4, 268 and 276, respectively, of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted by applicable laws in certain countries or jurisdictions. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see "***Selling Restrictions***" on page 268.

In making an investment decision, prospective investors must rely on their own examination of our Company, its Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document or the Placement Document as legal, tax, accounting or investment advice and should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each Bidder, investor, subscriber or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Company nor the Book Running Lead Managers undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of the Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading

Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The information available on or through our Company's website (www.bectorfoods.com), or any website directly or indirectly linked to the website of our Company, Subsidiaries or the respective websites of the Book Running Lead Managers, or their respective affiliates, does not constitute or forms part of this Preliminary Placement Document and prospective investors should not rely on the information contained in or available through any such websites. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively.

Any information on the websites of our Company and its Subsidiaries, as applicable, or any other website directly or indirectly linked to such websites, or the websites of the Book Running Lead Managers or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such website for investment in this Issue.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective Bidders in the Issue. By Bidding and/ or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 268 and 276, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries which is not set forth in this Preliminary Placement Document;

2. You are a 'Qualified Institutional Buyer' as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations/making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

3. You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable laws, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws, in connection with the Issue;

5. You acknowledge that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis;

6. You will provide the information as required under the Companies Act, 2013, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and other applicable regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act, 2013 and other applicable laws;

7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges.

8. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. For more information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively;

9. You are outside the United States and are purchasing the Equity Shares in an 'offshore transaction' as defined in and in reliance with Regulation S, and in compliance with laws of all jurisdictions applicable to you, and you are not our Company's or the LM's affiliate or a person acting on behalf of such an affiliate;

10. You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276 respectively;

11. You are aware that this Preliminary Placement Document and the Placement Document have not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by SEBI, RBI, Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed, and the Placement Document shall be filed with the Stock Exchanges for record purposes only and will be displayed on the websites of our Company and the Stock Exchanges;

12. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents, approvals and authorizations, governmental and otherwise, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honor such obligations;

13. You are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares, as applicable;

14. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity in relation to you;

15. All statements other than statements of historical fact included in this Preliminary Placement Document, including, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. Neither our Company, nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

16. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than the Eligible QIBs, and the Allotment of the same shall be on a discretionary basis i.e. at the discretion of our Company in consultation with the Book Running Lead Managers;

17. You have made, or been deemed to have made, as applicable, the representations, warranties,

acknowledgments and undertakings as set out in this section and under sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively and you warrant that you will comply with such representations, warranties, acknowledgements and undertakings;

18. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including in particular the "***Risk Factors***" on page 55;

19. In making your investment decision, you have (i) relied on your own examination of our Company and its Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and continue to make your own assessment of our Company, its Subsidiaries and the terms of the Issue, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company, its Subsidiaries and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

20. Neither our Company nor the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on our Company, the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against us, either of the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

21. You are a sophisticated and informed investor and have such knowledge and experience in financial, investment and business matters as to be capable of evaluating the merits and risks of investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, associates agents or affiliates, for all or part of any such loss or losses that may be suffered, in connection with the Issue, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

22. If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

23. You are not a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

24. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding

any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

25. You will have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

26. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

27. You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

28. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable laws;

29. The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

30. Your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    i. Eligible QIBs 'belonging to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, among an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

    ii. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

31. You are aware that after Allotment, final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

32. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

33. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

34. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

35. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

36. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

37. You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures being made by our Company;

38. You are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

39. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you may have obtained or received;

40. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach or alleged breach of any representations and warranties by our Company, whether to you or otherwise;

41. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

42. Any dispute arising in connection with the Issue will be governed and construed in accordance with the laws of the Republic of India, and the courts in Mumbai, India only, shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document;

43. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company (i.e. up to 100% under the automatic route) on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis; and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall

divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

44. You confirm you are eligible to invest and hold Equity shares of our Company and that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (where in each case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, read along with the Press Note no. 3 (2020 series), dated April 17, 2020 issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;

45. You are aware that no offer or invitation of any securities can be made to a body corporate incorporated in, or a national of, a country which shares a land border with India, unless such body corporate or the national, as the case may be, has obtained Government approval under the FEMA Rules and attached the same with the Application Form;

46. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a Successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Managers;

47. You confirm that, either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company Presentations**") with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company Presentations; (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such meetings or Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

48. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and commencement of trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach or alleged breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

49. You acknowledge that our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company and are irrevocable. You agree that the terms and provisions of the foregoing representations, warranties, acknowledgements and undertakings, shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Book Running Lead Managers and our Company, their respective permitted assigns, and the terms and provisions hereof shall be binding on our permitted assigns and permitted transferees.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, Eligible FPIs (including affiliates of the Book Running Lead Managers) who are registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, such P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors ("**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying Indian company.

Further, in accordance with the Consolidated FDI Policy, read along with the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, or investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and does not constitute any obligations of or claims on the Book Running Lead Managers.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures from the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether

P-Notes are issued in compliance with applicable laws and regulations. Please also see the "*Selling Restrictions*" and "*Transfer Restrictions*" on the pages 268 and 276 respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or

2. warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Associate, our Promoters, our management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient' 'investor(s)' 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to 'Bectors, the 'Company', 'our Company', the 'Issuer' are to Mrs. Bectors Food Specialties Limited, on a standalone basis, and references to 'we', 'our' or 'us' are to Mrs. Bectors Food Specialties Limited, together with its Subsidiaries on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to:

- "Rupee(s)", "Rs." Or "₹" or "INR" are to Indian Rupees, the legal currency of the Republic of India;
- "US$", "U.S. Dollar", "USD" or "U.S. Dollars" are to United States Dollars, the legal currency of the United States of America;
- "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable;
- the 'US' or 'U.S.' or the 'United States' or the 'U.S.A' are to the United States of America and its territories and possessions; and

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in "million" units. One million represents 1,000,000. Our Company reports its financial statements in Indian Rupees.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and other information

The fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular 'Financial Year', 'Fiscal Year' or 'Fiscal' or 'FY' are to the twelve months period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

In this Preliminary Placement Document we have included the following financial statements of our Company prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("**Ind AS**"): (i) Condensed Consolidated Interim Financial Statements June 30, 2024; (ii) Condensed Consolidated Interim Financial Statements June 30, 2023 (iii) Fiscal 2024 Audited Consolidated Financial Statements; (iv) Fiscal 2023 Audited Consolidated Financial Statements; and (v) Fiscal 2022 Audited Consolidated Financial Statements. The Condensed Consolidated Interim Financial Statements June 2024 and Condensed Consolidated Interim Financial Statements June 2023 have been adopted pursuant to the meeting of our Board on August 2, 2024.

The Audited Consolidated Financial Statements should be read along with the respective audit reports thereon, and the Condensed Consolidated Interim Financial Statements should be read along with the review reports thereon. Our Condensed Consolidated Interim Financial Statements are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials.

In accordance with Section 139 of the Companies Act, 2013, BSR & Co. LLP, Chartered Accountants, has been appointed as our Statutory Auditors, pursuant to the Company's AGM held on September 20, 2019, for a period of five years to conduct statutory audit for the Fiscal 2019 to Fiscal 2024. For details, see "***Our Statutory Auditors***" on page 297.

Our Audited Consolidated Financial Statements as at and for Fiscals 2024, 2023 and 2022 have been audited by our Statutory Auditors, on which they have issued audit reports dated May 30, 2024, May 25, 2023, and May 28, 2022, respectively. Our Condensed Consolidated Interim Financial Statements June 2024 and June 2023 has been reviewed by our Statutory Auditors, on which they have issued review reports dated August 2, 2024 respectively.

Non-GAAP Financial Measures

In evaluating our business, we consider and use non-GAAP financial measures such as EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, PAT Margin, Gross Margin and Gross Margin % to review and assess our operating performance. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. Our non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included our non-GAAP financial measures because we believe they are one of the indicative measures of our operating performance and are used by investors and analysts to evaluate companies in the same industry. Our non-GAAP financial measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. These measures should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Consolidated Financial Statements. The basis and methodology used to calculate the EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin PAT Margin, Gross Margin and Gross Margin % is given below.

The following table reconciles a GAAP financial measure a non-GAAP financial measure.

(₹ in million, except percentages)

Sr. No.	Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Revenue from operations (A)	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
2	Cost of materials consumed (B)	2,352.44	1,993.61	8,336.13	7,376.78	5,360.31
3	Purchase of stock-in-trade (C)	91.09	77.47	405.59	237.84	155.85
4	Changes in inventories of finished goods, work-in-progress and stock-in-trade (D)	(158.36)	(85.60)	(80.65)	(73.74)	(4.98)
5	Gross Margin (E = A-B-C-D)	2,108.84	1,756.12	7,578.38	6,080.51	4,370.55
6	Gross Margin (%) (F= E/A)	47.99%	46.94%	46.67%	44.64%	44.23%
7	Profit for the quarter/ year (G)	354.26	348.50	1,403.61	900.74	571.43
8	PAT Margin (%) (H= G/A)	8.06%	9.31%	8.64%	6.61%	5.78%
9	Tax expense (I)	121.06	119.16	479.21	306.29	185.81
10	Finance costs (J)	41.90	18.33	118.39	129.12	70.80
11	Depreciation and amortisation expense (K)	173.37	138.94	613.96	532.77	459.99
12	EBITDA (L = G+I+J+K)	690.59	624.93	2,615.17	1,868.92	1,288.03
13	EBITDA Margin (%) (M = L/A)	15.72%	16.70%	16.10%	13.72%	13.03%
14	Other income (N)	50.23	45.44	190.09	120.23	62.76
15	Share of net profit/ (loss) of associate accounted for using the equity method (net of tax) (O)	0.24	0.01	0.69	(3.35)	0.41
16	Adjusted EBITDA (P = L-N-O)	640.12	579.48	2,424.39	1,752.04	1,224.86
17	Adjusted EBITDA Margin (%) (Q =P/A)	14.57%	15.49%	14.93%	12.86%	12.40%

Notes:

1. *Gross Margin = Revenue from Operations - COGS (cost of materials consumed + purchase of stock-in-trade + changes in inventories of finished goods, work-in-progress and stock-in-trade)*
2. *Gross Margin % = Gross Margin / Revenue from operations*
3. *EBITDA = Earnings before interest, taxes, depreciation and amortisation*

4. EBITDA Margin % = EBITDA / Revenue from operations
5. Adjusted EBITDA = Earnings before interest, taxes, depreciation and amortisation, other income and share of net profit of associate
6. Adjusted EBITDA Margin % = Adjusted EBITDA / Revenue from operations
7. PAT Margin % = (Profit for the quarter/ year) / Revenue from operations

For details, see "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on page 104.

EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin PAT Margin, Gross Margin and Gross Margin % are included as supplemental disclosure as our management considers that they are useful indicators of our operating performance. Derivations of these non-GAAP financial measures are well-recognised performance measurements in the fast moving consumer goods industry that are frequently used by companies, investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry. Our management also considers EBITDA to be useful for evaluating performance of our senior management team. EBITDA Margin is useful in evaluating our operating performance compared to our competitors because its calculation isolates the effects of financing in general, the accounting effects of capital spending and acquisitions and income taxes, which may vary significantly between periods and for different companies for reasons unrelated to overall operating performance. However, because derivations of these measures are not determined in accordance with GAAP, such measures are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, derivations of these measures as presented may not be directly comparable to similarly titled measures presented by other companies.

These non-GAAP financial measures have limitations as an analytical tool. Some of these limitations are: they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for, our working capital needs; they do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and other companies in our industry may calculate PAT Margin, EBITDA and EBITDA Margin, Gross Margin and Gross Margin %, differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, PAT Margin, EBITDA and EBITDA Margin, Gross Margin and Gross Margin % should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

All numerical and financial information as set out and presented in this Preliminary Placement Document, except for the information in the section "***Industry Overview***", for the sake of consistency and convenience have been rounded off or expressed in two decimal place in ₹ million. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and industry publications, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "Industry Report on Biscuit and Bakery Market" dated September 3, 2024, prepared by Technopak Advisors Private Limited ("**Technopak Report**"), which is a report exclusively commissioned and paid for by our Company and prepared by Technopak Advisors Private Limited ("**Technopak**") in connection with the Issue. Technopak is not related in any manner to our Company, our Directors or Key Managerial Personnel or the BRLMs. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Further, information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, neither the accuracy nor completeness of information contained in the Technopak Report is guaranteed. The opinions expressed are not recommendation to buy, sell or hold an instrument. This data is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

While we have taken reasonable care in the reproduction of the information from the Technopak Report , neither we nor the Book Running Lead Managers have independently verified this market and industry data, nor do we or the Book Running Lead Managers make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the Book Running Lead Managers can assure potential Investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled "***Business***", **"*Risk Factors***", "***Management's Discussions and Analysis of Results of Operations and Financial Condition***" and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the Horwath Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors** – **This Preliminary Placement Document contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information***. " on page 77.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'can', 'estimate', 'expect', 'intend', 'likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'seek', 'shall', 'should', 'will', 'would', 'will likely result', 'is likely', 'are likely', 'expected to', 'will continue', 'will achieve' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate.

These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Important factors that could cause our actual results, performance or achievements to differ materially from any of the forward-looking statements include, among others:

- Inability to anticipate, respond to and meet the tastes, preferences or consistent quality requirements of our consumers;
- Restriction on use of our brand name and negative publicity of our products;
- Incurred indebtedness and may incur additional debt in the future;
- Failure in meeting the obligations under such export promotion schemes which we avail;
- Inability to maintain effective system of internal controls and compliance;
- Adverse outcome in legal proceedings may adversely affect our business, reputation, results of operations, financial condition and cash flows;
- Exposed to foreign currency exchange rate fluctuations;
- Risks due to outsourcing of the manufacturing of certain of our products to third-party manufacturers;
- Disruption or shutdown of our manufacturing operations or under-utilisation of our manufacturing facilities; and
- No long term contracts with our QSR customers.

Additional factors that could cause our actual results, performance or achievements to differ materially include but are not limited to, those discussed under the sections titled "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Our Business***" on pages 55, 104, 147 and 208, respectively.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our Company and management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements included herein areas of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document. Our Company and the Book Running Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise in our Company's expectations with regard thereto.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All of our other Directors, Key Managerial Personnel and Senior Management named herein are residents of India. A significant portion of our assets are located in India. As a result, it may be difficult for the investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Sections 13 and 44A respectively, of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud, or (vi) where the judgment sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, Hong Kong and United Arab Emirates, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax in accordance with applicable laws. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information concerning exchange rates between the Indian Rupee and the U.S. dollar (in ₹ per US$), for or as of the end of the periods indicated. The exchange rates are based on the reference rates released by RBI / FBIL which are available on their respective websites. No representation is made that any Indian Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate. No representation is made that the Rupee amounts actually represent such U.S. dollar or could have been or could be converted into U.S. Dollar at the rates indicated, at any other rate, or at all.

(₹ per US$)

Period	Period End(1)	Average(2)	High(3)	Low(4)
Fiscal ended				
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.51	83.20	76.09
March 31, 2022	75.81	74.51	76.92	72.48
Month Ended				
August 31, 2024	83.87	83.90	83.97	83.73
July 31, 2024	83.74	83.59	83.74	83.40
June 30, 2024	83.45	83.47	83.59	83.07
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68

Source: www.rbi.org.in,www.fbil.org.in

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.

(2) Average of the official rate for each Working Day of the relevant period.

(3) Maximum of the official rate for each Working Day of the relevant period.

(4) Minimum of the official rate for each Working Day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Preliminary Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein. The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The terms defined in this Preliminary Placement Document shall have the meaning set out herein, unless specified otherwise in the context thereof, and references to any statute or regulations or policies shall include amendments, rules, guidelines, circulars, clarifications, and notifications issued thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Unless the context otherwise indicates, all references to "**Bectors**", "**the Issuer**", "**the Company**", and "**our Company**", are references to Mrs Bectors Food Specialities Limited, on a standalone basis, a public limited company incorporated in India under the Companies Act, 1956 having its Registered office at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India and Corporate office at Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61,Gurugram 122 102, Haryana, India. Furthermore, unless the context otherwise indicates, all references to the terms "**we**", "**us**" and "**our**" are to our Company ***contains information from third party industry sources*** and our Subsidiaries (*as defined below*) on a consolidated basis.

Notwithstanding the foregoing, terms used in the sections "***Industry Overview***", "***Taxation***", "***Legal Proceedings***" and "***Financial Information***" on pages 147, 287, 292 and 298, respectively, shall have the meaning given to such terms in such sections.

Company related terms

Term	Description
Articles/ Articles of Association/ AoA	Articles of Association of our Company, as amended
Associate	Cremica Agro Foods Limited
Audit Committee	The audit committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Audited Consolidated Financial Statements	Collectively, Fiscal 2024 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements and Fiscal 2022 Audited Consolidated Financial Statements
Auditors/Statutory Auditors	The current statutory auditors of our Company, namely, BSR & Co. LLP, Chartered Accountants
Board/Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Registered Office	Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Corporate Office	Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61,Gurugram 122 102, Haryana, India
Chairman	Ashish Agarwal
Chief Financial Officer	The chief financial officer of our Company, Arnav Jain
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Atul Sud
Compensation, Nomination and Remuneration Committee	The compensation, nomination and remuneration committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Corporate Social Responsibility and ESG Committee	The corporate social responsibility and ESG committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Director(s)	The director(s) on the Board of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each
ESOP Scheme 2017	An employee stock option plan, namely 'Mrs. Bectors Food Specialities Limited - Employee Stock Option Plan 2017'
ESOS Scheme 2023	An employee stock options scheme, namely 'Mrs. Bectors Food Specialities Limited - Employee Stock Option Scheme 2023'
Financial Statements	Together, the Audited Consolidated Financial Statements and Condensed Consolidated Interim Financial Statements
Fiscal 2022 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, Subsidiaries and Associate, which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss

Term	Description
	(including other comprehensive income), the consolidated statement of changes in equity and the 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
Fiscal 2023 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, Subsidiaries and Associate, which comprise the consolidated balance sheet as at March 31, 2023, and 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 for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information
Fiscal 2024 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, Subsidiaries and Associate, which comprise the consolidated balance sheet as at March 31, 2024, and consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information
Fund Raise Committee	The qualified institutions placement committee of our Board, comprising the members being Anoop Bector, Ashish Agarwal and Parveen Kumar Goel.
Independent Director(s)	Independent director(s) on our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Independent Chartered Engineer	Anil Kumar Soni
Independent Chartered Architect	Neena Shah
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, see "***Board of Directors and Senior Management***" on page 233
Chief Executive Officer	The Chief Executive officer of our Company, Manu Talwar
Memorandum/Memorandum of Association/MoA	Memorandum of association of our Company, as amended from time to time
Non-Executive Director	The non-executive directors on our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Promoter	The promoter of our Company in terms of SEBI ICDR Regulations and the Companies Act, 2013
Registrar of Companies/ RoC	The Registrar of Companies, Chandigarh
Risk Management Committee	The risk management committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Senior Management	Members of the senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see "***Board of Directors and Senior Management***" on page 233
Shareholders	The holders of the Equity Shares, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 233
Subsidiaries	Collectively, Bakebest Foods Private Limited, Mrs. Bectors Food International FZE and Mrs. Bectors English Oven Limited
Condensed Consolidated Interim Financial Statements June 2023	The condensed consolidated interim financial statements of our Company, and our Subsidiaries and our Associate, which comprise the condensed consolidated interim balance sheet as at 30 June 2023 and the condensed consolidated interim statement of profit and loss (including other comprehensive income), condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the three months period then ended, including material accounting policies and other explanatory notes
Condensed Consolidated Interim Financial Statements June 2024	The condensed consolidated interim financial statements of our Company, a controlled trust and our Subsidiaries and our Associate, which comprise the condensed consolidated interim balance sheet as at 30 June 2024 and the condensed consolidated interim statement of profit and loss (including other comprehensive income), condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the three months period then ended, including material accounting policies and other explanatory notes

Issue Related Terms

Term	Description
Allocated/ Allocation	Allocation of Equity Shares in connection with the Issue, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue and determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form or such amount transferred/ paid to the Escrow Bank Account, as application, including any revisions thereof
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bidder (s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Issue Closing Date	[●], 2024, the date after which our Company (or the Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Book Running Lead Managers or BRLMs	ICICI Securities Limited and SBI Capital Markets Limited
CAN/ Confirmation of Allocation Note	Note, advice or intimation to Successful Bidders confirming the Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2024
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs which are eligible to participate in this Issue and which are (i) not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws. FVCIs are not permitted to participate in the Issue In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made
Escrow Account	Non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "Mrs Bectors Food Specialities Limited QIP Escrow Account" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited by the Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form
Escrow Agreement	Agreement dated September 5, 2024 entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	ICICI Bank Limited
Floor Price	Floor price of ₹ 1,577.85 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded through a special resolution (passed through postal ballot) dated July 26, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Issue	The offer, issue and Allotment of up to [●] Equity Shares of face value of ₹10 each each at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share,

Term	Description
	aggregating up to ₹ [●] million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Opening Date	September 5, 2024, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ [●], including a premium of ₹ [●] per Equity Share
Issue Size	The aggregate size of the Issue, up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million
Monitoring Agency	ICRA Ratings Limited
Monitoring Agency Agreement	The agreement dated September 5, 2024 entered into between our Company and the Monitoring Agency
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue
Pay-In Date	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
Placement Agreement	Placement agreement dated September 5, 2024, entered into between our Company and the Book Running Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document dated September 5, 2024, issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
QIB/ Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	September 5, 2024 which is the date of the meeting in which the Board or any authorised committee of our Board decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term	Description
AGM/ Annual General Meeting	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I FPI	FPIs who are registered with SEBI as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II FPI	FPIs who are registered with SEBI as "Category II foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate identification number
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013/ Companies Act	Companies Act, 2013 read with the rules, regulations, circulars, clarifications and modifications thereunder

Term	Description
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	Copyright Act, 1957
Civil Procedure Code	The Code of Civil Procedure, 1908
COVID–19	A public health emergency of international concern as declared by World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (*formerly Department of Industrial Policy and Promotion*), GoI
ERP	Enterprise resource planning
EGM	Extraordinary general meeting
ESG	Environment, Social and Governance
FBIL	Financial Benchmark India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Financial Year/Fiscal Year/FY/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
FPIs	A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IMF	International Monetary Fund
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind As Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. or Indian Rupees	Indian Rupee, the official currency of the Republic of India
IoT	Internet of things
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
MoU	Memorandum of understanding
Msf	Million square feet
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NEAT	National Exchange for Automated Trading

Term	Description
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
PML Act	Prevention of Money Laundering Act, 2002, as amended
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rs/Rupees/Indian Rupees/₹	The legal currency of India
SCR (SECC) Regulations	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SDD	System Driven Disclosures
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UPSI	Unpublished price sensitive information
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations

Industry Related Terms

Term	Description
APC	Average Per Customer
Adjusted EBITDA	Earnings before interest, taxes, depreciation and amortisation, other income and share of net profit of associate
Adjusted EBITDA Margin %	Adjusted EBITDA / Revenue from operations
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EBITDA Margin %	EBITDA / Revenue from operations
F&B	Food and Beverage
FAS	Financial Assistance Scheme
FCMG	Fast-Moving Consumer Goods
FSSAI	Food Safety and Standard Authority of India
Gross Margin	Revenue from Operations - COGS (cost of materials consumed + purchase of stock-in-trade + changes in inventories of finished goods, work-in-progress and stock-in-trade)
Gross Margin %	Gross Margin / Revenue from operations
GT	General Trade Stores
HH	Household

Term	Description
MoFPI	Ministry of Food Processing Industries
MSP	Minimum Support Price
MT	Modern Trade Channel
NG	Non-Glucose
PAT Margin %	(Profit for the quarter/ year) / Revenue from operations
PFCE	Private Final Consumption Expenditure
PLISFPI	Production-Linked Incentive Scheme for Food Processing Industries
PMFME	PM Formalization of Micro Food Processing Enterprises
PMKSY	Pradhan Mantri Kisan Sampada Yojana
PPP	Purchasing Power Parity
QSR	Quick Service Restaurant
RTC	Ready to Cook
RTE	Ready to Eat
SKU	Stock Keeping Unit
VIFC	Vertically Integrated Food Companies

SUMMARY OF BUSINESS

Overview

We are one of the leading companies in the branded biscuits division and the premium bakery division in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers, digestives and glucose under our flagship brand '*Mrs. Bector's Cremica*'. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, kulchas, rusk, pizza bases and cakes under our brand '*English Oven*'. We supply our products to retail consumers in 26 states and six union territories within India, as well as to reputed institutional customers with pan-India presence and export to over 70 countries across the world as of June 30, 2024. We are the largest supplier of buns in India to reputed QSR chains such as Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (*Source: Technopak Report*).

Our diversified product portfolio includes two main categories.

Biscuits – We manufacture and sell biscuits, primarily in the premium and mid-premium categories including a wide variety of cookies, creams, crackers, and digestives which accounted for ₹ 5,924.36 million, ₹ 8,073.93 million, ₹ 9,899.38 million, ₹ 2,225.83 million and ₹ 2,728.84 million of our revenue from sale of biscuits or 59.95%, 59.27%, 60.96%, 59.49% and 62.10% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively, and has grown by 22.61% from Fiscal 2023 to Fiscal 2024. Mrs. Bector's Cremica' is one of the leading players in the branded biscuit division with presence across all major categories of the branded biscuit division (*Source: Technopak Report*). In the recent past, we have launched new products such as 'Milkyz', 'Zero Maida Bread', 'Atta Kulcha', 'Millet Cookies' and as of June 30, 2024, our product portfolio for our biscuits category consists of 384 SKUs. We also manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited.

Bakery Products – We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Mumbai, and Bengaluru. The '*English Oven*' brand is one of the few prominent players in the premium plus and branded bakery segment in India with presence across various regions in India. (*Source: Technopak Report*). We also manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens, multiplexes, as well as cafés. We are the largest supplier of buns to Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited and are the sole supplier of burger buns to (*Source: Technopak Report*). Our diversified product portfolio for our bakery division consists of over 150 SKUs. (*Source: Technopak Report*) Our revenue from the sale of bakery products accounted for ₹ 3,390.42 million, ₹ 4,873.20 million, ₹ 5,729.00 million, ₹ 1,354.99 million and ₹ 1,540.12 million or 34.31%, 35.78%, 35.28%, 36.21% and 35.05% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively.

A majority of our products are manufactured in-house at our seven manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan) which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. All our manufacturing facilities for '*English Oven*'products except Rusk are strategically located near target markets to minimize freight and logistics related time and expenses. (*Source: Technopak Report*) We also outsource the manufacturing of certain of our products such as cookies , rusk ,cake and certain quantity of breads to third-party manufacturers. According to the Technopak Report, we are one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. The '*English Oven'* brand has significant presence in North India and our manufacturing facilities have a capacity of producing 1.3 million pieces of buns each day and 11 million loafs a month. (*Source: Technopak Report*). We have received several quality certifications and accreditations, including certification from the FSSC 22000, the U.S. Food and Drugs Administration, British Retail Consortium (BRC) and Sedex Members Ethical Trade Audit (SMETA).

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors*

Cremica' has presence over 550,000 retail outlets. (*Source: Technopak Report*). We are one of the leading exporters of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to over 70 countries as of June 30, 2024, to reputed retail chains, distributors and buying houses.

Our Company was founded by Mrs. Rajni Bector, and our recipes are inspired by the original recipes created by her. Mrs. Rajni Bector has been awarded with the Padma Shri in 2021, the Outstanding Woman Entrepreneur by SIDBI in 2010, the Hall of Fame 2010 by the Human Factor, Woman of Excellence from FICCI, Lifetime Achievement Award by Global Achievers Forum in 2017 and felicitated by the State Bank of India in 2017 for her achievement as an entrepreneur and serving as a role model for the women fraternity. Our Company is promoted by Anoop Bector who has over 25 years of industry experience. He is also the Managing Director of our Company and in addition to his overall supervision of our business operations he also heads our business development and manages relationships with our key institutional customers, distributors and suppliers. Ishaan Bector, our whole time director, heads our breads business under our brand '*English Oven*' and is responsible for the overall supervision, development and expansion of our branded breads and bakery business. Suvir Bector, our whole time director, is responsible for exports business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

We attribute our growth in revenue and profitability in part to our operational efficiency, which we seek to achieve by streamlining our operational activities and through economies of scale. Set forth below are certain key financial information from our business as of and for the periods indicated below:

(₹ in million)

Sl No.		**Three months ended June 30, 2024 (unaudited)**	**Three months ended June 30, 2023 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
1	Revenue from operations	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
2	EBITDA	690.59	624.93	2,615.17	1,868.92	1,288.03
3	Net Profit	354.26	348.50	1,403.61	900.74	571.43

Notes: Net Profit means profit for the quarter/year

Our revenue from operations has grown by 19.22% from Fiscal 2023 to Fiscal 2024. Our EBITDA has grown by 39.93% from ₹ 1,868.92 million in Fiscal 2023 to ₹ 2,615.17 million in Fiscal 2024. Our Net Profit has grown by 55.83% from ₹ 900.74 million in Fiscal 2023 to ₹ 1,403.61 million in Fiscal 2024 respectively.

For details, see "***Presentation of Financial Information and Other Conventions – Non-GAAP Measures***" and "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on pages 14 and 104.

Our Strengths

We believe that we have the following competitive strengths.

One of the leading and prominent home grown brand in biscuits and bakery businesses in North India with an ability to establish brands

We are one of the leading companies in the branded biscuits segment and sell our products under our flagship brand '*Mrs. Bector's Cremica*', according to Technopak Report. In the Fiscal 2023, '*Mrs. Bector's Cremica*' had a market share of 1.4% of the branded biscuits market in India, according to Technopak Report. We believe our customers associate the brand '*Mrs. Bector's Cremica*' with high quality premium and mid-premium biscuits that incorporates quality, taste and value. We focus more on digital marketing initiatives such as mass media, digital and content marketing that compliments our distribution business. We have also started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with various e- commerce platforms in India. We have also appointed Mrs. Kareena Kapoor as our brand ambassador for our brand promotions.

While '*Mrs. Bector's Cremica*' is a flagship and legacy brand for which we have the exclusive right to manufacture and supply biscuits, however, pursuant to a memorandum of understanding dated November 21, 2013, ("**Brand Separation MoU**") entered amongst our Company, Cremica Frozen Foods Limited, Mrs. Bector's Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Ajay Bector and certain members of his family, Akshay Bector and certain members of his family, and our Promoter and certain members of his family, pursuant to such Brand Separation MoU, our Company is also restricted from using the brand '*Mrs. Bector's Cremica*' for any other food business other than our biscuits business. We have developed the brand '*English Oven*' for our bakery products business. We focused on the '*English Oven*' brand for manufacturing and selling our bakery products in the year 2013, in Mumbai through our subsidiary Bakebest Foods Private Limited. We have developed and marketed various kinds of bakery products in savoury and sweet categories under the '*English Oven*' brand. According to Technopak Report, '*English Oven*' is currently one of the fastest growing largescale bakery brands in India and is one of the largest selling brands in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. The diversified product portfolio of our bakery products consists of over 150 SKUs. (*Source: Technopak Report*)

We believe that a strong and recognisable brand is a key strength in our industry, which increases customer confidence and influences purchase decisions. We have developed our recipes and products based on extensive understanding of our key markets for our biscuits and bakery products with a focus on improving the quality standards. We believe that our focus on quality, our product range and effective pricing have enabled us to develop strong brand recognition and consumer loyalty in our key domestic and export markets.

A leading exporter of biscuits

According to the Technopak Report, we are one of the leading exporter of biscuits from India. During Fiscal 2024, we exported biscuits to over 70 countries, across Central America, Europe, North America, East and South Africa, Australasia, the MENA region and Asia to various retailers, distributors and buying houses such as Atlas Global (HK) Limited, Omni Trade Services Limited, Cristosa S.A., and Shoprite Checkers (PTY) Ltd. We export various types of cookies such as danish cookies, choco chip cookies and centre filled cookies, creams, crackers and some glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*'. We also manufacture a wide range of biscuits for international retail chains under their private labels.

We continue to focus on sustainable growth in our export markets. In the Fiscal 2020, due to various reasons including the political unrest, worsening socio-economic conditions and foreign currency restrictions in certain African countries, we reduced exporting our products to these countries. We have moved our focus to developed and emerging markets such as Australasia, Europe, East and South Africa, the MENA region and North America by introducing a wide range of premium products focusing on generating higher margins and are in the process of discontinuing our business in certain African markets.

We have received several quality certifications from including certificate of registration from the U.S. Food and Drug Administration, the British Retail Consortium (BRC) food certification, Sedex Members Ethical Trade Audit (SMETA), Food Safety System certification 22000 and Halal certification for manufacturing biscuits, which helps in the acceptability of our products in developed and quality conscious export markets. We have also obtained certifications from controller of legal metrology for certain of our manufacturing facilities.

Our exports provide us with the flexibility to operate successfully across business cycles, mitigate seasonality risk in the domestic market, and help us in expanding our geographical footprint to global emerging markets. We believe that, our ability to modify the product specification and packaging based on consumer requirements, market trends and develop, produce and sell customised products for each export market has contributed to the growth of our exports. Towards this end, our manufacturing facilities are designed in a manner that they are capable of processing different types of products and packaging with variation in taste and flavors, aligned with the consumer preferences and trend in our target export markets. These factors have facilitated us to penetrate into newer territories such as Asia, Australasia, Europe, MENA region and North America by collaborating with established retailers and distributors.

Established presence in retail and institutional bakery business

'*English Oven*' brand is one of the few prominent players in the premium plus and branded bakery segment in India with presence across various regions in India. (*Source: Technopak Report*) We market and sell our premium bakery products in savoury and sweet categories such as breads, buns, pizza bases, and cakes to our retail customers under our brand '*English Oven*' which has a significant presence in North India with in-house manufacturing capabilities (*Source: Technopak Report*). We focus on manufacturing and offering a wide variety of premium breads and other bakery products in savoury and sweet categories to our customers based on our expansive understanding of the evolving market for bakery products in India. All our manufacturing facilities for '*English Oven*' products except rusk are strategically located near target markets to minimize freight and logistics related time and expenses. (*Source: Technopak Report*).

We are also the largest supplier of buns to reputed QSR chains (*Source: Technopak Report*) and we benefit from our strong association with these customers, including in terms of our adoption of stringent quality controls and industry best practices such as use of premium quality raw materials, which our customers expect of us. We are preferred supplier of burger buns and pan muffins to Hardcastle Restaurants Private Limited (*which owns and operates an established QSR chain in south and west India*). We have also been one of the main suppliers of burger buns to Restaurant Brands Asia Limited, and to Yum! Restaurants (India) Private Limited. According to the Technopak Report, we are one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. The '*English Oven*' brand has significant presence in North India and our manufacturing facilities have a capacity of producing 1.3 million pieces of buns each day and 11 million loafs a month. (*Source: Technopak Report*). Our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility and Bengaluru Manufacturing Facility have dedicated lines for manufacturing buns to serve our QSR customers. We benefit by working closely with our institutional customers, as we are able to incorporate the stringent quality standards and industry best practices required by our customers in our overall manufacturing process, thereby further improving our operational standards and our products.

We constantly focus on increasing the variety of our products for our retail as well as our institutional customers. According to the Technopak Report, '*English Oven*' held a market share of approximately 8.7% in Fiscal 2023 and the revenue from sale of our bakery products to our retail customers under our brand name '*English Oven*' has grown from ₹1,260 million in Fiscal 2023 to ₹1,640 million in Fiscal 2024. We aim to cater to wide variety of retail customers by introducing new niche product variants, which are preferred amongst different age groups.

We believe that we are well positioned to capitalise the growth opportunity in the retail and institutional bakery business by leveraging our dedicated manufacturing facilities, our long-standing relationships with our key institutional customers and creating a variety of product options for our retail customers.

Modern and automated production processes with a focus on quality control

Our production facilities are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We currently manufacture biscuits in our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility. We currently manufacture our breads and other bakery products including buns and frozen products offered to retail consumers as well as our institutional clients, in our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility, Bengaluru Manufacturing Facility and Bhiwadi Manufacturing Facility. In Bhiwadi Manufacturing Facility, we manufacture breads and other bakery products other than our frozen products. Further, we have also started construction for another plant at for manufacturing of biscuits at Dhar, Madhya Pradesh, we have started construction of a new bakery plant in Khopoli and we are endeavoring to set up a new bakery unit at Kolkata as well. In order to ensure that our products meet the desirable quality standards, we currently manufacture most of our products at our own facilities. Our manufacturing facilities are equipped with advanced equipment, modern technology and automated systems. For example, for manufacturing buns and breads, we have imported automated bun and bread lines that help in maintaining superior quality, consistency, productivity and improving cost efficiency. For the bakery business, we have imported hybrid ovens, which provide uniform baking and reduce heat spotting, ensuring uniform quality of each batch of our products. According to the Technopak Report, we are one of the few bun suppliers in India equipped with dedicated modern manufacturing facilities enabling us to undertake large orders for our QSR customers.

We are a quality-focused company and are committed to maintaining stringent quality standards at all steps of the manufacturing cycle, from procurement of the raw material to dispatch of the finished product. We use premium quality raw materials and ingredients in our products. For instance, we have integrated modern technologies in our manufacturing process such as the 'Farinograph', which allows us to ensure using consistent quality of wheat during the manufacturing process. We believe that our focus on ensuring compliance with the stringent quality standards has helped us in establishing and maintaining long-standing relationships with some of our key institutional customers such as Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, Yum! Restaurants (India) Private Limited, Mondelez India Foods Private Limited and Ever Sub India Private Limited.

We have received several quality certifications for our products and production facilities, including certification from Food Safety System (FSSC 22000), Halal certification for manufacturing our biscuits, bread and bun products, certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits. Our Phillaur Manufacturing Facility and Tahliwal Manufacturing Facility have also been audited under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics.

Wide spread and established sales and distribution network

Our extensive sales and distribution network allows us to reach a wide range of consumers and ensures effective penetration of our products and marketing campaigns. Our distribution network is managed by our in- house sales team of over 576 personnel as on June 30, 2024. Our sales and distribution network is strategically spread across different states in North India, and has an especially strong outreach in certain urban and semi urban markets, where we expect growth to be more significant.

We distribute our biscuits across 26 states and six union territories in India, through our widespread network of super-stockists and distributors. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). Our distribution channels include traditional retail, which we define as small, privately-owned independent stores, typically at a single location. Our distribution network team work closely with our super-stockists and distributors to understand consumer preferences, and to receive feedback on our products and that of our competition, which enables us to formulate an effective strategy for sales, marketing and pricing. We use SAS based "*Distribution Management* System" and Salesforce automation application to increase productivity of the super-stockists and distributors by enabling them with access to critical information of sales and products and strategic information about, stock visibility, secondary sales, sales trends at the retail outlet level and SKU level, on a real-time basis which is beneficial for our on ground sales teams. We believe that, our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. Additionally, most of our products are sold through modern trade channels.

We also exported our biscuits to over 70 countries as of June 30, 2024, through our strong global distribution network and our tie-ups with retailers, distributors and buying houses such as Atlas Global (HK) Limited, Omni Trade Services Limited, Cristosa S.A., and Shoprite Checkers (PTY) Ltd.

We sell our bakery products for retail customers under our brand the '*English Oven*' through modern trade, general trade channels and various e-commerce platforms. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). Recently, we have also started selling our products through various e-commerce platforms in India, multiplexes, and cloud kitchens such as Rebel Foods Private Limited.

Experienced promoter and management team

We believe that, the experience and leadership of our Promoter, Anoop Bector, is a key factor in our growth and development. Anoop Bector has extensive experience of over 25 years and industry knowledge and understanding. We believe that Anoop Bector's experience has helped us develop relationships with our vendors for the procurement of raw materials, institutional customers and our dealers and distributors. He also provides strategic guidance to our Company, while also being involved in our day to day functioning of the business. Ishaan Bector, our whole time director, heads our breads business and is responsible for overall supervision, development and expansion of our breads business and has been instrumental in its growth.

Our Board and senior management have an extensive experience and an in-depth understanding of the retail business. Key members of our senior management team including Manu Talwar, Chief Executive Officer, who are dedicated to the growth of our business. We believe that, our management team of qualified and experienced professionals enables us to identify new avenues of growth, and help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. For further details, see "***Board of Directors and Senior Management***" on page 233.

Our Strategies

Focusing on growth in premium and branded biscuits and bakery division to improve margin

Our strategy is to also expand into premium and branded products with higher margins. Currently, we offer various premium, mid-premium branded category of biscuits including cookies, creams, crackers and digestives. According to the Technopak Report, the branded biscuits market was valued at ₹ 526 billion in Fiscal 2024 and is expected to grow at a CAGR of approximately 10.5% to ₹ 867 billion in Fiscal 2029, respectively. We also offer premium category of bakery products, including whole wheat, multigrain and sandwich breads. According to the Technopak Report, the market for breads and buns in India is estimated to grow to ₹ 103 billion by Fiscal 2029 from ₹ 62 billion at Fiscal 2020, estimated to grow at a CAGR of 11% from Fiscal 2024 to Fiscal 2029.

We will continue to expand our product portfolio within the existing product divisions, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to our consumers. We seek to leverage our extensive experience to strengthen our industry position, by developing new products to capitalise on emerging trends. To cater to the growing needs of our millennial customers, we intend to expand our product offerings to include niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, which, we believe, will help us realise higher margins. We have also commissioned two dedicated biscuit lines at our Rajpura (Punjab) Facility in Fiscal 2024 and are in the process of installing two more lines to cater to production of high margin premium products. We believe we can also expand our product portfolio in the biscuits division, by offering a variety of biscuits, which we currently manufacture for the international market without significant additional investments in our existing manufacturing processes or product development processes.

We seek to increase our product margins by focusing on premium and mid premium category of biscuits and our bakery products and reducing the contribution of glucose biscuits in our product portfolio. Further, we seek to increase our margins from the sale of our biscuits in export markets by targeting developed and emerging markets.

For our bakery division, we have introduced new premium products such as sub breads, frozen doughs, pizzas, garlic breads, cheese garlic bun fills, filled snacks, filled puff and frozen cookies. We have installed a line at our Greater Noida Facility to cater to production of high margin products including desserts and frozen products such as frozen pizzas, sandwiches, and cakes, which we have been catering to our institutional customers such as multiplexes, cloud kitchens QSRs as well as retail customers. We also intend to dedicate our Khopoli Facility for manufacturing premium bakery products such as pizza puffs, sub breads, footlong breads, croissants and other premium breads with automated machinery. We believe that our focus on high margin products will provide higher returns and help us in increasing our profitability.

Focus on product development in biscuits and bakery divisions

We believe that continuous product development and expansion of our product portfolio are integral to the growth of our business. We have an experienced in-house research and development team that works on our new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with our marketing and supply chain management teams. Our new product development process is reliant on feedback from our supply chain teams on emerging markets and ethnic taste preferences. We also reply on the understanding of the product preferences from the international markets to further enhance and introduce new products for our domestic customers. We also have an in-house dedicated internal quality control team, which is responsible for ensuring compliance with stringent quality standards prescribed by our institutional customers and ensuring that our products comply with the guidelines issued by governmental and regulatory authorities.

We also seek to increase the capacities of our manufacturing facilities by installing new, automated and product specific equipment such as installation of a cookies manufacturing line sourced from Denmark. We are looking to expand our premium biscuits production in our Rajpura (Punjab) Manufacturing Facility by adding two more dedicated lines for manufacturing biscuits. Further, we have also commissioned two dedicated biscuit lines in our Rajpura (Punjab) Manufacturing Facility and have also commissioned our plant at Bhiwadi, Rajasthan. We are currently in the process of constructing a plant for our biscuit business at Dhar, Madhya Pradesh and a new bakery plant at Khopoli, Maharashtra. We have also added large blast freezing, individual quick freezing and holding freezers and have increased our capacity by installing an automated bread and bun manufacturing line from Germany and United States of America respectively at our Greater Noida Manufacturing Facility. Through commissioning of new technologies, we intend to create a seamless capability to manufacture various bakery and frozen products at some of our manufacturing facilities. We believe that the commissioning of such new technologies will also provide us with the opportunity to capitalise growth opportunities and allow us to serve customers in the casual dining restaurant business segment, the hotel, restaurant and café business segment and institutional customers such as multiplexes, cloud kitchens and retail customers across India.

Expand our product reach in India and globally

While historically we have had a strong presence in North India for our biscuits and bakery products, we intend to leverage our brands and expand our presence in the other regions of India. We seek to expand our product reach geographically by leveraging our already established institutional customer relationships. Our institutional customers include Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, Ever Sub India Private Limited and Yum! Restaurants (India) Private Limited. Over the years, through our consistent focus on maintaining stringent quality standards and expanding our manufacturing capabilities, we believe that, we have expanded our institutional business to become the preferred bun supplier to other reputed multinational QSR chains. We intend to leverage our institutional relationships to further increase our product offerings and sales volume to these institutional customers and their affiliates in India and globally.

We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as South, Central and North America, the MENA region and Australasia. We have set up a new office in Dubai. to strengthen our presence in these markets.

We believe, we can expand our product reach by further enhancing our product portfolio in our existing markets and increasing our distribution network in new domestic as well as international markets.

Expansion of our distribution network through diversification and technology

While we have a strong distribution network in North India, our focus is to establish a pan India presence for our biscuits and bakery divisions by diversifying our distribution network in other regions of India, where we are also setting up adequate infrastructure for such expansion. In North India, we are focusing on expanding our distribution network for increased penetration in metros and foraying into semi-urban and rural markets. We distribute our products through our depots to distributors and super-stockists who further supply our biscuits and bakery products to retailers, wholesalers and sub distributors respectively.

We have increased our distribution through the modern trade channels. We seek to increase our distribution through modern trade channels in other regions in India by introducing our premium products in biscuits and bakery divisions in these regions. We believe we can establish our presence in other regions by leveraging our existing business in modern trade channels where we enjoy strong business relations and collaborating with certain regional players. Further, we target to increase sale of our biscuits and bakery products in the modern trade channels by introducing various offers, increasing visibility of our products, introducing larger and mid-sized packs of our existing high selling products based on buying patterns and regional preferences. We are also collaborating with various e-commerce platforms for sale of our biscuits and bakery products, multiplex chains and cloud kitchens such as Rebel Foods Private Limited to sell our bakery products on a pan India level.

We believe these initiatives will help us expand our distribution in modern trade and general trade channels that will help us grow our overall sales and market share.

Focus on increasing our brand awareness

We seek to continuously allocate significant resources to strengthen '*Mrs. Bector's Cremica*' and '*English Oven*' as one of India's leading biscuit and bakery brands, respectively. We believe that our ability to differentiate our brand and our products from our competitors through our marketing and brand awareness programs is an important factor in attracting consumers.

Our marketing plan comprises advertising in print media, digital, television . We focus on expanding the sales of our biscuits by emphasising on introducing and marketing our premium biscuits, increase our market share in our existing markets by increasing our brand awareness through digital channels and building our visibility in retail stores through in-store branding activities. We plan to also focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with leading e-commerce platforms in India.

We believe that, the scale of our business provides us the ability to increasingly focus on branding and promotion to enhance our visibility, market share and growing needs and preferences of our customers across various channels.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including "***Risk Factors***", "***Use of Proceeds***", "***Issue Procedure***", "***Placement and Lock-up***" and "***Description of the Equity Shares***" on pages 55**,** 87, 252, 267 and 283, respectively.

Issuer	Mrs Bectors Food Specialitites Limited
Face Value	₹ 10 per Equity Share
Issue Size	Aggregating up to ₹ [●] million, comprising [●] Equity Shares of face value of ₹10 each A minimum of 10% of the Issue Size, i.e. at least [●] Equity Shares of face value of ₹10 each, shall be available for Allocation to Mutual Funds only, and the balance [●] Equity Shares of face value of ₹10 each shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs.
Floor Price	₹ 1,577.85 per Equity Share which has been calculated in accordance with Regulation 176 of the Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution dated July 26, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to participate in the Issue and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the applicable laws including the SEBI ICDR Regulations. For further details, see "***Issue Procedure – Eligible QIBs***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 257, 268 and 276, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with our Book Running Lead Managers, at its discretion.
Date of Board Resolution approving the Issue	June 21, 2024
Date of Shareholders' Resolution (through postal ballot) approving the Issue	July 26, 2024
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance of Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and other provisions of the Companies Act, 2013 and Chapter VI of the SEBI ICDR Regulations. For further details, see "***Issue Procedure***" on page 252.
Dividend	For details on dividend, see section "***Dividends***" and "***Description of the Equity Shares***" on pages 103 and 283, respectively.
Taxation	For details on taxation, see "***Taxation***" on page 287
Equity Shares issued and outstanding prior to the Issue	[●] Equity Shares of face value of ₹10 each
Subscribed and paid-up share capital prior to the Issue	₹ [●] (comprising ₹ [●] of the equity share capital
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares of face value of ₹10 each
Listing	Our Company has obtained in-principle approvals from NSE and BSE, each dated September 5, 2024, under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to this Issue.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares, to be issued pursuant to this Issue, after

	the Allotment and the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
Lock-up	For details of the lock-up, see "***Placement and Lock-up***" on page 267
Transferability restrictions	Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. For further details, see, "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 252, 268 and 276, respectively.
Use of proceeds	The gross proceeds of this Issue will aggregate to approximately ₹ [●] million. The Net Proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is expected to be approximately ₹ [●] million. For further details, see "***Use of Proceeds***" on page 87 for additional information regarding the use of Net Proceeds.
Risk Factors	Please see "***Risk Factors***" on page 55 for a discussion of risks you should consider before deciding whether to subscribe to Equity Shares pursuant to this Issue.
Closing Date	The Allotment of the Equity Shares offered pursuant to this Issue is expected to be made on or about [●], 2024.
Status, ranking and Dividend	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of voting rights and dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in Shareholders' meetings on the basis of one vote for every Equity Share held in accordance with the Companies Act, 2013. For further details, see "***Dividends***" and "***Description of the Equity Shares***" on pages 103 and 283, respectively
Security codes for the Equity Shares	**ISIN :** INE495P01012 **BSE Code :** 543253 **NSE Code :** BECTORFOOD

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information and should be read together with the more detailed information contained in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and the Audited Consolidated Financial Statements and Condensed Consolidated Financial Statements included in "***Financial Information***" on pages 104 and 298, respectively.

[*Remainder of the page left blank on purpose*]

Summary of Condensed Consolidated Interim Balance Sheet as at 30, June 2024 and 31 March, 2024 (₹ in million)		
Particulars	**As at 30 June 2024 (Unaudited)**	**As at 31 March 2024 (Audited)**
ASSETS		
Non-current assets		
Property, plant and equipment	5,230.68	4,916.39
Capital work-in-progress	911.39	943.62
Right-of-use assets	311.29	318.93
Goodwill	3.95	3.95
Other intangible assets	1.23	1.33
Equity accounted investment	37.20	36.96
Financial assets		
(i) Other investments	3.72	3.72
(ii) Loans	2.78	2.88
(iii) Other financial assets	279.86	80.60
Non-current tax assets (net)	40.72	40.71
Other non-current assets	647.68	561.02
Total non-current assets	**7,470.50**	**6,910.11**
Current assets		
Inventories	1,271.27	1,036.58
Financial assets		
(i) Investments	-	-
(ii) Trade receivables	1,435.53	1,331.19
(iii) Cash and cash equivalents	279.45	76.37
(iv) Bank balances other than (iii) above	893.21	1,194.68
(v) Loans	6.14	5.66
(vi) Other financial assets	198.85	254.31
Other current assets	278.27	193.95
Total current assets	**4,362.72**	**4,092.74**
Total assets	**11,833.22**	**11,002.85**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	587.77	587.77
Other equity	6,398.55	6,041.06
Total equity	**6,986.32**	**6,628.83**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	1,850.96	1,490.11
(ii) Lease liabilities	177.18	182.71
Provisions	60.83	57.58
Deferred tax liabilities (net)	99.42	95.36
Other non-current liabilities	91.56	100.70
Total non-current liabilities	**2,279.95**	**1,926.46**
Current liabilities		
Financial liabilities		
(i) Borrowings	687.59	755.66
(ii) Lease liabilities	21.20	20.48
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	76.27	93.09
(b) Total outstanding dues of creditors other than micro and small enterprises	1,126.16	973.69
(iv) Other financial liabilities	420.13	400.94
Other current liabilities	149.05	153.30
Provisions	54.06	50.35

Current tax liabilities (net)	32.49	0.05
Total current liabilities	**2,566.95**	**2,447.56**
Total liabilities	**4,846.90**	**4,374.02**
Total equity and liabilities	**11,833.22**	**11,002.85**

Summary of Condensed Consolidated Interim Statement of profit and loss for the quarter ended 30 June 2024

(₹ in million except per share data)

Particular	**For the quarter ended 30 June 2024 (Unaudited)**	**For the quarter ended 30 June 2023 (Unaudited)**
Income		
Revenue from operations	4,394.01	3,741.60
Other income	50.23	45.44
Total income	**4,444.24**	**3,787.04**
Expenses		
Cost of materials consumed	2,352.44	1,993.61
Purchase of stock-in-trade	91.09	77.47
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(158.36)	(85.60)
Employee benefits expense	637.80	492.70
Finance costs	41.90	18.33
Depreciation and amortisation expense	173.37	138.94
Other expenses	830.92	683.94
Total expenses	**3,969.16**	**3,319.39**
Profit before share of equity accounted investees and tax	**475.08**	**467.65**
Share of net profit of associate accounted for using the equity method (net of tax)	0.24	0.01
Profit before tax	**475.32**	**467.66**
Tax expense		
Current tax	116.79	120.48
Deferred tax	4.27	(1.32)
Total tax expense	**121.06**	**119.16**
Profit for the quarter (A)	**354.26**	**348.50**
Other comprehensive income/ (loss)		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(0.88)	(0.20)
Income tax relating to items that will not be reclassified to profit or loss		
Income tax relating to remeasurement of defined benefit plans	0.22	0.05
Items that will be reclassified subsequently to profit or loss		
Exchange difference in translating financial statements of foreign operations	(0.01)	-
Total other comprehensive (loss) for the quarter (B)	**(0.67)**	**(0.15)**
Total comprehensive income for the quarter (A + B)	**353.59**	**348.35**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]		
Basic (not annualised)	6.03	5.93
Diluted (not annualised)	6.03	5.93

Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2024

(₹ in million)

Particular	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	475.32	467.66
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	173.37	138.94
Allowances on trade receivable and other advances	1.41	2.84
Amortisation of government grants	(6.81)	(4.99)
Change in fair value of derivative contracts	(5.58)	(3.42)
Net unrealized foreign exchange loss/ (gain)	1.02	(0.95)
Net profit on sale/write off of property, plant and equipment	(1.22)	(2.21)
Share based payment to employees	3.90	-
Finance costs	41.90	18.33
Interest income	(17.80)	(18.33)
Share of (profit) of equity accounted investment	(0.24)	(0.01)
Operating profit before working capital changes	**665.27**	**597.86**
Movement in working capital:		
Decrease in non current loans	0.10	-
(Increase)/ decrease in current loans	(0.48)	0.44
Decrease in other financial assets	55.54	1.07
Decrease/ (increase) in other non-current assets	0.54	(1.00)
(Increase) in other current assets	(84.32)	(1.51)
(Increase) in inventories	(234.69)	(124.33)
(Increase) in trade receivables	(106.86)	(41.26)
Increase in non current provisions	2.37	8.49
Increase in current provisions	3.71	0.49
(Decrease) in other liabilities	(6.57)	(49.86)
Increase in trade payables	135.65	127.01
Increase in other financial liabilities	20.83	3.72
Cash generated from operations	**451.09**	**521.12**
Income tax paid (net of refund)	(84.36)	(68.56)
Net cash from operating activities (A)	**366.73**	**452.56**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(537.52)	(291.42)
Proceeds from sale of property, plant and equipment	1.30	2.55
Purchase of investments	-	(1.27)
Proceeds from maturity of bank deposits	292.77	103.81
Investments in bank deposits (having original maturity of more than three months)	(184.99)	(263.99)
Interest received	17.73	18.33
Net cash used in investing activities (B)	**(410.71)**	**(431.99)**
C. Cash flows from financing activities		
Proceeds from non-current borrowings	466.64	87.07
Repayments of non-current borrowings	(178.44)	(154.35)
Proceeds of current borrowings (net)	4.58	93.51
Principal payment of lease liabilities	(4.81)	(3.37)
Interest on lease liabilities	(3.90)	(0.97)
Finance costs paid	(37.00)	(17.20)
Net cash generated from financing activities (C)	**247.07**	**4.69**

Net increase in cash and cash equivalents (A+B+C)	**203.09**	**25.26**
Effect of exchange loss on cash and cash equivalents	(0.01)	-
Cash and cash equivalents at the beginning of the quarter	76.37	89.90
Cash and cash equivalents at the end of the quarter	**279.45**	**115.16**
Notes:-		
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	182.38	113.66
- deposits with original maturity of less than three months	95.19	-
Cash on hand	1.88	1.50
	279.45	**115.16**

Summary of Condensed Consolidated Interim Balance Sheet as at 30 June 2023

(₹ in million except per share data)

Particulars	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
ASSETS		
Non-current assets		
Property, plant and equipment	3,981.63	4,075.70
Capital work-in-progress	734.61	487.05
Right-of-use assets	177.94	182.00
Goodwill	3.95	3.95
Other intangible assets	1.08	1.16
Equity accounted investment	36.28	36.27
Financial assets		
(i) Other investments	4.80	4.80
(ii) Other financial assets	248.54	359.07
Non-current tax assets (net)	40.53	40.53
Other non-current assets	216.88	182.19
Total non-current assets	**5,446.24**	**5,372.72**
Current assets		
Inventories	938.79	814.46
Financial assets		
(i) Investments	70.22	68.95
(ii) Trade receivables	942.49	903.34
(iii) Cash and cash equivalents	115.16	89.90
(iv) Bank balances other than (iii) above	933.92	658.61
(v) Loans	4.27	4.71
(vi) Other financial assets	143.22	140.87
Other current assets	261.48	259.97
Total current assets	**3,409.55**	**2,940.81**
Total assets	**8,855.79**	**8,313.53**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	588.17	588.17
Other equity	5,203.36	4,855.01
Total equity	**5,791.53**	**5,443.18**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	971.72	939.91
(ii) Lease liabilities	49.95	51.39
Provisions	61.49	52.80
Deferred tax liabilities (net)	96.78	98.15
Other non-current liabilities	73.53	81.42

Particulars	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Total non-current liabilities	**1,253.47**	**1,223.67**
Current liabilities		
Financial liabilities		
(i) Borrowings	261.41	266.99
(ii) Lease liabilities	9.79	11.72
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	149.92	103.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	751.86	671.23
(iv) Other financial liabilities	160.78	121.63
Other current liabilities	355.60	402.55
Provisions	60.28	59.79
Current tax liabilities (net)	61.15	9.23
Total current liabilities	**1,810.79**	**1,646.68**
Total liabilities	**3,064.26**	**2,870.35**
Total equity and liabilities	**8,855.79**	**8,313.53**

Summary of Condensed Consolidated Interim Statement of profit and loss for the quarter ended 30 June 2023

(₹ in million except per share data)

Particulars	**For the quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
Income		
Revenue from operations	3,741.60	3,007.71
Other income	45.44	18.64
Total income	**3,787.04**	**3,026.35**
Expenses		
Cost of materials consumed	1,993.61	1,667.60
Purchase of stock-in-trade	77.47	36.39
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(85.60)	(13.47)
Employee benefits expense	492.70	368.55
Finance costs	18.33	32.10
Depreciation and amortisation expense	138.94	125.87
Other expenses	683.94	635.80
Total expenses	**3,319.39**	**2,852.84**
Profit before share of equity accounted investees and tax	**467.65**	**173.51**
Share of net profit/ (loss) of associate accounted for using the equity method (net of tax)	0.01	(1.82)
Profit before tax	**467.66**	**171.69**
Tax expense		
Current tax	120.48	45.82
Deferred tax	(1.32)	(1.45)
Total tax expense	**119.16**	**44.37**
Profit for the quarter (A)	**348.50**	**127.32**
Other comprehensive income/ (loss)		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(0.20)	2.71
Income tax relating to items that will not be reclassified to profit or loss		
Income tax relating to remeasurement of defined benefit plans	0.05	(0.68)
Total other comprehensive (loss)/ profit for the quarter (B)	**(0.15)**	**2.03**
Total comprehensive income for the quarter (A + B)	**348.35**	**129.35**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]		
Basic (not annualised)	5.93	2.16
Diluted (not annualised)	5.93	2.16

Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2023

(₹ in million)

Particulars	**For the quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
A. Cash flow from operating activities		
Profit before tax	467.66	171.69
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	138.94	125.87
Allowances on trade receivable and other advances	2.84	4.47
Amortisation of government grants	(4.99)	(5.19)
Change in fair value of derivative contracts	(3.42)	24.11
Net unrealized foreign exchange gain	(0.95)	(10.00)
Net profit on sale/write off of property, plant and equipment	(2.21)	(0.29)
Share based payment to employees	-	0.03
Finance costs	18.33	32.10
Interest income	(18.33)	(7.40)
Share of (profit)/ loss of equity accounted investment	(0.01)	1.82
Operating profit before working capital changes	**597.86**	**337.21**
Movement in working capital:		
Decrease in current loans	0.44	0.22
Decrease in other financial assets	1.07	40.11
(Increase) in other non-current assets	(1.00)	-
(Increase) in other current assets	(1.51)	(258.74)
(Increase)/ decrease in inventories	(124.33)	53.03
(Increase) in trade receivables	(41.26)	(149.37)
Increase in non current provisions	8.49	3.63
Increase in current provisions	0.49	0.27
(Decrease)/ increase in other liabilities	(49.86)	20.16
Increase in trade payables	127.01	213.72
Increase in other financial liabilities	3.72	2.04
Cash generated from operations	**521.12**	**262.28**
Income tax paid (net of refund)	(68.56)	(39.16)
Net cash from operating activities (A)	**452.56**	**223.12**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(291.42)	(116.66)
Proceeds from sale of property, plant and equipment	2.55	1.11
Purchase of investments	(1.27)	-
Proceeds from maturity of bank deposits	103.81	52.83
Investments in bank deposits (having original maturity of more than three months)	(263.99)	(15.34)
Interest received	18.33	6.22
Net cash used in investing activities (B)	**(431.99)**	**(71.84)**
C. Cash flows from financing activities		
Proceeds from non-current borrowings	87.07	7.19
Repayments of non-current borrowings	(154.35)	(149.46)
Proceeds of current borrowings (net)	93.51	119.04

Particulars	For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
Principal payment of lease liabilities	(3.37)	(2.71)
Interest on lease liabilities	(0.97)	(1.07)
Finance costs paid	(17.20)	(31.15)
Net cash generated from/ (used in) financing activities (C)	**4.69**	**(58.16)**
Net increase in cash and cash equivalents (A+B+C)	**25.26**	**93.12**
Cash and cash equivalents at the beginning of the quarter	89.90	324.73
Cash and cash equivalents at the end of the quarter	**115.16**	**417.85**

Summary of consolidated balance sheet information

(₹ in million)

Particulars	As at 31 March 2024 (Audited)	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4,916.39	4,075.70	3,913.66
Capital work-in-progress	943.62	487.05	119.42
Right-of-use assets	318.93	182.00	192.32
Goodwill	3.95	3.95	3.95
Other intangible assets	1.33	1.16	1.62
Equity accounted investment	36.96	36.27	39.62
Financial assets			
(i) Other investments	3.72	4.80	2.60
(ii) Loans	2.88	-	-
(iii) Other financial assets	80.60	359.07	39.11
Non-current tax assets (net)	40.71	40.53	41.32
Other non-current assets	561.02	182.19	109.00
Total non-current assets	**6,910.11**	**5,372.72**	**4,462.62**
Current assets			
Inventories	1,036.58	814.46	786.80
Financial assets			
(i) Investments	-	68.95	64.87
(ii) Trade receivables	1,331.19	903.34	749.65
(iii) Cash and cash equivalents	76.37	89.90	324.73
(iv) Bank balances other than (iii) above	1,194.68	658.61	506.07
(v) Loans	5.66	4.71	4.82
(vi) Other financial assets	254.31	140.87	178.38
Other current assets	193.95	259.97	143.61
Total current assets	**4,092.74**	**2,940.81**	**2,758.93**
Total assets	**11,002.85**	**8,313.53**	**7,221.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	587.77	588.17	588.15
Other equity	6,041.06	4,855.01	4,101.62
Total equity	**6,628.83**	**5,443.18**	**4,689.77**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	1,490.11	939.91	880.28
(ii) Lease liabilities	182.71	51.39	58.76
Provisions	57.58	52.80	65.49
Deferred tax liabilities (net)	95.36	98.15	99.24
Other non-current liabilities	100.70	81.42	85.33
Total non-current liabilities	**1,926.46**	**1,223.67**	**1,189.10**
Current liabilities			
Financial liabilities			
(i) Borrowings	755.66	266.99	405.20
(ii) Lease liabilities	20.48	11.72	11.19
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	93.09	103.54	89.50
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	973.69	671.23	487.32
(iv) Other financial liabilities	400.94	121.63	82.31
Other current liabilities	153.30	402.55	228.83

Particulars	As at 31 March 2024 (Audited)	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
Provisions	50.35	59.79	37.65
Current tax liabilities (net)	0.05	9.23	0.68
Total current liabilities	**2,447.56**	**1,646.68**	**1,342.68**
Total liabilities	**4,374.02**	**2,870.35**	**2,531.78**
Total equity and liabilities	**11,002.85**	**8,313.53**	**7,221.55**

Summary of consolidated statement of profit and loss information

(₹ in million except per share data)

Sr. No.	**Particulars**	**For the year ended 31 March 2024 (Audited)**	**For the year ended 31 March 2023 (Audited)**	**For the year ended 31 March 2022 (Audited)**
1	Revenue from operations	16,239.45	13,621.39	9,881.73
2	Other income	190.09	120.23	62.76
3	**Total Income (1+2)**	**16,429.54**	**13,741.62**	**9,944.49**
4	**Expenses:**			
	a) Cost of materials consumed	8,336.13	7,376.78	5,360.31
	b) Purchase of stock-in-trade	405.59	237.84	155.85
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(80.65)	(73.74)	(4.98)
	d) Employee benefits expense	2,182.38	1,629.92	1,377.72
	e) Finance costs	118.39	129.12	70.80
	f) Depreciation and amortisation expense	613.96	532.77	459.99
	g) Other expenses	2,971.61	2,698.55	1,767.97
	Total expenses	**14,547.41**	**12,531.24**	**9,187.66**
5	**Profit before share of equity accounted investees and tax (3-4)**	**1,882.13**	**1,210.38**	**756.83**
6	Share of net profit/ (loss) of associate accounted for using the equity method (net of tax)	0.69	(3.35)	0.41
7	**Profit before tax (5+6)**	**1,882.82**	**1,207.03**	**757.24**
8	**Tax expense**			
	- Current tax	481.11	307.18	184.13
	- Deferred tax	(1.90)	(0.89)	1.68
	Total tax expense (8)	**479.21**	**306.29**	**185.81**
9	**Profit for the year (7-8)**	**1,403.61**	**900.74**	**571.43**
10	**Other comprehensive Income / (loss)**			
	A. Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of defined benefit plans	(3.53)	(0.82)	10.85
	(ii) Tax relating to remeasurement of defined benefit plans	0.88	0.20	(2.73)
	B. Items that will be reclassified subsequently to profit or loss			
	Exchange difference on translation of foreign operations	0.06	0.07	-
	Total other comprehensive (loss)/ profit for the year	**(2.59)**	**(0.55)**	**8.12**
11	**Total comprehensive Income for the year (9+10)**	**1,401.02**	**900.19**	**579.55**
12	Earnings per equity share			
	(in Rs.):			
	(a) Basic	23.87	15.31	9.72
	(b) Diluted	23.85	15.31	9.72

Consolidated Statement of cash flow information

(₹ in million)

Particulars	For the year ended 31 March 2024 (Audited)	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
A. Cash flow from operating activities			
Profit before tax	1,882.82	1,207.03	757.24
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	613.96	532.77	459.99
Allowances on trade receivable and other advances	9.53	7.68	0.32
Net change in fair value of financial assets at FVTPL	1.08	-	-
Liabilities no longer required written back	(19.42)	-	-
Amortisation of government grants	(23.60)	(19.78)	(19.70)
Change in fair value of derivative contracts	5.62	2.55	(2.16)
Net unrealized foreign exchange (gain)/ loss	(6.53)	2.97	(2.23)
Net profit on sale/write off of property, plant and equipment	(2.93)	(2.75)	(4.73)
Share based payment to employees	2.32	(0.13)	0.43
Finance costs	118.39	129.12	70.80
Interest income	(83.50)	(42.48)	(37.25)
Share of (profit)/ loss of equity accounted investment	(0.69)	3.35	(0.41)
Operating profit before working capital changes	**2,497.05**	**1,820.33**	**1,222.30**
Movement in working capital:			
(Increase) in non current loans	(2.88)	-	-
(Increase)/ decrease in current loans	(0.95)	0.11	(4.82)
(Increase)/ decrease in other financial assets	(139.79)	25.42	71.98
(Increase) in other non-current assets	(1.90)	(0.49)	(0.21)
Decrease/ (increase) in other current assets	65.20	(116.36)	(53.64)
(Increase) in inventories	(222.12)	(27.66)	(217.73)
(Increase) in trade receivables	(430.81)	(163.16)	(28.10)
Increase/ (decrease) in non current provisions	1.25	(13.51)	2.20
Increase in current provisions	5.58	22.14	7.53
(Decrease)/ increase in other liabilities	(256.38)	176.61	40.90
Increase in trade payables	292.01	197.95	4.19
Increase in other financial liabilities	218.34	17.04	9.46
Cash generated from operations	**2,024.60**	**1,938.42**	**1,054.06**
Income tax paid (net of refund)	(490.47)	(297.84)	(211.54)
Net cash generated from operating activities (A)	**1,534.13**	**1,640.58**	**842.52**
B. Cash flows from investing activities			
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(2,151.52)	(1,094.55)	(602.99)
Purchase of intangible assets	(0.53)	-	(1.52)
Proceeds from sale of property, plant and equipment	5.29	11.58	12.03
Purchase of investments	-	(6.28)	(5.76)
Sale of investments	68.95	-	-
Proceeds from maturity of bank deposits	378.00	697.79	238.08
Investments in bank deposits (having original maturity of more than three months)	(619.05)	(1,163.23)	(243.93)
Interest received	83.50	44.96	39.02
Net cash used in investing activities (B)	**(2,235.36)**	**(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
Purchase of treasury shares by Bector Employee Welfare Trust	(41.27)	-	-
Proceeds from non-current borrowings	801.31	243.82	142.09
Repayments of non-current borrowings	(216.01)	(242.39)	(260.06)
Proceeds/ (repayments) of current borrowings (net)	453.57	(80.01)	98.47
Principal payment of lease liabilities	(16.10)	(12.08)	(7.60)

Particulars	For the year ended 31 March 2024 (Audited)	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Interest on lease liabilities	(9.45)	(4.24)	(3.06)
Finance costs paid	(108.10)	(124.31)	(67.42)
Dividend paid (net of dividend received [net of tax] by Bector Employee Welfare Trust)	(176.31)	(146.93)	(214.50)
Net cash generated from/ (used in) financing activities (C)	**687.64**	**(365.75)**	**(300.07)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(13.59)**	**(234.90)**	**(22.62)**
Effect of exchange gain on cash and cash equivalents	0.06	0.07	-
Cash and cash equivalents at the beginning of the year	89.90	324.73	347.35
Cash and cash equivalents at the end of the year	**76.37**	**89.90**	**324.73**
Notes:-			
1. Cash and cash equivalents include			
Balance with banks			
- in current accounts	74.36	88.40	158.61
- deposits with original maturity of less than three months	-	-	164.81
Cash on hand	2.01	1.50	1.31
	76.37	**89.90**	**324.73**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during: (i) Fiscal 2024; (ii) Fiscal 2023; (iii) Fiscal 2022; and (iv) three months ended June 30, 2024 and (v) three months ended June 30, 2023, as per the requirements in accordance with Indian Accounting Standard ("**Ind AS**") notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013, see "***Financial Information – the Condensed Consolidated Interim Financial Statements June 2023***", "***Financial Information – the Condensed Consolidated Interim Financial Statements June 2024***", "***Financial Information – Fiscal 2024 Audited Consolidated Financial Statements - Note 47 – Related Party Disclosures***", "***Financial Information – Fiscal 2023 Audited Consolidated Financial Statements - Note 47 – Related Party Disclosures***" and "***Financial Information – Fiscal 2022 Audited Consolidated Financial Statements - Note 47 – Related Party Disclosures***" on pages 327, 361, 438, 516 and 598.

RISK FACTORS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with the sections titled "**Risk Factors**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 55, 147 and 104, respectively, as well as the financial information included in the section titled "**Financial Information**" on page 298. Unless otherwise stated, the financial information used in this section is derived from our Consolidated Financial Statements. Our Financial Year ends on March 31 of each year, so all references to a particular fiscal or Financial Year are to the twelve-month period ended March 31 of that year. Our actual results of operations may differ materially from those expressed in or implied by these forward-looking statements.*

Unless the context otherwise requires, references to "our Company" are to Mrs Bectors Food Specialities Limited on a standalone basis, while references to "we", "us" or "our" (including in the context of any financial or operational information) are to Mrs Bectors Food Specialities Limited and its Subsidiaries on a consolidated basis

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Biscuit and Bakery Market" dated September 3, 2024, prepared and issued by Technopak ("**Technopak Report**") and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein and in the section "Industry Overview" includes excerpts from the Technopak Report and may have been reordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section "**Industry Overview**". Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. Also, see "**Industry Overview**" on page 147. For further information, see "**Risk Factors – This Preliminary Placement Document contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information**." and "**Industry and Market Data**" on pages 77 and 17, respectively.*

Internal Risk Factors

Risks Relating to our Business

1. ***Our inability to anticipate, respond to and meet the tastes, preferences or consistent quality requirements of our consumers or our inability to accurately predict and successfully adapt to changes in market demand or consumer preference could reduce demand for our products, affect our brand loyalty and impact our sales.***

   Our results of operations and future growth plans, are largely dependent upon the demand for our biscuits and bakery products in the Indian and overseas markets. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences, food consumption trends, the level of consumer confidence as well as on macroeconomic factors such as the condition of the economy. Over a period of time, there have been significant changes in consumers' preferences on biscuits and bakery products in Indian as well as overseas market. There has been a shift towards healthier dietary options in recent times, particularly in the metropolitan and tier-I cities in which we have significant operations. With the increasing awareness of healthy diet practices and various medical conditions associated with such food products, consumers globally have started preferring low calorie products. Further, consumers' view on nutritional profile of gluten free products, may lead to a significant shift from high consumption of our products. Our success depends, on our ability to anticipate the tastes and dietary habits of our consumers and to offer affordable products that appeal to their needs and preferences in a timely manner.

   We are also subject to the preferences of consumers in various countries or regions where our consumers are located, including in relation to the quantity, quality, characteristics and variety of our products. The quality and characteristics of our products are also subject to government policies of various countries where our products are sold, and such government policies may change from time to time. Consumer tastes and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer tastes and preferences, demand for our products may decline and we may also have to incur additional operating expenses. We must, on a regular basis, keep pace with the preferences and quality requirements of our Indian and international consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand may adversely affect our liquidity and financial condition.

2. ***We could be adversely affected due to restriction on use of our brand name and any negative publicity of our products.***

We manufacture and supply biscuits and premium bakery products and our products are sold under our well-recognised brands, *'Mrs. Bector's Cremica'* and '*English Oven*'. We also have a considerable presence in the export market covering 70 countries across the world as of June 30, 2024.

Pursuant to a memorandum of understanding dated November 21, 2013 ("**Brand Separation MoU**") amongst our Company, Cremica Frozen Foods Limited, Mrs. Bector's Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Ajay Bector and certain members of his family, Akshay Bector and certain members of his family, and our Promoter and certain members of his family, our Company is subject to a restriction on our right to use the brand name '*Mrs. Bector's Cremica*' for our biscuits business only. Further, pursuant to a composite scheme of amalgamation and arrangement entered into between our Company, erstwhile Cremica Industries Limited, erstwhile Cremica Milk Specialities Limited, Mrs. Bectors Cremica Enterprises Limited, erstwhile Bector Foods Limited, erstwhile Cremica Foods Limited and Cremica Food Industries Limited, approved by an order of the High Court of Punjab and Haryana dated July 4, 2014 ("**Scheme of Amalgamation and Arrangement**"): (i) the breads business of Cremica Industries Limited was demerged (on a going concern basis) into Mrs. Bectors Cremica Enterprises Limited which is managed by Ajay Bector; (ii) Cremica Industries Limited (after the demerger of its breads business), Bector Foods Limited, Cremica Foods Limited and Cremica Milk Specialities Limited, merged with our Company, with effect from April 1, 2013, which is managed by our Promoter; and (iii) the Condiments Undertaking was demerged (on a going concern basis) into Cremica Foods Industries Limited which is managed by Akshay Bector. Therefore, in the future, if we may enter into new businesses such as condiments business, we shall not be able to sell such products under our brand name '*Mrs. Bector's Cremica*'. As we do not have any right to use the brand for the purposes of marketing any other products that we may foray into in the future, it may require us to invest considerably in establishing our new brands which may not be accepted by our consumers and therefore, may adversely affect our business, financial condition and results of operations. Further, we could not use the brand name '*Mrs. Bector's Cremica*' for sale of our breads to retail customers, and therefore, we developed and sold our breads and bakery products including rusk to retail customers under the brand '*English Oven*'.

Additionally, we may not be able to control any negative publicity on our products due to any negative publicity on other '*Cremica*' products that do not form part of our product portfolio, pursuant to the Scheme of Amalgamation and Arrangement and the Brand Separation MoU.

3. ***We have incurred indebtedness and may incur additional debt in the future, which may expose us to interest rate fluctuations, and restrict our operational flexibility in certain ways.***

The biscuits and bakery products industry is inherently capital intensive and requires significant expenditure. Our ability to borrow, the terms of our borrowings and our cost of borrowing depend on various factors, including our results of operations, financial condition, general market conditions for biscuits and bakery products companies, economic and political conditions in the geographies where we operate, and our capacity to service debt.

As on June 30, 2024, our outstanding total borrowings was ₹ 2,538.55 million. (Total borrowings = non-current borrowings + current borrowings)

Our indebtedness could have several consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our free cash flows to fund working capital, capital expenditures, acquisitions and other requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;

- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;
- there could be an adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Given the nature of our business, we may continue to incur indebtedness even after the completion of the Offer, and we cannot assure you that the aforementioned risks will not have an adverse effect on our business, financial condition and results of operations.

4. ***We currently avail benefits under certain export promotion schemes. Any failure in meeting the obligations under such schemes, may result in adversely affecting our business operations and our financial condition.***

We currently avail benefits under certain export promotion schemes, including Duty Free Import Authorisation scheme ("**DFIA Scheme**") and Export Promotion Capital Goods ("**EPCG**") license. As per the licensing requirement under the said schemes, we are bound by certain export obligations which require us to export goods of a defined amount, failing which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the said schemes along with interest. As of June 30, 2024, differential amount of customs duty payable in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty was ₹ 18.31 million which will be adjusted at the time of the consequent exports as per the required timelines. There are no pending obligations under DFIA Scheme. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business and financial condition.

5. ***There have been instances of non-compliances with certain legislations, if we are unable to establish and maintain effective system of internal controls and compliance, our business may get affected. We have also received an enquiry letter from RBI, any non-compliances in this regard may affect our business and reputation.***

In the past, our controls and compliances for managing our secretarial records have been inadequate as a result of which there have been non-compliances with certain provisions of the Companies Act, 1956, and failure in maintaining certain corporate and regulatory records by our Company. For instance, in the past, we have not complied with the provisions of the Unlisted Public Companies (Preferential Allotment) Rules, 2003, as amended, with respect to three allotments undertaken by us on a preferential basis wherein the explanatory statements did not contain certain disclosures in relation to the shareholding pattern and objects of the issue.

Further, our Company has received a letter dated March 2, 2020 from the RBI seeking certain documents in relation to a stake sale by Cremica Industries Limited and Bector Foods Limited (which were merged into our Company prior to the Scheme of Amalgamation and Arrangement) to Kerry Group BV pursuant to their exit from a joint venture in 2012. In this regard, Company has responded to RBI, subsequently, there have been no further communications by RBI in this regard.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the aforementioned non-compliances and enquires from the RBI as of the date of this Preliminary Placement Document, we cannot assure you that no legal proceedings or regulatory actions will be initiated against us in the future in relation to these non-compliances or enquiries made, which may have an adverse impact on our business, financial condition and reputation.

6. ***There are outstanding legal proceedings involving our Company. Any adverse outcome in such legal proceedings may adversely affect our business, reputation, results of operations, financial condition and cash flows.***

There are certain outstanding legal proceedings involving our Company. These proceedings are pending at different levels of adjudication before various courts. For details of such outstanding proceedings, see "***Legal Proceedings***" on page 292. Such proceedings could divert management time and attention and consume financial resources in their defence or prosecution. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may be required to make payments to third parties or make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that any of these proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. We may also be subject to inspections, investigations and fines in the future, which may affect our business and operations.

7. ***We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations, impact our cash flows and cause our financial results to fluctuate.***

Our financial statements are presented in Indian Rupees. However, our revenues and finance charges are influenced by the currencies of geographies where we sell our products (for example Australasia, East and South Africa, Europe, MENA region, and North America). The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations and cash flows have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period.

We may, therefore, suffer losses on account of foreign currency fluctuations for sale of our products to our international consumers, since we may be able to revise the prices, for foreign currency fluctuations, only on a periodic basis and may not be able to pass on all losses on account of foreign currency fluctuations to our consumers. Further, we import machinery from other countries from time to time and the prices of which will be impacted by the foreign currency exchange rate fluctuations.

While we hedge some of our foreign currency exchange risks from time to time by entering into forward exchange contracts and seek to hedge some of our future transaction by entering into similar transactions, any amount that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations.

8. ***We outsource the manufacturing of certain of our products to third-party manufacturers which presents numerous risks.***

We outsource the manufacturing of certain of our products such as cookies, rusk and certain quantity of bakery items to third-party manufacturers The table below shows total amount paid to such third party manufactures for Fiscals 2022, 2023 and 2024 and June 30, 2024, respectively:

Particulars	June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total amount paid to third party manufacturers (in ₹ million)	91.09	405.59	237.84	155.85
As a % of our total expenses	2.29	2.79	1.90	1.70

While we endeavour to implement strict quality control measures on our third-party manufactures, we do depend on the expertise of such third-party manufacturers and rely on them to provide satisfactory products. This kind of arrangement presents numerous risks, including the following:

- insufficient quality controls or failures in the quality controls of our third party manufacturers;
- interruptions to the operations of our third-party manufacturers due to strikes, lockouts, work stoppages or other forms of labour unrest, breakdown or failure of equipment as well as accidents;
- failure by our third-party manufacturers to comply with applicable law and the directives of relevant governmental authorities;
- significant adverse changes in the financial or business conditions of our third party manufacturers; and
- inability to deliver products on schedule time;

There has been no past instance where our operations were affected by any of the above-mentioned risks, we cannot assure you that we will be successful in continuing to receive uninterrupted services from our third-party manufacturers.

9. ***A disruption or shutdown of our manufacturing operations or under-utilisation of our manufacturing facilities or our failure to commission our new facilities successfully or a shortage or non-availability of fuel, electricity, or water could have an adverse effect on our business, financial condition and results of operations.***

Our business is highly dependent upon our ability to manage our seven manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan). Our manufacturing facilities are subject to operational risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant Government authorities. Our business is dependent upon our ability to manage our manufacturing facilities effectively, which are subject to various operating risks, including those beyond our control. We also depend on heavy and expensive machinery for manufacture of our products and any breakdown in the machinery may lead to halt in our manufacturing process thus adversely affecting our business and results of operations. Although we have not experienced any material malfunction or delay in the past which would have materially impacted our financial performance, any significant malfunction or breakdown of our machinery may entail high repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. Our capacity utilisation is also affected by the product requirements by our distributors, suppliers and our institutional customers. Under-utilisation of our manufacturing capacities over extended periods, or significant under-utilisation in the short term, could materially and adversely impact our business, growth prospects and future financial performance.

We may also face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations. Further, several of the raw materials that we require, are perishable products and consequently, any malfunction or break-down of our machinery or equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials.

We cannot assure you that there will not be any significant disruptions in our operations or disruptions in commissioning of new manufacturing facilities in the future. Although we employ routine safety procedures in the operations of our facilities and maintain what we consider to be adequate insurance, there is a risk that an accident may occur in any of our facilities in the future. An accident may result in destruction of property or equipment, environmental damage, production or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. For example in the year 2017, a legal proceeding had been initiated by Naresh Kumar, an ex-workman of our Company, in the Court of Civil Judge, Senior Division, Himachal Pradesh, exercising powers under the Employees' Compensation Act, 1923 seeking compensation of ₹ 1.00 million with an interest of 12% per annum for termination of employment and non-payment of compensation for the injuries sustained during the course of employment at our Tahliwal Manufacturing Facility. We cannot assure that, the costs to defend any such future action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may not have a negative effect on our business, financial condition and results of operations.

Our operations also require a significant amount and continuous supply of electricity, fuel, and water and any shortage or non-availability of such utilities may adversely affect our operations. We also require substantial electricity for our manufacturing facilities, most of which is sourced from local utilities, supported by diesel generator sets installed at our facilities. We had installed a solar power generation plant having capacity of 224.6 KWP at Greater Noida Manufacturing Facility, Phillaur and Rajpura Facility and Tahliwal Facility. However, we largely depend on non-renewable sources of energy for supply of electricity to our manufacturing facilities. Further, our raw materials and our products, being perishable in nature, are required to be stored at specific temperatures, supported by continuous supply of electricity and if supply of electricity is not available for any reason, we will need to rely on alternative sources, which may not consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. If for any reason such electricity is not available, including for expansion of our facilities, we may need to shut down our facilities until any adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

We currently source our water requirements from state and municipal corporations and local body water supply, and water tankers and depend on state electricity boards and private suppliers for our energy requirements. Although we have diesel generators to meet exigencies at certain of our manufacturing facilities, we cannot assure you that our manufacturing facilities will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, financial condition and results of operations.

10. ***We do not have any long term contracts with our QSR customers and any disruption in our business operations with our QSR customers will adversely affect our business, financial condition and results of operations.***

We manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens, multiplexes, as well as certain hotels, restaurants and cafés. We supply our buns to various international QSR chains in India. However, we do not have any long term supply agreements with any of our QSR customers. The supply of our products to such QSR customers is typically contingent on demand arising on a day to day basis which is subject to fluctuation. We cannot assure that we will receive repeat orders from our QSR customers in the future. Further, absence of any contractual exclusivity with respect to our business arrangements with such QSR customers poses a threat on our ability to be able to continue to supply our products to these QSR customers in the future. Additionally, any change in preference of supplier by these QSR customers due to any existing peer or entry of any new peer may have a material adverse effect on our business, financial condition and results of operations.

Our business may also be significantly affected if there are any temporary or permanent closure of operations of such QSR customers in India or diversification of their products which are not supplied by us.

11. ***We have contingent liabilities disclosed and not provided for as on June 30, 2024, and profitability may be adversely affected if any of these contingent liabilities materialise.***

As of June 30, 2024, our contingent liabilities as per Condensed Consolidated Interim Financial ***Notes to Condensed Consolidated Interim Financial Statements*** on page 358, that have not been provided for were as follows:

(In ₹ million)

Particulars of contingent liabilities	As of June 30, 2024
1. Income Tax related matters	32.41
2. Sales Tax related matters	4.83
3. Civil matters	9.10
4. Differential amount of Customs Duty payable in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty	18.31
5. Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government which represents three times of duty saved. Duty will be payable in case of domestic sale of capital goods	156.14

Particulars of contingent liabilities	As of June 30, 2024
6. Impact of bonus due to retrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judice in similar case	10.48
Total	**231.27**

We cannot assure that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. In the event, or to the extent, that any of our contingent liabilities is realised, it could have an adverse effect on our business, financial condition and results of operations.

12. Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our reputation, business, results of operation and our financial performance.

The estimations on demands of our products are typically based on our projections, inventory levels at our distribution networks, our understanding of the anticipation of consumption and spending by our consumers. In relation to delivery of our breads, burger buns and other bakery products to our QSR customers, we rely on orders placed by our QSR customers on a daily basis. If we overestimate demand for our products, we may face difficulty on storage of such products due to lower shelf life and complications with respect to storage of perishable products. Further, if we are unable to provide our products to our consumers due to any disruptions of our manufacturing facilities or shortage of raw materials, we may incur the risk of losing certain of our valuable consumers. While we closely monitor our inventory requirements for our biscuits and bakery products in a weekly basis, we may be exposed to various risks including the aforementioned risks. While we have faced certain interruptions during COVID-19, in order to avoid near term loss of customers, we have ensured inventory for a period 15-20 days, to ensure that the supply of our raw materials are not impacted. All of these factors could adversely affect our reputation, business, results of operation and our financial performance.

13. We have in the past and may in the future be exposed to losses from exporting biscuits to certain countries which may adversely affect our business, financial condition and results of operations.

We exported our biscuits to our customers in 70 countries across the world as of June 30, 2024. However, supply disruptions caused by the conflict in the Red Sea, leading to rerouting of shipments through Africa, have impacted our exports. While we attempt to reduce our exposure to such export markets and have focused to increase our exports to more developed and politically and economically more stable countries, we cannot assure you that political and economic instability will not arise in any of the countries we export to in future and such development will not adversely affect our business prospects and results of operations.

We have started focusing on generating higher margins shifting away from volume driven sales. While we have moved our focus to developed and certain emerging markets such as Asia, Australasia, Europe, MENA region and North America and reduced our business in certain African countries, we cannot assure you that we will not face similar issues in the current Fiscal or in the future, which could have an adverse effect on our business, financial condition and results of operations.

14. Certain properties occupied by us are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition and results of operations may be adversely affected.

We own the land upon which our registered office is located, as well as certain land at Phillaur, (Punjab), Ludhiana (Punjab), Rajpura (Punjab) and Raigad (Maharashtra). We have also obtained leasehold rights over our Corporate Office located at Gurugram, Haryana, Tahliwal in Himachal Pradesh, Dhar in Madhya Pradesh and Bhiwadi in Rajasthan. With respect to our Corporate Office located at Gurugram, we have entered into a lease deed for a period of nine years commencing from July 31, 2021 with Bikman Consulting Private Limited for ₹ 0.52 million per month consideration. With respect to property at Greater Noida in Uttar Pradesh, we have entered into a lease deed for a period of 77 years commencing from January 13, 2014 with Cremica Agro Foods Limited for a one time consideration. With respect to property at Tahliwal (Himachal Pradesh), we have entered into a lease deed with the Governor of Himachal Pradesh for a period of 95 years commencing from February 6, 2010 for a one time consideration. With respect to property at Bengaluru (Karnataka), we have entered into a lease deed with an individual party for a period of three years commencing from December 1, 2023, for consideration to be paid on a monthly basis. With respect to property at Dhar (Madhya Pradesh), we have entered into a lease deed for a period of 99 years commencing from February 12, 2018, with the Governor of Madhya Pradesh for a one time consideration, an annual lease rent, development charges and annual maintenance charges. With respect to property at Bhiwadi (Rajasthan), we have entered into a lease deed for a period of ten years commencing from November 30, 2022 for ₹ 1.11 million consideration per month.

We cannot assure that the local stamp authorities will not claim additional payment on stamp duty on our lease deeds for our corporate office and facility premises. For instance, CAFL is involved in a dispute with revenue authorities of the state of Uttar Pradesh with respect to stamp duty payable in respect of our lease with the Greater Noida Industrial Development Authority. While the property in relation to which the stamp duty has been levied, has been transferred from CAFL to our Company, however, the petition has been continued in the name of the Petitioner.An instrument deemed to be not duly stamped, or insufficiently stamped, shall not be admissible as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have an adverse effect on the continuance of our operations.

15. ***We are subject to labour laws and other industry standards and our operations could be adversely affected by strikes, work stoppages or increase in wage demands.***

Our biscuit and bakery products manufacturing activities are labour intensive and require our management to undertake significant labour interface and expose us to the risk of industrial action. We are subject to a number of labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution, removal of employees and legislation that imposes financial obligations on employers upon retrenchment. In the past, we have been subject to certain strikes, lockouts and work stoppage at our facility located at Tahliwal (Himachal Pradesh) and it lasted for a few hours and since then there have been no other incidents of strikes and lockouts. Subsequently, we have constituted a special committee comprising members from both the management and workers to ensure representation and prevent any unrest or the subsequent strikes and lockouts. We cannot assure that we will not experience any disruptions to our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands in the future, which may adversely affect our business.

Further, any disputes between our contractors and their employees, or our contractors' failure to satisfy regulatory obligations towards their workers, where we are registered as the principal employer, may also result in disruptions in our operations, or in increased compliance costs for us, which may also adversely affect our ability to complete a undertake our manufacturing activities in a timely manner.

16. ***Tax incentives and tax credits currently available to us could be modified or repealed in the future, which could adversely affect our business and prospects.***

The tax related laws that are applicable to us include the Income Tax Act, 1961 (the "**Income Tax Act**"), the Customs Act, 1962 and various rules and notifications issued by taxation authorities. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) and certain tax incentives under these statutes are applicable to our Company.

We cannot assure that any tax incentives availed of by our Company currently or historically will continue in the future or that such tax credits shall continue to be available to us in the future, to the same extent, or at all, or that any such deductions, if claimed by us, will necessarily be upheld and not challenged or denied by the relevant tax authorities.

17. ***We may not be able to successfully grow our premium biscuits and bakery divisions, which may result in an adverse impact on our business prospects and results of operations.***

As part of our growth strategy, we seek to expand into premium products with higher margins. Factors such as competition, ability of our customers to buy our premium products may impact our ability to grow our market share for premium products. Our current strategy is to gain market share by introducing premium products with higher margins, however, there can be no assurance that we will be able to continue to successfully implement our strategy.

Further, the process of launching premium products requires that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. Since, we are targeting direct sales to the end consumer with our products, we will be required to undertake significant expenses for marketing our products and brand building. We may experience difficulties that could delay or hinder the successful development, introduction and marketing of our premium products in biscuits and bakery division. We can give no assurance that we will be able to achieve the business performance, growth and profitability which we expect from our relatively new product categories and sub- categories. Further, our premium products may not generate sufficient demands in the market, which may result in an adverse effect on our business, results of operations and financial condition.

18. We may be affected due to seasonality in sale of our products in the future.

Typically, there is an increase in sale of our products during the festive seasons in India which is the third quarter of a Fiscal. The sale of our biscuits and bakery products during this season is usually for the purpose of gifting of these products by our consumers. While we aim to introduce new products and attractive packaging which appeal our consumer base during festive seasons, we cannot assure that it will lead to growth in our sales and revenues in the future which may have a material adverse impact on our business, financial condition and results of operation.

19. Our business and prospects may be adversely affected if we are unable to maintain and grow our brand image.

We are one of the leading companies in the branded biscuits division and the premium bakery division in North India, according to the Technopak Report. We supply our products to retail consumers in 26 states and six union territories within India, as well as to reputed institutional customers with pan-India presence and export to over 70 countries across the world as of June 30, 2024. We are the largest supplier of buns in India to reputed QSR chains such as Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (*Source: Technopak Report*). Maintaining and enhancing the recognition and reputation of our brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintain and enhance our brands, including maintaining or improving consumer satisfaction and the popularity of our products and increasing brand awareness through various brand building initiatives such as advertising mediums, including television, newspapers. In particular, when we launch new products and if any of those products do not meet standards for quality and taste or consumers' subjective expectations or preference, our brand reputation and the sales of our biscuits and bakery products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, our business may be adversely affected.

We constantly seek to develop our product base in terms of quality of our products through our dedicated research and development team which enables us to introduce new products based on our consumer demands and preferences. While we seek to identify such trends in the industry and introduce new products, we cannot assure that our products would gain consumer acceptance or we will be able to successfully compete in these new product divisions. The aforesaid factors may adversely affect our business, prospects and brand image.

20. Any contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.

We are subject to various contamination related risks which typically affect the biscuits and bakery industry, including risks posed by the following:

- product tampering;
- low shelf life of certain of our products;
- ineffective storage of finished goods as well as raw materials;
- product labelling errors;
- non-maintenance of high food safety standards;
- contamination of our products during processing; and
- wastage of certain products during transportation.

The risk of contamination or deterioration of our products exists at each stage of the life-cycle of our products such as sourcing of raw materials, production and delivery of the final products. Sourcing, storage and delivery of the raw materials poses significant risk in relation to contamination and deterioration in quality. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products by our super stockists, distributors and retailers until final consumption by consumers are also subject to such contamination and deterioration risks. While we follow stringent quality control processes and quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies, and though we have, in the past, not materially suffered due to any of the aforementioned, we cannot assure that our products will not be contaminated or suffer deterioration in the future.

Our manufacturing facilities for certain product categories are located in close proximity to the delivery locations. However, the finished products are primarily transferred on a 'free on board – destination' basis to distributors and super stockists. We cannot assure that contamination and deterioration of our products or raw materials will not occur during the transportation, and distribution due to ineffective storage facilities or any other reasons including factors unknown to us or beyond our control. If our products or raw materials are found to be amongst others, spoilt, contaminated, adulterated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse medical condition or other damage resulting from consumption of such products by consumers which we may not be able to fully recover from our suppliers or insurance coverages. We may be also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 ("**FSS Act**") along with relevant rules and regulations. Though, we have not been subject to such incidents in the past, however, we may be subject to such an event in the future, which may have a material adverse effect on our reputation, business and financial condition.

21. Concerns over nutritional values of our products may reduce demand for our products or increase the cost of our products.

Health groups and consumers are increasingly linking consumption of certain food products including certain categories of biscuits and bakery products with obesity, diabetes, tooth decay, cardiovascular disease, high cholesterol and hypertension, particularly child obesity, high cholesterol and hypertension in adults. We consider this to be a serious business concern. Children, being a more impressionable set of consumers, are inclined to develop a certain preference for consumption of such biscuits and bakery products and thus, are comparatively more exposed to the aforementioned health risks. Categorisation of our products as 'unhealthy' may adversely affect our sales. Changes in the marketing and advertising regulatory environment for these unhealthy products may affect our turnover. Further, compulsory nutrition labelling and criteria specified for nutritional and health claims and advertisements as required under Food Safety and Standards (Advertising and Claims) Regulations, 2018, the pressure for simplifying the current system of nutrition labelling, and the need to review or develop policies on marketing and advertising with reference to children may reduce demand for our products or increase the cost of our products.

22. Inadequate or interrupted supply, seasonality, price fluctuation and adulteration of our raw materials could adversely affect our business, results of operations and financial condition.

The quality of our products is highly dependent on our ability to source quality raw materials. Our primary raw materials for production of biscuits and bakery products are wheat flour, sugar, and oil and fats. The cost of material consumed, purchase of stock-in-trade, and changes in inventories of finished goods, work-in-progress and stock-in-trade constituted 55.77 %, 55.36 %, 53.33% and 52.01 % of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2024, respectively. The unavailability of these raw materials can be caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, pandemic, seasonality of the raw materials, inflation, governmental regulations and policies and price volatility which are beyond our control. Given the nature of these raw materials, the raw materials are also subject to adulteration despite our quality control measures in procurement and storage. We cannot assure you that we will be able to source our raw materials in adequate quantity and quality or at all, or at a reasonable price in the future.

Further, we issue purchase orders for purchase of our raw materials based on our anticipated requirements. We do not have any long terms contracts with fixed inventory requirements and consideration in this regard. Absence of such long term contracts exposes us to the price volatility of raw materials. In case of unexpected increase in the prices of any of the raw materials, the increase in the selling price of the finished products may not be in proportion to the increase in raw material price, which may adversely affect our sales, cash flow and our overall profitability. If a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or cost increases.

23. ***Our inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities may adversely affect our business, financial condition and results of operations.***

Our operations are subject to a broad range of health, safety and environmental laws and regulations, which affect our day-to-day operations, and violations of these laws and regulations can result in fines or penalties, which may adversely affect our business, financial condition and results of operations. For instance, the provisions of the FSS Act along with relevant rules and regulations are applicable to us and our products, which sets forth requirements relating to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution of food products. Contravention of the requirement to obtain a license or carrying a business without obtaining a license under the FSS Act is punishable with imprisonment for a period of up to six months and fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements.

We are also subject to laws and Government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981 (the "**Air Act**"), the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our manufacturing. Though, in the past, we have not been subject to any such violations, in the future, if we fail to meet environmental requirements, we may be subject to administrative, civil and criminal proceedings by Government entities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations.

Additionally, we export our products to various overseas markets including Australasia, East and South Africa, Europe, MENA region, and North America. In the overseas market, maintaining certain standards are customarily expected and compliance with food safety laws of relevant jurisdictions is required and our inability to maintain such standards and non-compliance of jurisdictional food safety laws may impact our business, financial condition and results of operations.

We cannot assure that such non-compliance will not occur and regulatory actions including injunction orders will not be passed against us. Though we have not been involved in any such litigation or proceeding in the past, we may become involved in any such litigation or proceedings relating to food safety or environmental matters in the future, which could divert management time and attention, and consume financial resources in such legal proceedings or cause operational delays or result in a shutdown of our manufacturing facilities. We cannot assure that we will be successful in all, or any, of such proceedings. Further, the loss or shutdown of our operations over an extended period of time, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

24. ***If we are unable to successfully expand our business operations through our manufacturing facilities, increased capacity utilisation and supply our products to various regions of India, our business, financial condition and results of operation may be adversely affected.***

We manufacture and sell a range of biscuits and bakery products primarily catering to retail consumers around the North India and certain institutional customers on a pan-India basis. Our biscuits are currently manufactured in our manufacturing facilities located in Phillaur, Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacture our bakery products including breads and buns in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan), for details, see "***Our Business – Our Manufacturing Facilities***" on page 223. Given that these biscuit manufacturing facilities are all located in North India, we are currently restricted to selling our biscuits in these states. Significant high transportation costs associated with distribution of such products to farther destinations preclude us from a pan-India business network for our biscuit products.

We manufacture our bakery products in savoury and sweet categories such as breads, buns, pizza bases, frozen doughs and pizzas, cakes, cookies and cupcakes in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan). As these bakery products are inherently perishable in nature, having a shelf life of around three to four days, we may not be able to transport these products over longer distances.

We also manufacture sub breads, pizzas, garlic breads, cheese garlic bun fills, frozen cookies with the aim of supplying these products to our institutional customers such as cloud kitchens, multiplex, cafés. We have also commissioned two dedicated biscuit lines at our Rajpura (Punjab) Facility in Fiscal 2024 and are in the process of installing two more lines to cater to production of high margin premium products. Further, we have also commissioned our bakery plant at Bhiwadi, Rajasthan. We are currently in the process of constructing a plant for our biscuit business at Dhar, Madhya Pradesh and a new bakery plant at Khopoli, Maharashtra. We also intend to expand our distribution network to deepen our penetration in existing markets and to expand our presence in under-penetrated markets.

However, we cannot assure that we will be successful in expanding our business operations through these new manufacturing facilities and increased capacity utilisation. We may not also be able to find suitable distributors for expanding our distribution network in various regions to sell our products in the future as well. Further, we will be unable to implement our growth strategy, unless we expand our business operations and grow our distribution network. Therefore, if we are not able to expand our business network to various other regions beyond North India, it may adversely affect our business, financial condition and results of operations.

25. We may be affected due to adverse outcome of certain legal proceedings in relation to cases under FSS Act with respect to products belonging to our erstwhile customer for whom we undertake contract manufacturing.

We have received three notices from certain food safety officers under FSS Act which is in relation to mis-branding of samples of certain products which belong to our erstwhile customers for whom we undertake contract manufacturing of biscuits. Since, the products which are subject matter of the aforementioned notices belong to our erstwhile customer, the legal proceedings with respect to the aforementioned notices are being pursued by our erstwhile customer and we do not have any further details in relation to the current status of these matters. An adverse outcome against us in any of these proceedings could have an adverse effect on our business, financial condition and results of operations. For details, see "***Legal Proceedings – Actions taken by statutory/regulatory authorities involving our Company***" on page 293.

26. Our working capital requirements would not be met if we experience insufficient cash flows which may have an adverse effect on our business, financial condition and results of operations.

The working capital requirement for our business is met through a combination of internal accruals, short term borrowings. In many cases, working capital is required to finance the procurement of raw materials, labour and the upkeep of our manufacturing facilities before payments are received from consumers Our working capital requirements in Fiscals 2022, 2023, 2024 and three months ended June 30, 2024, respectively, were ₹ 959.63 million, ₹ 943.03 million, ₹1,300.99 million and ₹1,504.37 million, respectively and our holding days for working capital Fiscals 2022, 2023, 2024 and three months ended June 30, 2024, were 35 days, 25 days, 29 days and 32 days, respectively. We may be subject to various working capital risks due to delays or defaults in payment by consumers, bad debts, etc. which may restrict our ability to procure raw materials and make payments when due.

We extend credit terms to certain of our first time domestic as well as export distributors and customers and those distributors and customers pay us a specified percentage of the price of our products as an advance at the time of placing the order and the remaining amount is payable in subsequent intervals. Inability of these distributors and customers to meet our payment schedules or any delay or non-receipt of payment from such distributors and customers, which may result in loss and an increase in our working capital cycle and have an adverse effect on our business, financial condition and results of operations.

Due to various factors, including certain extraneous factors such as changes in interest rates, other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms, or at all, which may have an adverse effect on our business, financial condition and results of operations.

27. The loss of certain independent certification and accreditation of our products and the manufacturing practices that we have adopted could impact our business.

We rely on independent certification of our products and must comply with the requirements of independent organisations or certification authorities including a certification from the US Food and Drug Administration under the Federal Food Drug and Cosmetic Act, as amended, the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits, registration certificate from from Jamiat Ulama-I-Hind Halal Trust for manufacturing of our biscuits and cookies in compliance with Halal requirements. Company also received Food Safety System Certification 22000 from UK AS Management Systems for manufacturing (pre-mixing, mixing, moulding, baking, cooling, sandwiching) of biscuits and cookies, manufacturing of fresh and frozen (bread, pizza base and bun) and processing of vaccum packed fresh raw vegetable for market and institutional and an audit under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics for our Phillaur Manufacturing Facility. We could lose the certifications and accreditations for certain of our products, if we are not able to adhere to the quality standards and specifications required under such certifications and accreditations. The loss of any independent certification and manufacturing practices, may lead to loss of significant customers for our products which could have a material adverse effect on our reputation, business, financial condition and results of operations.

28. Our revenue significantly depends on the sale of our biscuits and any decline in the sale of our biscuits in the market would have a material adverse effect on our business, financial condition and results of operation.

In Fiscals 2022, 2023, 2024 and three months ended June 30, 2024, our revenue from sale of biscuits in India and globally excluding contract manufacturing, contributed towards 59.95%, 59.27%, 60.96 % and 62.10% of our revenues from operations, respectively. We will depend on the sale of our biscuits for a majority of our income in the near future. Therefore, factors such as change in consumer preference for biscuits and the increasing sales of other substitute products in the market may have an adverse impact on our total income. We cannot assure that we will be able to maintain the sale of our biscuits in the future which will have a positive impact on our total income. In addition to our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility are dedicated for manufacturing of our biscuits. If the consumer preference for our biscuits decline or sale of other substitute products increase in the future or sale of our biscuits fall due to any reason, we may experience significant loss including cost involved for establishing and maintaining these manufacturing facilities which in turn will lead to lower revenues and gross and operating margins resulting in to material adverse effect on our business financial condition and results of operation.

29. Our inability to expand or effectively manage our growing super stockist and distribution network or any disruptions in our supply or distribution infrastructure may have an adverse effect on our business, financial condition and results of operations.

We rely largely on third party distributors and super stockists to sell our products to retailers who place our products in the market. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). Our ability to expand and grow our product reach significantly depends on our ability to influence the market that we cater to and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions. We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their distributors and super stockists with more favourable arrangements. If the terms offered to such super stockists by our competitors are more favourable than those offered by us, super stockists may decline to distribute our products and terminate their arrangements with us.

We cannot assure you that we will not lose any of our super stockists or distributors to our competitors, which could cause us to lose some or all of our favourable arrangements with such super stockists and distributors and may result in the termination of our relationships with other super stockists and distributors.

Further, if our super stockists are not able to maintain a strong network of distributors, our products may not attain as much reach as our competitors' in the market and we may lose our market share. We may not also be able to find suitable super stockists to expand our distribution network in various regions to sell our products in the future as well We may be unable to engage alternative super stockists or our super stockists may be unable to engage alternative distributors in a timely fashion, or at all, which may lead to decline in the sales of our products and adversely affect our business, financial condition and results of operations.

30. We largely rely on third-party transportation providers for both procurement of our raw material and distribution of our products. Any failure by any of our transportation providers to deliver our raw material or our products on time, or in good condition, or at all, may adversely affect our business, financial condition and results of operations.

We depend on various forms of transport to either receive raw materials required for our products or to deliver finished products to our consumers. However, we typically use third-party transportation providers for all of our product distribution and raw materials procurement with respect to our biscuits. This makes us highly dependent on various intermediaries such as international and domestic transportation companies, container freight station operators and shipping lines. Further, we undertake our export activities from the Mundra Port, (Gujarat), and Nhavasheva Port (Maharashtra) to which our products are transferred through railways from Ludhiana (Punjab) or directly from our facilities to the respective ports and thereafter exported. Therefore, we heavily depend on the functioning of these ports, the railway network and road infrastructure from Ludhiana (Punjab).

Factors like disruption of transportation services due to weather-related problems, global factors such as disruptions of transportation to overseas destinations through Red Sea, strikes, accidents, or as a result of COVID-19 lockdown etc., inadequacies in the transportation infrastructure, or any such other reasons could impair the ability of our suppliers to deliver raw materials to us and our ability to deliver our processed products to our consumers in a timely manner. Our raw materials and finished products may be lost, damaged or subject to spoilage and contamination due to improper handling, negligence, transport strike or accidents or any other *force majeure* events which may not be within our control. According to the Technopak Report, we may be subject to various risks in relation to packaged food products due to lack of modern retail infrastructure. We cannot assure you that we will not experience disruptions in our operations or have an adverse impact on the quality of our biscuits and bakery products and delay in supplying our products due to any such reasons in the future. We currently transport our burger buns to various QSRs on a pan-India basis either through our own transportation services or third party transportation service providers associated with such QSRs. These products are temperature sensitive and therefore should be transferred through specific vehicles such as reefer vans. Though we maintain high standards for transportation of these burger buns, however, we cannot assure that these products will not be spoilt during transit due exposure to moisture, sunlight, etc. As a result, in the event there is any disruption in the supply or any adverse impact on the quality of our raw material and final products, performance of our business, financial condition and results of operations may be adversely affected.

We also use our own transportation services for the purpose of transporting our breads and other bakery products to our consumers. The transportation of our bakery products is critical for us as they have to be transported in particular vehicles which should be thermal proof so that the bakery products maintain a set temperature. The bakery products should be transported at a particular time to avoid any damage to the products due to weather conditions. Therefore, we may not at all times, be able to successfully transfer these products without any damages and any delay or disruptions in supplying these products may cause adverse effect on our financial conditions and results of operation.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we currently receive from the third-party transportation providers, as we do not enter into any contractual terms with them, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers may not carry adequate insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our transit insurance policy, or marine insurance policy. We cannot assure that we will receive compensation for any such claims in full amount in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition and results of operations.

31. Our Statutory Auditors have included remarks on consolidated financial statements for Fiscal 2024 and also under Companies (Auditor's Report) Order, 2020 for Fiscal 2024, 2023 and 2022.

Our Statutory Auditors have included remarks in their audit report on consolidated financial statements for Fiscal 2024 and under Companies (Auditor's Report) Order, 2020 for Fiscal 2024, 2023 and 2022. The auditors report for the Fiscal 2024 under 'other legal and regulatory requirement' section of our financial statements indicated that in respect of software used by our Company and our Subsidiaries for maintenance of books of accounts, the feature for recording audit trail (edit log) facility was not enabled (including for direct changes to database when using certain access rights). Our Statutory Auditors also had remarks under Companies (Auditor's Report) Order, 2020 for Fiscal 2024, 2023 and 2022. If similar remarks are included in the audit reports for our financial statements in the future, the trading price of our Equity Shares may be adversely affected. See, "***Legal Proceedings – Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks***" on page 295.

32. In the past, one of our group companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange, OTC Exchange of India and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past.

One of our group companies, CAFL was earlier listed on the OTC Exchange of India ("**OTCEI**"). During such period, CAFL received notices with respect to certain non-compliances such as non-submission of annual reports of CAFL for a period of five years, non-submission of details of its annual general meetings, its board meetings, shareholding patterns for various periods, non-submission of secretarial audit reports for certain periods and, non-appointment of a compliance officer etc. CAFL, by way of its application dated January 20, 2013 filed on February 12, 2013, sought for compounding of such offences. Further, SEBI had derecognised OTCEI by way of its order dated March 31, 2015 and accordingly, CAFL, a company listed on the OTCEI, was identified as an exclusively listed company of a de-recognised stock exchange and was placed on the dissemination board pursuant to the SEBI circular dated October 10, 2016 ("**SEBI 2016 Circular**"). Pursuant to being placed on the dissemination board, a notice dated March 28, 2018 and letter dated April 9, 2018 were issued by BSE which alleged CAFL had failed to submit its plan of action under SEBI 2016 Circular which required CAFL to either provide an exit option to its public shareholders or indication to meet the listing requirements within the prescribed timelines in compliance with the SEBI 2016 Circular to the BSE. Accordingly, certain actions were initiated against CAFL as well as the directors and promoters of CAFL which included our Promoter, Anoop Bector. CAFL by way of its letters dated February 8. 2017 and April 4, 2018, intimated to BSE about the intention of listing its shares with the Metropolitan Stock Exchange of India Limited ("**MSEIL**"). Therefore, on July 16, 2018, on listing of securities of CAFL and admission for trading on the MSEIL, CAFL complied with the requirements of the SEBI 2016 Circular, subsequent to which, the name of CAFL was removed from the dissemination board by BSE as communicated by BSE pursuant to its letter dated July 20, 2018 (ref no. DCS/DB/VK/REMOV/657/2018-19).

We cannot assure that, in the future, no legal proceedings or regulatory action will be initiated against our Company, our Promoter or CAFL in this regard, which may have an adverse impact on our business, financial condition and reputation. We cannot assure that we will not be subject to any penalty or liabilities with respect to such non-compliances in the future.

33. If we are unable to effectively implement our business and growth strategies regarding expansion of our product portfolio, our growth, business, financial condition and results of operations may be adversely affected.

Our future success will depend on our ability to effectively implement our business and growth strategies, including our strategy to further expand our product reach in India and globally, and also expand our product portfolio within the existing product divisions, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to our consumers. We also aim to expand our premium and mid-premium biscuits product portfolio and premium bakery products portfolio for our retail as well as institutional customers by offering niche biscuit and bakery products such health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants, pizza puffs, foot long breads, various kinds of desserts, and frozen products which will help us realise higher margins.

We also intend to further expand our procurement volumes to increase cost efficiencies and improve quality of raw materials procured. Our strategy is to diversify into products with domestic and international demand potential and higher margins. These will involve a significant increase in our expenditure, as we focus on penetrating the Indian and overseas markets.

As we expand our product portfolio, we may encounter regulatory, personnel, technological, logistics and other difficulties that may increase our expenses, delay commencement of commercial production or expansion of our distribution network, or require us to comply with applicable regulatory requirements. We may also find it difficult to find consumers willing to pay for our new products in the premium price range. However, we cannot guarantee that we will find adequate consumers as well as suitable distribution network required for supplying our frozen products to various hotel chains, QSRs, cafés on a pan-India basis.

We cannot assure that we will be able to implement our business strategies in a timely manner or at all or that we will meet the expectations of our consumers and other stakeholders. Our business and growth strategies in relation to expansion of our product portfolio will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, implementation of these growth strategies may require us to incur additional indebtedness. We cannot assure that we will be able to implement our proposed expansion in product portfolio, and such failure may materially impact our ability to grow our business and have an adverse effect on our business, financial condition and results of operations. We cannot assure that in the future we will not discontinue production of any of our current products, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of products, which too could have an adverse effect on our growth, business, financial condition and results of operations.

34. Our failure to protect confidential information like our product recipes, pricing or launch information could adversely affect our competitive position.

We intend to keep the recipes of our products confidential. We also keep information in relation to our proposed pricing of any new product, any proposed variation in price or launch of any new product confidential. Any failure to protect such confidential information due to leakage of information may impact our competitive position in the biscuits and bakery products market. The appointment letters issued to our employees who use our recipes to manufacture our biscuits and bakery products, require that all information made known to them be kept strictly confidential. Although we attempt to protect our trade secrets, the appointment letters may not effectively prevent disclosure of our proprietary information and may not provide any adequate remedy in the event of unauthorised disclosure of such information to our competitors. Consequently, such events may adversely affect our competitive position.

35. The emergence of modern trade channels in the form of supermarkets and high end retail outlets may adversely affect our ability to negotiate our distribution agreements, which may have an adverse effect on our results of operation and financial condition.

We sell our products through the general trade as well as the modern trade channels. The modern trade channels for our products include supermarkets in various states across India. These modern trade channels have been established in recent years which in turn has resulted in penetration of large scale organised retail network in India. While we believe that this provides us an opportunity to improve our supply chain efficiencies and increase visibility and sale of our products, it has increased the negotiations on our position as well the position of our products in such stores. We cannot assure you that we will be able to negotiate our position on terms that are favourable to us or that we would be able to expand our distribution network to such supermarkets on a pan India basis. Any inability to negotiate terms favourable to us and expand our base in various regions of India by product sales at these supermarkets, may have an adverse effect on our business, results of operations and financial condition.

36. We may be unable to grow our business in semi urban and rural markets, which may adversely affect our business prospects and results of operation.

One of our future strategies is to expand our product reach to semi urban and urban markets in India. Pursuant to the Technopak Report, companies in the branded segment are increasing their focus on tier II and tier III cities, given the improving infrastructure of retail and distribution and customers' changing buying pattern. While we have a wide spread and established distribution network to cater to our retail and institution consumers and over 900 distributors and 400 super stockists as of June 30, 2024, we may not be able to grow our business in semi urban and rural markets in India in a profitable manner or at all. Poor infrastructure, logistical challenges and low purchasing power of the segment of the population in these markets may prevent us from expanding our presence in these markets. We may not be able to anticipate the general disposal income levels of consumers in these segments and hence may not be able to price our products accordingly and fail to grow our businesses effectively in these markets. This may adversely affect our business prospects and results of operation.

37. A significant portion of our revenue is dependent on our exports to our international consumers. Any failure to fulfil the requirements of our international consumers may adversely affect our revenues, result of operations and financial condition.

We are a leading exporter of biscuits from India, according to Technopak Report. As of June 30, 2024 we exported biscuits under our brand as well as under third party private labels to 70 countries across the world. As a result, our operations are impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- currency exchange controls;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements;
- governmental bans or restrictions;
- maintaining high food safety standard and liabilities arising out of compliance requirements under food safety standards under various geographies;
- risks related to the enforceability of legal agreements and judgments in foreign countries;
- availability of government subsidies or other incentives, that benefit competitors in their local markets that are not available to us;
- competition from local players;
- withdrawal of services by shipping lines to specific countries; and
- loss or damage of goods in transit.

As part of the terms and conditions of certain of our purchase orders, we are subject to conform to standards prescribed by the United States Food and Drug Administration, the United States Department of Agriculture or any other agency with competent jurisdiction. Additionally, in the event we do not comply with specifications prescribed by our consumers, outstanding payments applicable to us may be withheld. If any disputes arising out of any non-compliances under these purchase orders, we may be subject to jurisdictions other than India. We cannot assure that such proceedings, if initiated, will not be determined against us and it may become unfeasible for our Company to manage such litigation or obtain enforcement of awards made in such suits. Decisions in any such proceedings may be adverse to our interests and our failure to successfully defend such claims may have a material adverse effect on our business, financial condition and results of operations. We may also incur significant litigation costs as a result of pursuing any such dispute resolution mechanisms outside India.

As part of our overseas expansion strategy, we seek to increase our presence in our existing export markets as well as expand our geographical footprint in order to access a more diversified consumer base across various geographies. We plan to explore and increase our penetration in select export markets, such as Africa, Middle East and south-east Asia.

While we expect that we will continue to expand into our existing as well as new export markets, we cannot assure that our expansion plans will be realised in a successful manner. To the extent that we are unable to effectively manage our global markets and risks such as the above and in particular, if we implement our strategy to enter into new markets where we do not have local knowledge and resources, we may be unable to grow or maintain our sales and profitability which may have a material adverse impact on our business, financial condition and results of operations.

38. Our inability to adopt new technologies to adhere to our quality product standards could adversely affect our business, results of operations and financial condition.

We focus on our product innovation capabilities through a dedicated research and development team which has enabled us to develop and market new products aligning to evolving consumer preferences. Our innovation and product development is supported by our experienced in-house research and development team that works on our new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with our marketing and supply chain management teams. However, we cannot assure you that in the future, we will be able to successfully make timely and cost effective enhancements and additions to our current research and development team and technological infrastructures. Our industry is subject to significant technological changes with constant introduction of new and enhanced processes, machineries and technologies. In the future, our failure to successfully adapt and implement such technological changes, may increase our costs, which may adversely affect our business, results of operations and financial condition.

39. Failure or any disruption of our information technology systems, may adversely affect our business, results of operations, financial condition and cash flows.

We have implemented various information technology ("**IT**") that cover areas of our operations, procurement, inventory, sales and accounting. We rely on our IT systems for the timely execution of our projects. IT systems are potentially vulnerable to damage or disruptions from a variety of sources, including those resulting from natural disasters, power outages, cyber-attacks, failures in third-party-provided services or a range of other hardware, software and network problems, which could result in a material adverse effect on our operations or lead to disclosure of sensitive company information. While there have been no instances in the past of any material disruption to our IT systems, we cannot guarantee that we will not be impacted by a disruption to our IT systems in the future. A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the region or functional area in which the malfunction occurs.

A large-scale IT malfunction or cyber-attacks on our network could pose cybersecurity risks which may result in breaches of confidentiality, availability of the data and/or transactions processed by the information systems (system malfunction, data theft and data destruction). These may result from external (denial of service, hacking, malware) or internal (tampering, breach of data confidentiality) threats. As a result, a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property (including product designs, design software and other trade secrets) or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, results of operations, financial condition and cash flows. As such, the unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and/or enterprise resource planning systems may lead to inefficiency or disruption of our IT systems, thereby adversely affecting our ability to operate efficiently.

Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations. In addition, we may be required to incur significant costs to protect against damage caused by such attacks or disruptions in the future or failure by us to comply with Indian or foreign laws and regulations, including laws and regulations regulating privacy, data protection or information security, which may increase our costs and otherwise materially adversely affect our business, results of operations, financial condition and prospects.

40. ***We are required to obtain licenses and approvals under several legislations including the FSS Act and the relevant rules and regulations, the Factories Act and the S&E Acts under various states. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations.***

We are required to obtain and renew various licenses and approvals under several legislations from time to time including the FSS Act and the relevant rules and regulations, the Factories Act and the S&E Acts under various states. These approvals, licenses, registrations and permits are subject to several conditions and are primarily valid for a specific period. For example, licenses granted the FSS Act for our manufacturing facilities and depots are typically granted for a period of five years and we are required to renew such licenses after such period. However, in some cases, these licenses could have been granted for shorter period as well. These licenses contain certain terms and conditions which are required to be complied with throughout the period of the license.

We cannot assure you that we shall be able to obtain or renew such licenses or be able to continuously meet such conditions specified in such licenses or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant consents/permits/licenses/approvals.

Further, the relevant authorities may also initiate penal actions against us, restrain our operations, impose fines/penalties or initiate legal proceedings for inability to obtain approvals in a timely manner or at all. Any such failure or delay in obtaining such consents, approvals, permits and licenses may affect our ability to continue our operations, which may in turn have an adverse effect on our business, financial condition and results of operations.

41. ***A substantial portion of the Net Proceeds will be utilized for the repayment and/or prepayment of indebtedness availed by our Company.***

As of June 30, 2024, the total outstanding borrowings of our Company on a consolidated basis, is ₹ 2,538.55 million (Total borrowings = non-current borrowings + current borrowings). Some of such borrowings and the accrued interest thereon as provided in "***Use of Proceeds***." on page 87, are proposed to be repaid and/or pre-paid through the Net Proceeds. The borrowings to be prepaid and/or repaid, will be selected based on a range of various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to repay and/or pre-pay the borrowings and time taken to fulfil, or obtain waivers for the fulfilment of, such conditions, (iii) provisions of any laws, rules and regulations governing such borrowings, and (iv) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. Accordingly, the Net Proceeds apportioned for repayment/ prepayment, in full or in part, of certain borrowings availed of by our Company including payment of the interest accrued thereon will not be available for any capital expenditure or creation of tangible assets by our Company.
While such utilization of the Net Proceeds will help reduce our outstanding indebtedness on a consolidated basis and debt servicing costs, we cannot assure you that it will enable utilization of the internal accruals for further investment towards business growth and expansion in an efficient manner. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

42. ***We propose to utilise a portion of the Net Proceeds of the Offer towards capital expenditure by setting up of a new facility at Khopoli and new manufacturing facility at Dhar, Madhya Pradesh which could be subject to delays, cost overruns, and other risks and uncertainties.***

In order to achieve the economies of scale in our operations to enable us to increase our production of our capabilities, we intend to continue to invest in (i) setting up a new manufacturing facility at Plot No. 2, Integrated Industrial Park, Pitampura Industrial Area, Dhar, Madhya Pradesh, India and (ii) financing the project cost towards Khopoli Expansion Project. We have estimated our capital expenditure requirements based on (a) our current business plan, internal management estimates as per our business plan based on current market conditions and valid quotations obtained from various third-party vendors, which are subject to change in the future; (b) certificate dated September 5, 2024 obtained from Anil Kumar Soni, an independent chartered engineer and certificate dated September 5, 2024 obtained from Neena Shah, independent chartered architect obtained in relation to the Khopoli Expansion Project and Madhya Pradesh Project. Our expansion plans and business growth require significant capital expenditure and the dedicated attention of our management. Further, our ability to set up manufacturing unit will depend on a variety of factors including but not limited to, receipt of relevant approvals, availability of sufficient skilled employee and labour base, and timely procurement of land, machinery and other related infrastructure. Any delay or our inability to increase our production capabilities may restrict our ability to expand our presence across India.

43. We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets.

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Our accounts receivable, inventories, certain machinery and equipment are subject to charges created in favour of specific secured lenders. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for events or actions including the following:

- any change in shareholding of our Promoter;
- any change in the capital structure of our Company;
- any additional borrowings;
- any encumbrance or security over charged assets;
- change in the ownership or control of our Company, resulting in any change in the beneficial ownership;
- any material change in the management of our Company;
- any scheme of merger, amalgamation, compromise or reconstruction;
- any change in the constitutional documents of our Company;
- pre-paying any indebtedness incurred by our Company;
- declaring any dividend on share capital of the Company, if our Company has failed to meet its obligations to pay the interest and/or commission and/or installment or installments and/or other moneys payable to the lender, so long as it is in such default;
- selling, assigning, mortgaging or otherwise disposing of any of the fixed assets charged to the lender;
- undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
- undertake guarantee obligations on behalf of any third party or any other company;
- any contractual obligation of a long-term nature or affecting our Company financially to a significant extent; and
- any change to the general nature of the business of the Company.

In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios.

We have obtained a rating of CRISIL AA-positive on long term facilities and CRISIL A1+ on short term facilities on our financing facilities from CRISIL on August 8, 2024 and ICRA A- on long term facilities and ICRA A1+ on short term facilities on our financing facilities from ICRA on July 20, 2023. Although we have stable credit rating with respect to our facilities currently, any future downgrading of the credit rating of our Company or our Subsidiaries by CRISIL or any other credit rating agency below a specified grade or any adverse comment from our Statutory Auditors or the statutory auditors of such Subsidiaries may qualify as an event of default under the relevant financing agreements of our Company or our Subsidiaries. Pursuant to the provisions of certain loan facilities availed of by our Company, the lenders are entitled to call notice requiring the borrower to repay (either in full or in part) the amount outstanding on any particular day. Further, a downgrade of our credit rating may also increase our interest costs.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

44. Our funding requirements and proposed deployment of the proceeds from this Issue are based on management estimates and have not been independently appraised.

We intend to use the Net Proceeds for the purposes described in "***Use of Proceeds***" on page 87. As on the date of this Preliminary Placement Document, our funding requirements, deployment of funds and the intended use of the Net Proceeds are based on our internal management estimates, prevailing market conditions, operating plans and the growth strategies of our Company and other commercial factors and other agreements entered into by our Company, which are subject to change in the future and have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors, such as our financial and market conditions, business and strategy, competition and other external factors such as change in business environment and interest of exchange rate fluctuations, which may not be within the control of our management and obtaining necessary approvals/ consents, as applicable, in accordance with applicable law. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

Investors will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, ICRA has been appointed as the monitoring agency for monitoring the utilization of the Gross Proceeds in accordance with the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Various risks and uncertainties, including those set forth in this section "***Risk Factors***", may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

45. We are dependent on a number of key management personnel, including our senior management and skilled manpower, and the loss of or our inability to attract or retain such persons could adversely affect the efficiency of our operations.

Our performance depends largely on the efforts and abilities of our key management personnel including our senior management and other skilled manpower for our business operations. Our Promoter and Managing Director, Anoop Bector has a track record of over 25 years in our Company. Our key management team comprises qualified, experienced and highly skilled professionals who have experience across various sectors, which helps us in growing our business. For details, see "***Our Business – Employees***" on page 232.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our Company's performance depends largely on the efforts and abilities of these key management personnel including members of management and other employees. Our attrition rate of these key managerial personnel was 35.20%, 33.30%, 30.30% and 20.20% for the Fiscals ended March 31, 2022, 2023 and 2024, and three months ended June 30, 2024, respectively. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on parts of our respective contractors and subcontractors, where we have been the principal employers. Loss of the services of our key management personnel could adversely affect our business, financial condition and results of operations.

46. While certain of our trademarks and copyright used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.

We have registered '*Mrs. Bector's Cremica*' as our trademark for our biscuits and '*English Oven*' for our bakery products under several classes. Pursuant to the Brand Separation MoU, certain trademarks for our biscuits business were transferred to our Company. While 68 trademarks that are currently operational are already registered by us in our name, we made fresh applications with respect to certain of our trademarks. Additionally, we have registered certain of our trademarks outside India. Further, we have 16 copyrights registered with the Registrar of Copyrights and two designs for which we have been granted valid registration certificates under the Designs Act.

In the absence of these trademark, copyright and design registrations, we may not be able to initiate an infringement action against any third party who maybe infringing our trademarks. With respect to our trademarks that have been applied for and/or objected or opposed we cannot assure you that we will be successful in such a challenge nor can we guarantee that eventually our trademark and copyright applications will be approved, which in turn could result in significant monetary loss or prevent us from selling our biscuits and bakery products under these trademarks and copyright. As a result, we may not be able to prevent infringement of our trademarks and copyright and a passing off action may not provide sufficient protection until such time that this registration is granted.

We are also exposed to the risk that other entities may pass off their biscuits and bakery products as ours by imitating our brand name, packaging material and attempting to create counterfeit products. Any such activities may impact the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition.

47. Our insurance coverage may not be adequate to protect us against all material risks. In the event of the occurrence of any unforeseen circumstance, our insurance coverage may not adequately protect us against a possible risk of loss.

We could be held liable for accidents that occur during the course of our operations. In the event of personal injuries, fires or other accidents suffered at our manufacturing facilities or depots by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. We typically maintain standard fire and special perils policy, machinery breakdown policy for our assets and stock of stores and manufacturing facilities and depots to cover risks such as fire and other ancillary perils. We have also obtained insurance for transit of goods for transportation of our products as well as raw materials and we also maintain product liability insurance policy. Further, we have a money insurance policy, marine policy, directors and officer's liability insurance policy, public liability policy, several vehicle insurance policies, a group mediclaim policy and group personal accident policy for our employees.

These insurance policies are generally valid for a year and are renewed annually. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the general risks associated with the operation of our business, we cannot assure you that each claim under the insurance policies maintained by us will be honoured fully or promptly, or that we have taken out sufficient insurance to cover all our potential losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms, and in the event any of such risks materialise, our Company would be required to bear the financial liability (as applicable to it) and accordingly face an adverse effect on our financial position and results of operations. 100% of our fixed assets as of June 30 2024, were insured. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. For further details on insurance arrangements, see "***Our Business – Insurance***" on page 232.

48. We have entered into and may in the future enter into related party transactions and we cannot assure that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. In addition, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. We assure that all related party transactions of our Company shall be conducted in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable law as applicable.

We cannot assure you that such related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations, including as a result of potential conflicts of interest or otherwise. For more information regarding our related party transactions, see "***Related Party Transactions***" and "***Financial Information***" on pages 54 and 298.

49. This Preliminary Placement Document contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information.

This Preliminary Placement Document includes information that is derived from a report dated September 3, 2024 titled "*Industry Report on Biscuit and Bakery Market*" prepared by Technopak Advisors Private Limited (the "**Technopak Report**"), pursuant to an engagement with our Company. We have commissioned this report for the purpose of confirming our understanding of the food processing industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the Technopak Report.

Technopak has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The Technopak Report also highlights certain industry, peer and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely amongst different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Technopak Report assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Preliminary Placement Document. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Technopak has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Technopak Report. Prospective Investors are advised not to unduly rely on the Technopak Report or extracts thereof as included in this Preliminary Placement Document, when making their investment decisions.

50. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Company has adopted a formal policy on dividend distribution pursuant to a resolution of our Board dated July 10, 2018 which was subsequently amended and adopted by the resolution of our Board dated September 19, 2020. In accordance with our dividend policy, our Board shall recommend/declare dividend as per the provisions of Companies Act, 2013. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at an annual general meeting. Our Company shall pay dividend within 30 days of approval of shareholders/declaration by the Board. In the past, we made certain dividend payments to the shareholders of our Company. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For details of dividend paid by our Company in the past, see "***Dividends***" on page 103.

External Risk Factors

51. Recent global economic conditions have been challenging and continue to affect the Indian market which may have an adverse effect on our business and operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Further deterioration in the global economy as a result of global pandemics or epidemics, or fear of spread of contagious diseases, military tensions or acts of terrorism or war or otherwise, or the perception that such deterioration could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could adversely affect our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could materially and adversely affect our business, results of operations, and the price of our Equity Shares.

52. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or offset any increases in costs with increase in prices of our products. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates but it is unclear whether these measures will remain in effect. We cannot assure that Indian inflation levels will not worsen in the future

53. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

54. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

The war in Ukraine has contributed to rising rates of inflation, including in India. In response to the rising rates of inflation, various central banks, including the RBI has increased interest rates, resulting in increased cost of credit. Further deterioration in the global economy because of the Russia-Ukraine conflict, any significant escalation of an existing or new pandemic or otherwise, or the perception that such deterioration or escalation could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. We are dependent on domestic, regional and global economic and market conditions particularly North America and Europe, where most of our revenue from operations is generated. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our solutions may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

55. After this Issue, the price of the Equity Shares may be volatile.

The Issue Price will be determined by our Company in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The price of the Equity Shares on the Stock Exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and the global securities market or prospects for our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us;
- our Company's profitability and performance;
- announcement of significant claims or proceedings against us;
- volatility in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;
- the performance of our Company's competitors;
- adverse media reports about our Company;
- a comparatively less active or illiquid market for the Equity Shares;
- changes in the estimates of our Company's future performance, including financial estimates or recommendations by research analysts or investors;
- significant developments in India's fiscal regulations;
- new laws and regulations that directly or indirectly affect our business; and

- any other political or economic factors.

We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue. As a result, investors may experience a decrease in the value of Equity Shares.

56. An investor's ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document.

No actions have been taken to permit an offering of the Equity Shares offered in the Issue in any jurisdiction. As such, an investor's ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in this Preliminary Placement Document. For details, see "***Selling Restrictions***" on page 268. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For details, see "***Transfer Restrictions***" on page 276. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

57. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.

Our business and financial performance could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. The GoI has notified the Finance Act, 2024 ("**Finance Act**"), which has introduced various amendments to the Income Tax Act. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and 66 regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

The Finance Act, proposes various amendments to taxation laws in India. Any such and future amendments may affect certain benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us.

Furthermore, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. Similarly, the Finance Act, 2020, had notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and exemption from dividend distribution tax ("**DDT**"), in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020. We cannot predict whether any new tax laws or regulations impacting our operations will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

58. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

59. Under Indian law, foreign investors are subject to foreign investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Governmental agency can be obtained on any particular terms or at all.

60. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the stock exchanges, the quantum of gains and any available treaty exemption. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

61. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

62. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Manager or any of their directors and executive officers in India respectively, except by way of a law suit in India.

Our Company is a public limited company incorporated under the laws of India. Most of our Directors, Key Management Personnel and members of Senior Management named herein are residents of India and all of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors to effect service of process on our Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India. In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The manner of recognition and enforcement of foreign judgments in India is dependent on whether the country in which the foreign judgment has been pronounced is a reciprocating territory or not. For details on recognition and enforcement of foreign judgments in India, please see "***Enforcement of Civil Liabilities***" on page 20. A party seeking to enforce a foreign judgment in India may be required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999 to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. Our Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

Further, a party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

63. Anti-takeover provisions under Indian law could prevent or deter an entity from acquiring our Company.

The SEBI Takeover Regulations contain certain provisions that may delay, deter or prevent a future takeover or change in control of our Company. These provisions may discourage a third party from attempting to take control over our Company, even if change in control would result in the purchase of the Equity Shares at a premium to the market price or would otherwise be beneficial to Shareholders.

64. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than across a recognised Indian stock exchange for a period of one year from the date of the issue of the Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in this Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

65. Investors to the Issue are not allowed to withdraw or revise their Bids downwards after the Issue Closing Date.

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, investors in the Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the investors' demat account with the depository participant could take approximately seven (7) days and up to ten (10) days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operation or financial condition of our Company, or other events affecting the investor's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. The investors shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the investor's ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

66. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

67. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by shareholders with significant shareholding or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue Equity Shares or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document assuming Allotment pursuant to the Issue, 58,817,474 Equity Shares have been issued, subscribed and are fully paid up. The face value of our Equity Shares is ₹ 10 per equity share. The Equity Shares are listed and are available for trading on BSE and NSE.

On September 4, 2024, the closing price of the Equity Shares on BSE and NSE were ₹1,591.45and ₹1,593.20per Equity Share, respectively. The tables below set out, for the periods indicated, the high, low and average closing prices and the trading turnover on NSE and BSE for our Equity Shares

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended 2024, 2023 and 2022:

BSE											
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ Mn)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ Mn)**	**Average price for the year (₹)**	**Total Volume of Equity Shares traded in the fiscals**	**Total Turnover of Equity Shares traded in the fiscals (₹ in Mn)**
2022	464.15	July 23, 2021	116,008	53.18	279.00	March 31, 2022	26,177	7.38	385.73	7,818,618	3,107.08
2023	574.20	March 10, 2023	111,053	62.44	245.00	June 20, 2022	29,426	7.52	384.25	8,040,421	2,976.44
2024	1,373.00	November 13, 2023	66,810	88.34	536.85	April 3, 2023	54,397	30.52	981.04	4,525,796	4,270.21

Notes:
1. High, low and average prices are based on the daily high, low and closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

NSE											
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ Mn)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ Mn)**	**Average price for the year (₹)**	**Total Volume of Equity Shares traded in the fiscals**	**Total Turnover of Equity Shares traded in the fiscals (₹ in Mn)**
2022	464.10	July 23 2021	6,16,955	282.98	278.00	31 March 2022	1,53,408	43.27	385.75	5,95,97,781	24,073.67
2023	574.70	March 10 2023	11,94,763	673.51	245.00	20 June 2022	1,01,424	25.54	384.31	7,31,38,335	27,504.96
2024	1,373.95	November 13, 2023	7,14,619	946.97	535.75	3 April 2023	4,39,799	246.05	981.13	5,78,15,150	54,512.59

Notes:
1. High, low and average prices are based on the daily high, low and closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

(ii) **The following tables set forth the reported high, low and average market prices and the trading *volumes* of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:**

BSE											
Month	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ Mn)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ Mn)**	**Average price for the Month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹ in Mn)**
March, 2024	1,124.00	2 March 2024	916	1.01	964.40	14 March 2024	13,217	13.39	1,052.92	1,42,521	150.08
April, 2024	1,315.00	30 April 2024	37,906	48.88	1,030.05	19 April 2024	5,654	5.97	1,138.35	2,77,822	330.34
May, 2024	1,320.00	21 May 2024	2,651	3.43	1,188.10	29 May 2024	6,258	7.62	1,245.12	4,08,470	501.80
June, 2024	1,566.00	20 June 2024	16,705	25.28	1,201.45	4 June 2024	10,942	13.62	1,409.34	3,11,873	443.62
July, 2024	1,490.00	18 July 2024	39,413	57.77	1,359.00	23 July 2024	14,048	19.62	1,415.20	3,27,510	466.57
August, 2024	1,632.35	August 27, 2024	11,396	18.24	1,314.00	August 2, 2024	48,521	65.80	1,459.75	324,127	473.16

Notes:
1. High, low and average prices are based on the daily high, low and closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

NSE											
Month	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ Mn)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ Mn)**	**Average price for the Month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹ in Mn)**
March, 2024	1,122.00	2 March 2024	7,800	8.63	964.30	14 March 2024	2,48,744	251.66	1,053.05	28,36,335	2,958.45
April, 2024	1,314.60	30 April 2024	2,39,705	309.66	1,030.00	19 April 2024	1,71,738	181.85	1,138.21	37,90,394	4,416.67
May, 2024	1,323.00	21 May 2024	1,08,347	140.42	1,188.75	10 May 2024	89,709	108.90	1,246.19	29,93,150	3,740.91
June, 2024	1,565.95	20 June 2024	5,35,097	811.37	1,202.00	4 June 2024	1,51,781	188.86	1,410.29	52,20,595	7,451.95

July, 2024	1,490.60	18 July 2024	5,13,963	753.32	1,360.50	23 July 2024	2,16,608	305.05	1,414.40	33,92,697	4,832.49
August, 2024	1,632.35	August 27, 2024	11,396	18.24	1,314.00	August 2, 2024	48,521	65.80	1,459.75	324,127	473.16

Notes:
1. High, low and average prices are based on the daily high, low and closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(iii) **The following table sets forth the market price on the Stock Exchanges on 24 June, 2024 that is, the first working day following the approval dated 21 June, 2024 of our Board of Directors for the Issue:**

Date	BSE					
	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ Mn)
24-Jun-24	1,464.00	1,474.95	1,408.40	1,417.25	5,918	8.49

Date	NSE					
	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ Mn)
24-Jun-24	1,453.00	1,478.20	1,409.00	1,416.85	1,82,164	260.72

USE OF PROCEEDS

The gross proceeds of the Issue aggregate to ₹ [●] million. Subject to compliance with applicable laws, after deducting fees, commissions and expenses of the Issue of approximately ₹ [●] million, the net proceeds from the Issue are ₹ [●] million ("**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company proposes to utilize the Net Proceeds for (a) repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company; (b) Investment in our Subsidiary, Bakebest Foods Private Limited for financing the project cost towards expansion of the facility at Khopoli, Maharashtra ("**Khopoli Expansion Project**"); (c) financing the project cost towards setting up a new facility at Dhar, Madhya Pradesh ("**Madhya Pradesh Project**"); and (d) general corporate purposes (together, the "**Objects**") as may be permissible under the applicable law and approved by the Board.

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

Sr. No.	Particulars	Amount which will be financed from Net Proceeds[2]	Timeline for utilization of Net Proceeds (Fiscal)
1.	Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company	1,550.00	2026
2.	Investment in our Subsidiary, Bakebest Foods Private Limited for financing the project cost towards Khopoli Expansion Project	1,300.00	2026
3.	Financing the project cost towards Madhya Pradesh Project	200.00	2026
4.	General corporate purposes[1]	[●]	[●]
	Total Net Proceeds	**[●]**	

[1] *To be determined upon finalization of the Issue Price and updated in the Placement Document. The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
[2] *To be determined upon finalization of the Issue Price.*

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause of our Memorandum of Association enables us to undertake the objects contemplated by us in this Issue.

Our fund requirements, deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factors. The fund requirements for the Khopoli Expansion Project and the Madhya Pradesh Project have been certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024 which are subject to change in the future. We currently propose to deploy the entire Net Proceeds by the end of Fiscal 2026. Such fund requirements and deployment of funds have not been appraised by any bank or financial institution. These are based on current market conditions and business needs and are subject to revisions in light of changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, increasing regulations or changes in government policies, which may not be in our control. Further, if the Net Proceeds are not utilized (in full or in part) for the Objects during the period stated above due to factors such as (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

Details of use of proceeds

(a) Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company

We avail fund-based and non-fund-based facilities in the ordinary course of business from various entities, banks and financial institutions. The borrowing arrangements entered into by us include *inter alia* term loans and working capital facilities at our Company as well as at the Subsidiary level. We propose to utilize a portion of the Net Proceeds aggregating to ₹ 1,550.00 million for repayment and / or pre-payment, in full or in part, of certain outstanding long-term borrowings availed by our Company.

To the extent required, our Company has obtained necessary consents from the lenders of these borrowings as per the requirements under the borrowing arrangements. The repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio.

Details of utilization

The details of certain outstanding borrowings availed by our Company proposed for repayment and/or prepayment, in full or in part, from the Net Proceeds are set forth below. However, the Company may choose to repay / pe-pay some or all the loans. Our total outstanding term loans as on August 29, 2024 is ₹ 2,087.46 million. Given the nature of these borrowings and the terms of repayment and/or pre-payment, the aggregate outstanding borrowing amounts may vary from time to time, however the aggregate amount to be utilized from the Net Proceeds towards repayment and/ or pre-payment of the borrowings in full or part shall not exceed ₹ 1,550.00 million.

Sr. No	Loan and Lender	Date of the sanction letter / loan agreement / renewal letter / extension letter	Total Sanctioned Amount (in ₹ million)	Balance amount Outstanding as on August 29, 2024 (in ₹ million)	Tenor / Repayment Schedule	Purpose	Prepayment Penalty
1.	Punjab National Bank Limited						
	Term loan	Sanction letter dated June 6, 2023	200.00	199.94	24 quarterly installments from quarter ended June 2025 after moratorium period of 18 months from commercial operation date	For setting up of fresh bakery/bread unit at Bhiwadi, Rajasthan, India	Nil*
		Sanction letter dated October 30, 2023	1,000.00	653.57	30 quarterly installments from December 2025 after moratorium period of 12 months from commercial operation date	For setting up biscuit manufacturing unit at Dhar, Indore, Madhya Pradesh, India	Nil*

Sr. No	Loan and Lender	Date of the sanction letter / loan agreement / renewal letter / extension letter	Total Sanctioned Amount (in ₹ million)	Balance amount Outstanding as on August 29, 2024 (in ₹ million)	Tenor / Repayment Schedule	Purpose	Prepayment Penalty
		Sanction letter dated October 30, 2023	360.00	311.63	29quarterly installments from quarter ended after moratorium period of 12 months from commercial operation date	For setting up two additional lines of biscuit units in Rajpura, Punjab, India	Nil*
		Sanction letter dated September 20, 2022	390.00	368.76	26 quarterly installments from December 2024 after moratorium period of 12 months from commercial operation date	For setting up two additional lines of biscuit units in Rajpura, Punjab, India	Nil*
		Sanction letter dated April 5, 2024	350.00	3.88	24 quarterly installments from quarter ended June 2026 after moratorium period of 18 months from commercial operation date	For additional plant and machinery and miscellaneous fixed assets for bread and bakery unit at Greater Noida, Uttar Pradesh, India	Nil*
2.	HDFC Bank Limited						
	Term loan	Sanction letter dated January 31, 2020	450.00	346.69	62 monthly installments after moratorium period of 24 months	For setting up newlines of bread and bun lines in Noida, Uttar Pradesh, India	Nil#
		Sanction letter dated	191.80	19.65	75 monthly installments after	For setting up of cold chain unit	Nil#

Sr. No	Loan and Lender	Date of the sanction letter / loan agreement / renewal letter / extension letter	Total Sanctioned Amount (in ₹ million)	Balance amount Outstanding as on August 29, 2024 (in ₹ million)	Tenor / Repayment Schedule	Purpose	Prepayment Penalty
		January 19, 2017			moratorium period of 21 months	at Noida, Uttar Pradesh, India	
3.	ICICI Bank Limited						
	Term loan	Sanction letter dated December 19, 2019	50.00	3.34	60 monthly installments	For purchase of machinery at Phillaur, Punjab, India	Nil##
		Sanction letter dated December 19, 2019	270.00	138.01	96 monthly installments including moratorium period of 24 months i.e. 72 monthly installments	For setting up of new of cookie line at Rajpura, Punjab, India	Nil##
		Sanction letter dated April 6, 2018	100.00	3.06	72 monthly installments beginning from August 2019	For setting up of unit Rajpura, Punjab, India	Nil##
		Sanction letter dated April 4, 2017	132.10	17.33	96 monthly installments including moratorium period of 24 months (i.e. 72 monthly installments)	For setting up of unit at Rajpura, Punjab, India	Nil##
		Sanction letter dated April 4, 2017	467.90	21.60	96 monthly installments including moratorium period of 24 months (i.e. 72 monthly installments)	For setting up unit at Rajpura, Punjab, India	Nil##
Total				**2,087.46**			

As certified by SCV & Co. LLP chartered accountants, vide certificate dated September 5, 2024 and confirmed that the utilisation of the borrowings is for the purposes availed, as per the respective sanction letters/loan agreements issued by the respective lender.
 # The bank has confirmed to waive off the prepayment penalty in respect of all the loans vide its consent letter dated July 10, 2024
The bank has confirmed to waive off the prepayment penalty in respect of all the loans vide its consent letter dated July 23, 2024
** The bank has confirmed to waive off the prepayment penalty in respect of all the loans vide its consent letter dated July 16, 2024*

(b) Investment in our Subsidiary, Bakebest Foods Private Limited for financing the project cost towards Khopoli Expansion Project

We currently have seven manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan).

Our Khopoli Manufacturing Facility is owned by our Subsidiary, Bakebest Foods Private Limited. The commercial production at our Khopoli Manufacturing Facility commenced in the calendar year 2013 for manufacturing breads, buns and other bakery products which has a total installed capacity of 3,960 metric tonne per annum as on June 30, 2024. As we propose to expand the production of our breads, buns and other bakery products, we will require additional funds for setting up a new production line for production of breads, buns and other bakery products in Khopoli Manufacturing Facility. Therefore, we intend to invest ₹ 1,300.00 million in equity in our Subsidiary, Bakebest Foods Private Limited which will further be utilized towards the cost of the Khopoli Expansion Project by Bakebest Foods Private Limited. Our Company has passed a resolution dated September 5, 2024 approving such equity investment of ₹ 1,300.00 million in our Subsidiary, Bakebest Foods Private Limited and Bakebest Foods Private Limited has passed a resolution dated September 5, 2024 approving utilization of ₹ 1,300.00 million towards the cost of the Khopoli Expansion Project.

Our Khopoli Manufacturing Facility is located at Survey No. 72A/1/A/51,52,53,54 and 43/2A, Vadal 410 203, Maharashtra, India. The title and ownership of the land has been transferred to Bakebest Foods Private Limited by way of sale deeds dated December 24, 2021, October 8, 2021, October 6, 2022 and October 25, 2021 respectively. Bakebest Foods Private Limited has received all the land related approvals from the relevant authorities for operating the Khopoli Manufacturing Facility and we further propose to expand the capacity of the Khopoli Manufacturing Facility by establishing a new production line for breads, buns and other bakery products within the premises of the land.

Estimated Cost

The total estimated cost of Khopoli Expansion Project is ₹ 2,727.96 million, as estimated by our management in accordance with our business plan approved by the Board, which has been further certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024. The detailed break-down of estimated cost is set forth below.

(₹ in million)

Sr. No.	Particulars	Estimated cost*
1.	Land and land development	120.00
2.	Building, roads and civil work	617.62
3.	Plant and machinery and other equipment	1,505.34
4.	Miscellaneous fixed assets	340.00
5.	Preliminary and pre-operating expenses	75.00
6.	Contingencies	70.00
	Total Cost	**2,727.96**

** As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024*

The working capital requirements for the Khopoli Expansion Project will be met from our internal accruals.

Means of Finance

The total estimated project cost for Khopoli Expansion Project is ₹ 2,727.96 million. We intend to fund the cost of the Khopoli Expansion Project from external borrowings, internal accrual and the proceeds of this Issue. As on August 21, 2024, Bakebest Foods Private Limited has deployed ₹ 493.02 million towards financing the Khopoli Expansion Project from its internal accruals. In case of any increase in the actual utilization of funds earmarked for Khopoli Expansion Project, such additional funds will be met from internal accruals of our Company.

Details of means of finance for Khopoli Expansion Project are set forth below.

(₹ in million)

	Particulars	Amount
A.	Estimated cost for Khopoli Expansion Project *	2,727.96
B.	Amount already deployed as on the date of this Preliminary Placement Document	
	- From internal accruals	493.02
C.	Amount proposed to be financed from the proceeds of this Issue	1,300.00

* *As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.*

Building, roads and civil work

Building and civil works for the Khopoli Expansion Project include site development, construction and engineering related work including construction of pre-engineered building, construction of roads, floor finish, construction of super-structure, roof, doors, rolling shutters and windows, office furnishings, weathering course, drainage and sewerage system, earth filling, electrical planning and equipment. The total estimated cost for building and civil works for the Khopoli Expansion Project is ₹ 617.62 million pursuant to the certificate dated September 5, 2024 issued by Neena Shah, an independent chartered architect.

Plant and machinery and other equipment

While we propose to utilise ₹ 1,505.34 million towards purchasing plant and machinery, based on our current estimates, the specific number and nature of such plant and machinery to be procured by our Company will depend on our business requirements. The total estimated cost towards the purchase of machines for the Khopoli Expansion Project is ₹ 1,505.34 million, pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

An indicative list of such plant and machinery that we intend to purchase, along with details of the purchase orders ("**PO**") - in cases where a PO has been placed or quotations we have received (in cases where no PO has been placed) in this respect is set forth below.

(₹ in million)

Sl No.	*Description*	*New /Pre-owned*	*Total Estimated Cost*	*Date of PO/Quote*
1.	Rack Oven 723oil/gas	New	2.98	October 11, 2023
2.	New 48k Bun Make Uup System, Apex Accuman Bun System	New	63.55	November 23, 2023
3.	48,000 Bph Bun Line, Proofer Feed Conveyor, Conveyorized Oven, Deepaner	New	412.83	December 6, 2023
4.	Salve Cake Oven, Ultra Arctir	New	5.18	December 14, 2023
5.	Alignment System, Line Divi, Pillo Pack, Band Slicer	New	107.74	January 11, 2024
6.	Baking Pans-1000 Pcs	New	5.73	February 9, 2024
7.	Sopnge Mixer, Final Mixer, Dough Pump and miscellenous	New	62.27	March 15, 2024
8.	Unifiller Multistation	New	8.85	March 15, 2024
9.	Baking Trays-6500 Pcs	New	38.64	April 4, 2024
10.	Tray Washer Part Quotation	New	27.69	April 19, 2024
11.	Automatic Tunnel	New	27.50	May 2, 2024
12.	Rotary, Seeder, Autofill, Conveyor installation	New	34.59	May 2, 2024
13.	Fermentation Room	New	3.55	June 7, 2024
14.	X-Ray Machine 2 Pcs & Metal Dedector	New	11.23	June 18, 2024

15.	Dough Hopper, Divider, Moulder, Conveyor, Rounder, Etc	New	123.25	July 22, 2024
16.	Packing Machines	New	111.94	July 25, 2024
17.	Cooling Storage Spiral & Misc	New	183.01	July 26, 2024
18.	Baking Oven Ststem	New	113.98	August 1, 2024
19.	Mixer	New	38.88	August 2, 2024
20.	Transformer	New	5.07	August 4, 2024
21.	Vcb Panel, Ms Trolly Etc	New	2.27	August 4, 2024
22.	Material Handling System	New	28.91	August 6, 2024
23.	Bun Cooling Tunnel	New	5.37	August 8, 2024
24.	Process Water Chiller	New	6.79	August 8, 2024
25.	Glycol Chiller For Mixer Jacket Cooling	New	5.03	August 8, 2024
26.	Hot Water System	New	1.65	August 8, 2024
27.	Electrical Work	New	37.42	August 12, 2024
28.	Multisystem Fire Fighting	New	24.96	August 12, 2024
29.	Oil Free Air Compressor	New	4.48	August 14, 2024

* *As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.*

The POs in relation to the equipment are valid as on the date of this Preliminary Placement Document. Some of the POs mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Proceeds proposed to be utilised towards the purchase of plant and machinery or through contingencies, if required.

Except where POs have already been placed, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment at the same costs as stated in the POs. If we engage someone other than the vendors from whom we have obtained POs or if the POs obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. The quantity of plant and machinery to be purchased will be based on management estimates and our business requirements. We will have the flexibility to deploy such plant and machinery according to our business requirements and based on estimates of our management.

No pre-owned or used machinery is proposed to be purchased out of the Proceeds. Each of the units of plant and machinery mentioned above is proposed to be acquired in a ready-to-use condition.

<u>Miscellaneous fixed assets</u>

Miscellaneous fixed assets for the Khopoli Expansion Project include fittings and other equipment. The total estimated cost for miscellaneous fixed assets for the Khopoli Expansion Project is ₹ 340.00 million pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

<u>Preliminary and pre-operating expenses</u>

Preliminary and pre-operating expenses for the Khopoli Expansion Project include payment of loan interest, travelling expenses and government approvals fees. The total estimated cost for Preliminary and pre-operating expenses for the Khopoli Expansion Project is ₹ 75.00 million pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

<u>Contingencies</u>

We have created a provision for contingency of ₹ 70.00 million to cover cost of other smaller auxiliary equipment, related taxes, levies and other duties, as applicable, logistics costs related to procurement of plant and machinery, any exchange rate fluctuations and any increase in the estimated cost for the proposed Khopoli Expansion Project.

Proposed Schedule of Implementation

The Khopoli Expansion Project is expected to be completed by Fiscal 2026.

Power and water

The power supply of our Khopoli Manufacturing Facility has been obtained from Mahavitaran, Maharasthra Government Undertaking. We will require water supply and we will enter into suitable arrangements with third-party suppliers for our Khopoli Manufacturing Facility.

Government and other approvals

The licenses and approvals that we have obtained in relation to Khopoli Manufacturing Facility, such as, commencement certificate, registration under the Contract Labour (Regulation and Abolition) Act, 1970, environmental related approvals, tax related approvals and building and land related approvals adequately covers the proposed scope and ambit of the Khopoli Expansion Project. While we do not require any further licenses/approvals from any governmental authorities at this stage of the proposed Khopoli Expansion Project, we will apply for all such necessary approvals that we may require at future relevant stages, prior to commencing the construction process for or prior to commissioning of the proposed production line for breads and buns at the Khopoli Manufacturing Facility.

(c) Financing the project cost towards setting up Madhya Pradesh Project

We proposed to set up a new manufacturing facility at Plot No. 2 Integrated Industrial Park, Pithampur, Dhar, 454,774, Madhya Pradesh, India for production of biscuits with a proposed installed capacity of 21,000 metric tonne per annum. Therefore, we intend to utilize ₹ 200.00 million towards the cost of setting up the Madhya Pradesh Project.

The proposed manufacturing facility at Dhar, Madhya Pradesh will be set up on a land admeasuring approximately 37,908 square feet, located at Plot No. 2 Integrated Industrial Park, Pithampur, Dhar, 454 774, Madhya Pradesh, India. We have received all the land related approvals from the relevant authorities for setting up the manufacturing facility at Dhar, Madhya Pradesh.

Estimated Cost

The total estimated cost of setting up the Madhya Pradesh Project is ₹ 1,751.73 million, as estimated by our management in accordance with our business plan approved by the Board, which has been further certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.

The detailed break-down of estimated cost is set forth below.

(₹ in million)

Sr. No.	Particulars	Estimated cost*
1.	Land and land development	100.00
2.	Building, roads and civil work	683.60
3.	Plant and machinery and other equipment	683.13
4.	Miscellaneous fixed assets	180.00
5.	Preliminary and pre-operating expenses	75.00
6.	Contingencies	30.00
	Total Cost	**1,751.73**

* *As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.*

The working capital requirements for the Madhya Pradesh Project will be met from our internal accruals.

Means of Finance

The total estimated project cost for setting up the manufacturing facility at Dhar, Madhya Pradesh, India is ₹ 1,751.73 million. We intend to fund the cost of setting up the Madhya Pradesh Manufacturing Facility from external borrowings, internal accrual and the proceeds of this Issue. In case of any increase in the actual utilization of funds earmarked for setting up of Madhya Pradesh Manufacturing Facility, such additional funds will be met from internal accruals of our Company. As on August 21, 2024 our Company has deployed ₹ 972.46 million towards financing the Madhya Pradesh Project which was funded from internal accruals and a loan facility sanctioned by Punjab National Bank.

Details of means of finance for the Madhya Pradesh Project are set forth below.

(₹ in million)

	Particulars	Amount
A.	Estimated cost for the Madhya Pradesh Project*	1,751.73
B.	Amount already deployed as on the date of this Preliminary Placement Document	
	- From internal accruals	329.80
	- From a loan facility availed from Punjab National Bank	642.66
C.	Amount proposed to be financed from the proceeds of this Issue	200.00

* *As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.*

Building, roads and civil work

Building and civil works for the manufacturing facility at Dhar, Madhya Pradesh includes site development, construction and engineering related work including construction of pre-engineered building, construction of roads, floor finish, construction of super-structure, roof, doors, rolling shutters and windows, office furnishings, weathering course, drainage and sewerage system, earth filling, electrical planning and equipment. The total estimated cost for building and civil works for the Madhya Pradesh Project is ₹ 683.60 million pursuant to the certificate dated September 5, 2024 issued by Meena Shah an independent chartered architect.

Plant and machinery and other equipment

While we propose to utilise ₹ 683.13 million towards purchasing plant and machinery, based on our current estimates, the specific number and nature of such plant and machinery to be procured by our Company will depend on our business requirements. The total estimated cost towards the purchase of machines for the Madhya Pradesh Project is ₹ 683.13 million, pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

An indicative list of such plant and machinery that we intend to purchase, along with details of the purchase orders in cases where a purchase order has been placed or quotations we have received (in cases where no purchase order has been placed) in this respect is set forth below.

(₹ in million)

Sl No.	*Description*	*New /Pre-owned*	*Total Estimated Cost*	*Date of PO/Quote*
1.	Oven	New	17.00	September 11, 2023
2.	Erection Charges of Oven	New	0.43	September 11, 2023
3.	Rotary Moulding Machine	New	3.08	September 18, 2023
4.	Plc Panel Oven	New	0.99	September 28, 2023
5.	Gas Burner	New	0.27	September 28, 2023
6.	Burner Automation Components	New	2.80	September 28, 2023
7.	Stacker Unit	New	0.93	September 29, 2023
8.	Stripper Conveyor	New	0.57	September 30, 2023
9.	Dough Feeding	New	2.16	September 30, 2023
10.	Invert Syrup Preparation Tank	New	1.27	September 30, 2023
11.	Cracke Line	New	272.16	October 21, 2023
12.	Mixer	New	4.35	November 3, 2023
13.	Articulated Wire Band	New	0.25	November 15, 2023
14.	Mixer	New	5.70	December 2, 2023
15.	Transformer	New	4.20	January 9, 2024
16.	Belt-Type Cross Conveyer	New	0.92	January 9, 2024
17.	VCB Panel Board, Trolly	New	1.90	January 19, 2024
18.	Sandwiching Machine	New	3.78	February 7, 2024
19.	Lt Distribution Panel	New	6.90	February 8, 2024
20.	Air Compressor	New	3.20	February 9, 2024
21.	Silo System	New	24.52	February 10, 2024
22.	Installation Charges	New	0.60	February 10, 2024
23.	Telescopic Boom Conveyor	New	2.76	February 10, 2024
24.	Cashew Sprinkler	New	0.83	February 10, 2024
25.	Ms Structure	New	0.38	February 10, 2024
26.	Cooling Conveyor Web & Packing Table Conveyor	New	11.61	February 10, 2024
27.	Premixing Instrument	New	31.96	February 10, 2024
28.	Scissor Lift	New	1.55	February 28, 2024

Sl No.	Description	New /Pre-owned	Total Estimated Cost	Date of PO/Quote
29.	Conveyor Belt System	New	3.48	February 28, 2024
30.	Water Chiller, Hot Water System	New	5.40	February 28, 2024
31.	Weigh Bridge	New	2.50	February 28, 2024
32.	Electrification Work Contract	New	17.50	February 29, 2024
33.	Packing Machine	New	93.58	March 7, 2024
34.	Packing Machine Installation	New	2.29	March 7, 2024
35.	Sandwiching Machine	New	1.89	March 7, 2024
36.	Stacker Unit	New	1.85	March 7, 2024
37.	Conveyor Belt System	New	1.74	March 7, 2024
38.	Hv Ac System	New	4.00	March 9, 2024
39.	50hp Ac Drive	New	0.52	April 1, 2024
40.	90 Deg Modulr Belt Conveyor	New	4.26	April 1, 2024
41.	Mixer	New	9.23	April 1, 2024
42.	Hyd.Pallet Truck Fork	New	0.10	April 3, 2024
43.	Invert Syrup Preparation Tank	New	1.89	April 3, 2024
44.	Preparation Tank	New	3.02	April 3, 2024
45.	Ms Pipe 1.5"	New	0.79	April 3, 2024
46.	Ms Pipe 25mm	New	0.83	April 3, 2024
47.	Ball Valve Flanged 3	New	0.42	April 3, 2024
48.	Ball Valve 1.5	New	1.90	April 3, 2024
49.	Installation Charges	New	0.74	April 8, 2024
50.	Boiler	New	0.47	April 25, 2024
51.	Milk Spray Unit	New	0.32	July13, 2024
52.	Ups 200kva	New	1.92	July13, 2024
53.	Mixer	New	4.35	July17, 2024
54.	Metal Detector	New	19.34	July17, 2024
55.	Dg Set (Generator)	New	5.70	August 7, 2024
56.	Sandwich Connect Pile Packing Machine	New	26.94	August 10, 2024
57.	On Edge Hfw Machine	New	22.97	August 12, 2024
58.	Cooling Conveyor	New	18.23	August 17, 2024
59.	Cooling Conveyor	New	17.02	August 17, 2024
60.	Ms Gantry Type Structure	New	0.87	August 17, 2024

* *As certified by Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated September 5, 2024.*

The quotations in relation to the equipment are valid as on the date of this Preliminary Placement Document. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Proceeds proposed to be utilised towards the purchase of plant and machinery or through contingencies, if required.

Except where purchase orders have already been placed, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment at the same costs as stated in the quotations. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor’s estimates and actual costs for the services may differ from the current estimates. The quantity of plant and machinery to be purchased will be based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such plant and machinery according to the business requirements of our Company and based on estimates of our management.

No pre-owned or used machinery is proposed to be purchased out of the Proceeds. Each of the units of plant and machinery mentioned above is proposed to be acquired in a ready-to-use condition.

<u>Miscellaneous fixed assets</u>

Miscellaneous fixed assets for the Madhya Pradesh Project include fittings and other equipment. The total estimated cost for miscellaneous fixed assets for the Madhya Pradesh Project is ₹ 180.00 million pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

<u>Preliminary and pre-operating expenses</u>

Preliminary and pre-operating expenses for the Madhya Pradesh Project include payment of loan interest, travelling expenses and government approvals fees. The total estimated cost for Preliminary and pre-operating expenses for the Madhya Pradesh Project is ₹ 75.00 million pursuant to the certificate dated September 5, 2024 issued by Anil Kumar Soni, an independent chartered engineer.

Contingencies

We have created a provision for contingency of ₹ 30.00 million to cover cost of other smaller auxiliary equipment, related taxes, levies and other duties, as applicable, logistics costs related to procurement of plant and machinery, any exchange rate fluctuations and any increase in the estimated cost for the proposed Madhya Pradesh Project.

Proposed Schedule of Implementation

The Madhya Pradesh Project is expected to be completed by Fiscal 2026.

Power and water

The power supply of our Madhya Pradesh Manufacturing Facility will be obtained from Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited. Further, we have entered into water supply arrangement with M.P. Audyogik Kendra Vikas Nigam (Indore) Limited. for our Madhya Pradesh Manufacturing Facility.

Government and other approvals

The licenses and approvals that we have obtained in relation to Madhya Pradesh Project, such as, commencement certificate, registration under the Contract Labour (Regulation and Abolition) Act, 1970, environmental related approvals and tax related approvals adequately covers the proposed scope and ambit of the Madhya Pradesh Project. While we do not require any further licenses/approvals from any governmental authorities at this stage of the proposed Madhya Pradesh Project, we will apply for all such necessary approvals that we may require at future relevant stages, prior to commencing the construction process for or prior to commissioning of the proposed production line for biscuits at the Madhya Pradesh Project.

(d) General corporate purposes

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by the NSE and circular no. 20221213- 47 dated December 13, 2022, issued by the BSE. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds, aggregating to ₹ [●] million, in compliance with applicable laws. Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our associates, joint ventures and subsidiary, meeting exigencies and expenses, logistics expenses, creditors, installation expenses, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilizing surplus amounts, if any, in accordance with applicable law.

Other confirmations

Neither our Promoters or Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoter nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoter, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe in the Issue.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market/mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank.

Monitoring of Utilisation of Funds

In accordance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA as the Monitoring Agency for monitoring the utilization of Gross Proceeds. The Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 173A(2) of the SEBI ICDR Regulations, on a quarterly basis, to the Audit Committee until such time as the Gross Proceeds have been utilised in full. Such report, along with the comments (if any) shall be submitted to the Stock Exchanges within 45 days from the end of each quarter and uploaded on the website of our Company, or such other time as may be prescribed under the SEBI Listing Regulations.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. Subject to applicable laws, including SEBI Listing Regulations, on an annual basis, our Company shall (i) prepare a statement of funds utilized for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized; and (ii) disclose every year, the utilization of the Gross Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Object of the Issue as stated above.

CAPITALIZATION STATEMENT

The following table sets forth our capitalization on a consolidated basis as of June 30, 2024 on a consolidated basis which is derived from the Condensed Consolidated Interim Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with "***Selected Financial Information***", "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and other financial information contained in the "***Financial Information***" on pages 39, 55, 104 and 298, respectively.

(in ₹ million)

Particulars	Pre-Issue (as at June 30, 2024)	Amount after considering the Issue (i.e., Post Issue)*#^ (Refer Note 1)
Current borrowings		
Loans from banks repayable on demand (secured)	509.13	[●]
Current maturities of long-term debt	178.46	[●]
Current borrowings (A)	**687.59**	[●]
Non-current borrowings(B)	**1,850.96**	
Total debt (C = A + B)	**2,538.55**	[●]
Equity		[●]
Equity share capital	587.77	**[●]**
Other equity	6,398.55	
Total equity (D)	**6,986.32**	[●]
Total debt/Total equity (C/D)	**0.36**	[●]

* *Will be finalized upon determination of the Issue Price.*
\# *Adjustments do not include Issue related expenses.*
^ *As adjusted to reflect the number of Equity Share issued pursuant to the Issue.*

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Preliminary Placement Document, is set forth below.

	Particulars	Aggregate nominal value *(in ₹)*
A)	**AUTHORIZED SHARE CAPITAL**	
	65,000,000 Equity Shares of face value of ₹ 10 each	650,000,000.00
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	58,817,474 Equity Shares of face value of ₹10 each	588,174,740.00
C)	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹[●] million (1)	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares of face value of ₹10 each	[●]
E)	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue (as on the date of this Preliminary Placement Document)	604,391,152
	After the Issue (2)	[●]

(1) *This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on June 21, 2024. Subsequently, our Shareholders' have authorised and approved the Issue through a special resolution passed by way of a postal ballot on July 26, 2024.*

(2) *To be determined upon finalization of the Issue Price. The securities premium account after the Issue will be calculated on the basis of Gross Proceeds.*

Notes to Capital Structure:

1. Share Capital History

(a) History of equity share capital of our Company

The following table sets forth the history of the equity share capital of our Company.

Date of allotment/of Equity Shares	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment
September 15, 1995	20	10	10	Cash	Subscription to the MOA
May 11, 2001	704,000	10	10	Cash	Preferential Allotment
January 12, 2007	66,805	10	2,647	Cash	Preferential Allotment
September 30, 2010	223,018	10	80	Cash	Conversion of Series A Preference shares and Series B Preference Shares into Equity Shares
March 30, 2011	28,821,447	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 29:1
April 1, 2013	(22,469,418)	10	N.A.	N.A.	Pursuant to the Scheme of Amalgamation and Arrangement, the paid-up share capital of our Company was cancelled and reduced by 22,469,418 Equity Shares with respect to 11,246,706 Equity Shares held by Cremica Industries Limited, 5,258,675 Equity Shares held by Bectors Food Limited and 5,964,037 Equity Shares held by Cremica Foods Limited in our Company due to crossholding.
September 10, 2014	21,287,939	10	N.A.	Other than Cash	Pursuant to the Scheme of Amalgamation and Arrangement
July 14, 2017	28,633,811	10	N.A.	N.A.	Bonus issue of

Date of allotment/of Equity Shares	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment
					Equity Shares in the ratio of 1:1
March 22, 2019	300	10	174.62	Cash	Allotment under ESOP Plan 2017
December 6, 2020	70,000	10	174.62	Cash	Allotment under ESOP Plan 2017
December 24, 2020	1,408,592	10	288	Cash	Share allotted pursuant to initial public offer made by our Company
June 7, 2021	50,023	10	174.62	Cash	Allotment under ESOP Plan 2017
November 12, 2021	18,788	10	174.62	Cash	Allotment under ESOP Plan 2017
October 1, 2022	2,149	10	174.62	Cash	Allotment under ESOP Plan 2017

Employee Stock Option Plan and Schemes

Mrs. Bectors Food Specialities Limited - Employee Stock Option Plan 2017

Our Company, pursuant to the resolutions of our Board of Directors dated February 20, 2017 and of our shareholders' dated June 30, 2017, has formulated an employee stock option plan namely 'Mrs. Bectors Food Specialities Limited - Employee Stock Option Plan 2017' ("**ESOP 2017**"). The ESOP 2017 is in compliance with applicable laws. As on the date of the Preliminary Placement Document, there are no options outstanding.

Mrs. Bectors Food Specialities Limited - Employee Stock Option Scheme 2023

Our Company, pursuant to the resolutions of our Board of Directors dated September 4, 2023 and of our shareholders' dated September 29, 2023, has formulated an employee stock option scheme namely 'Mrs. Bectors Food Specialities Limited - Employee Stock Option Scheme 2023' ("**ESOS 2023"**). The ESOP 2023 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. As on the date of the Preliminary Placement Document, details of options pursuant to ESOP 2023 are as follows:

Particulars	Number of stock options
Total number of stock options	294,087
Options granted	40,000
Options vested	Nil
Options exercised	Nil
Options lapsed / forfeited / cancelled	Nil
Total options outstanding	Nil

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees, and the percentage of post-Issue capital that may be held by them, please see "***Details of Proposed Allottees***" on page 616

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of June 30, 2024, and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue*		Post-Issue**	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	**Promoters / Promoter Group holding#**				

Sr. No.	Category	Pre-Issue*		Post-Issue**	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
1.	Indian				
	Individual / Hindu Undivided Family	14,578,570	24.79	**[●]**	**[●]**
	Promoter Trust	15,525,884	26.40	**[●]**	**[●]**
	Sub-Total	30,104,454	51.18	**[●]**	**[●]**
2.	Foreign				
	Individual	0	0.00	**[●]**	
	Sub-Total (A)	**301,04,454**	**51.18**	**[●]**	**[●]**
B.	**Public holding**				
1.	Institutional investors				
	Mutual Funds/ AIFs/ Insurance Companies/ NBFCs/ Other financial institutions	12,234,701	20.80	[●]	[●]
	Foreign Portfolio Investors	4,835,139	8.22	[●]	[●]
	Sub – Total	**17,069,840**	**29.02**	[●]	[●]
2.	Non- Institutional investors				
	Bodies corporate	837,657	1.42	[●]	[●]
	Resident Individuals	9,893,363	16.82	[●]	[●]
	Directors and their relatives (excluding independent directors and nominee directors)	0	0.00		
	Non-resident Indians (NRIs)	613,743	1.04	[●]	[●]
	Foreign Companies and Foreign Nationals	0	0.00	[●]	[●]
	Central Government	0	0.00	**[●]**	**[●]**
	Others (Clearing Members, HUF, Trusts, Firms)	298,417	0.51		
	Sub-Total	**11,643,180**	**19.80**		
	Sub - Total (B)	**28,713,020**	**48.82**	**[●]**	**[●]**
	Grand Total (A+B)	**58,817,474**	**100.00**	**[●]**	**[●]**

* *Based on the beneficiary position statement of our Company as on June 30, 2024*
** *The post-Issue shareholding pattern will be filled in the Placement Document.*

Other confirmations

a. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

b. The Promoters, Promoter Group Members the Directors, the members of the Senior Management and the Key Managerial Personnel of our Company do not intend to participate in the Issue.

c. There will be no change of control of our Company pursuant to the Issue.

d. Except as stated above, our Company has not made any allotment of Equity Shares or preference shares, private placement or a rights issue including for consideration other than cash, in the one year immediately preceding the date of filing of this Preliminary Placement Document.

e. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on recognised stock exchanges in India.

f. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice of the postal ballot of our Shareholders, i.e. July 26, 2024 for approving the Issue.

DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including Companies Act, 2013 together with the applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see "***Description of the Equity Shares***" on page 283.

The dividend distribution policy of our Company was approved and adopted by our Board on July 10, 2018 which was subsequently amended on September 19, 2020. We may retain all our future earnings, if any, for the financing of working capital, capital expenditure, corporate actions, *inter alia*, buyback and reduction of capital, and unanticipated and emergency expenditures. We may also use the retained earnings for such purposes as are within the provisions the Act, Rules, Listing Regulations and any other applicable law. The dividend, if any, will depend on a number of internal factors, including but not limited to, cash flow position of our Company, working capital and capital expenditure requirements, stability of profits and our Company's future cash requirements for organic growth or expansion and/ or for inorganic growth of our Company. In addition, the dividend, if any, will also depend on a number of external factors including but market expectation, capital markets, legal considerations, peers, tax consideration and inflation.

Further, our shareholders may not expect dividend in circumstances including but not limited to proposed expansion plans or where earnings are greater than what is needed to finance for capital budgeting needs of our Company as projected in the annual operating plan for each year. For details in relation to risks involved in this regard, see "***Risk Factors - Our ability to pay dividends in the future will depend upon our earnings, financial condition, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***" on page 78.

The dividends (including interim dividend, if any) declared and paid by our Company on the Equity Shares during Fiscals 2022, 2023 and 2024 and from April 1, 2024 until the date of filing of this Preliminary Placement Document are as follows:

Particulars	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025 (From April 1, 2024 till the date of filing of this Preliminary Placement Document)**
No. of equity shares	58,815,325	58,817,474	58,817,474	58,817,474
Face value per share (in ₹)	10	10	10	10
Interim dividend per share	1.25	1.25	1.25	Nil
Final dividend per share	1.25	1.75	2.00	
Aggregate Dividend (per share)	2.50	3.00	3.25	Nil
Rate of dividend (%)	25	30	32.50	Nil
Mode of Payment	demand draft/NEFT	demand draft/NEFT	demand draft/NEFT	Not Applicable

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared, and record date thereof occurs after Allotment.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with the sections titled "**Risk Factors**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 55, 147 and 104, respectively, as well as the financial information included in the section titled "**Financial Information**" on page 298. Unless otherwise stated, the financial information used in this section is derived from our Consolidated Financial Information. Our Financial Year ends on March 31 of each year, so all references to a particular fiscal or Financial Year are to the twelve-month period ended March 31 of that year. Our actual results of operations may differ materially from those expressed in or implied by these forward-looking statements.*

Unless the context otherwise requires, references to "our Company" are to Mrs Bectors Food Specialities Limited on a standalone basis, while references to "we", "us" or "our" (including in the context of any financial or operational information) are to Mrs Bectors Food Specialities Limited and its Subsidiaries on a consolidated basis

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Biscuit and Bakery Market" dated September 3, 2024, prepared and issued by Technopak ("**Technopak Report**") and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein and in the section "Industry Overview" includes excerpts from the Technopak Report and may have been reordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section "Industry Overview". Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. Also, see "**Industry Overview**" on page 147. For further information, see "**Risk Factors – This Preliminary Placement Document contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information**." and "**Industry and Market Data**" on pages 77 and 17, respectively.*

OVERVIEW

We are one of the leading companies in the branded biscuits division and the premium bakery division in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers, digestives and glucose under our flagship brand '*Mrs. Bector's Cremica*'. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, kulchas, rusk, pizza bases and cakes under our brand '*English Oven*'. We supply our products to retail consumers in 26 states and six union territories within India, as well as to reputed institutional customers with pan-India presence and export to over 70 countries across the world as of June 30, 2024. We are the largest supplier of buns in India to reputed QSR chains such as Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (*Source: Technopak Report*).

Our diversified product portfolio includes two main categories.

Biscuits – We manufacture and sell biscuits, primarily in the premium and mid-premium categories including a wide variety of cookies, creams, crackers, and digestives which accounted for ₹ 5,924.36 million, ₹ 8,073.93 million, ₹ 9,899.38 million, ₹ 2,225.83 million and ₹ 2,728.84 million of our revenue from sale of biscuits or 59.95%, 59.27%, 60.96%, 59.49% and 62.10% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively, and has grown by 22.61% from Fiscal 2023 to Fiscal 2024. Mrs. Bector's Cremica' is one of the leading players in the branded biscuit division with presence across all major categories of the branded biscuit division (*Source: Technopak Report*).

Bakery Products – We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Mumbai, and Bengaluru. The '*English Oven*' brand is one of the few prominent players in the premium plus and branded bakery segment in India with presence across various regions in India. (*Source: Technopak Report*). We also manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens, multiplexes, as well as and cafés. Our revenue from the sale of bakery products accounted for ₹ 3,390.42 million, ₹ 4,873.20 million, ₹ 5,729.00 million, ₹ 1,354.99 million and ₹ 1,540.12 million or 34.31%, 35.78%, 35.28%, 36.21% and 35.05% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively.

A majority of our products are manufactured in-house at our seven manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan) which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. All our manufacturing facilities for '*English Oven*' products are strategically located near target markets to minimize freight and logistics related time and expenses. (*Source: Technopak Report*) We also outsource the manufacturing of certain of our products such as rusk and certain quantity of breads to third-party manufacturers. According to the Technopak Report, we are one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. The 'English Oven' brand has significant presence in North India and our manufacturing facilities have a capacity of producing 1.3 million pieces of buns each day and 11 million loafs a month. . (*Source: Technopak Report*). We have received several quality certifications and accreditations, including certification from the FSSC 22000, the U.S. Food and Drugs Administration, British Retail Consortium (BRC) and Sedex Members Ethical Trade Audit (SMETA).

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*).We are one of the leading exporters of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to over 70 countries as of June 30, 2024, to reputed retail chains, distributors and buying houses.

Our Company was founded by Mrs. Rajni Bector, and our recipes are inspired by the original recipes created by her. Mrs. Rajni Bector has been awarded with the Padma Shri in 2021, the Outstanding Woman Entrepreneur by SIDBI in 2010, the Hall of Fame 2010 by the Human Factor, Woman of Excellence from FICCI, Lifetime Achievement Award by Global Achievers Forum in 2017 and felicitated by the State Bank of India in 2017 for her achievement as an entrepreneur and serving as a role model for the women fraternity. Our Company is promoted by Mr. Anoop Bector who has over 25 years of industry experience. He is also the Managing Director of our Company and in addition to his overall supervision of our business operations he also heads our business development and manages relationships with our key institutional customers, distributors and suppliers. Mr. Ishaan Bector, our whole time director, heads our breads business under our brand '*English Oven*' and is responsible for the overall supervision, development and expansion of our branded breads and bakery business. Mr. Suvir Bector, our whole time director, is responsible for exports business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

We attribute our growth in revenue and profitability in part to our operational efficiency, which we seek to achieve by streamlining our operational activities and through economies of scale. Set forth below are certain key financial information from our business as of and for the periods indicated below:

(₹ in million)

Sl No.		Three months ended June 30, 2024 (unaudited)	Three months ended June 30, 2023 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Revenue from operations	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
2	EBITDA	690.59	624.93	2,615.17	1,868.92	1,288.03
3	Net Profit	354.26	348.50	1,403.61	900.74	571.43

Notes: Net Profit means profit for the quarter/year

Our revenue from operations has grown by 19.22% from Fiscal 2023 to Fiscal 2024. Our EBITDA has grown by 39.93% from ₹ 1,868.92 million in Fiscal 2023 to ₹ 2,615.17 million in Fiscal 2024. Our Net Profit has grown by 55.83% from ₹ 900.74 million in Fiscal 2023 to ₹ 1,403.61 million in Fiscal 2024 respectively.

For details, see "***Presentation of Financial Information and Other Conventions – Non-GAAP Measures***" on page 14

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Product mix

Our revenue and profit margins are impacted by our product mix. Our product offerings through sale of our products excluding contract manufacturing to consumers primarily include a wide variety of premium and mid-premium biscuits and premium bakery products including savoury and sweet products. Our diversified product portfolio includes two main categories, biscuits and bakery products. We manufacture and sell biscuits, primarily in the premium and mid-premium categories including a wide variety of cookies, creams, crackers, and digestives. In the recent past, we have launched new products such as 'Milkyz', 'Cremlo', 'Zero Maida Bread', 'Atta Kulcha', 'Millet Cookies' and as of June 30, 2024, our product portfolio for our biscuits category consists of 384 SKUs. We also manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited. We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes. Our diversified product portfolio for our bakery segment consists of over 150 SKUs. (*Source: Technopak Report*).

The success of our business depends upon our ability to identify emerging market trends and offer differentiated product offerings to our customers. According to the Technopak Report, the biscuit retail market is ₹ 513 billion in Fiscal 2023 and has grown at a CAGR of approximately 7.4% to be valued at ₹ 551 billion in Fiscal 2024. The biscuit retail market is expected to grow at a CAGR of approximately 10.4% to ₹ 903 billion by Fiscal 2029. (*Source: Technopak Report*). As we continue to increase our focus on growing our retail consumer business in India and globally, we expect the relative proportion of revenue contribution from sales of premium and high margin products to increase in the future. To cater to the growing needs of our millennial customers, we intend to expand our product offerings to include niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, which, we believe, will help us realise higher margins. While we believe that we are well placed to capitalize on the growing consumer demand for premium and higher margin biscuit and bakery products, however, if we are unable to continue and/or expand our premium and higher margin biscuit and bakery products, we may lose market share to our competitors and that may adversely impact our results of operations. Further, we cannot assure that in the future we will not discontinue production of any of our current products, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of products, which too could have an adverse effect on our growth, business, financial condition and results of operations.

Growth of the QSR industry and the relationship with our QSR customers

According to the Technopak Report, the QSR is expected to grow at a CAGR of 17.9% over the next 5 years to reach ₹ 1,440 billion by Fiscal 2029. Our buns (institutional) division is dependent on the growth of the QSR industry and our continuing relationship with our QSR customers. Our ability to benefit from the growth of the QSR industry in India is dependent on receiving repeat orders from our existing QSR customers, expanding our QSR customer base, the quality of our products and our ability to deliver on their orders in a timely manner. However, we cannot assure that we will receive repeat orders from our QSR customers in the future. Further, absence of any contractual exclusivity with respect to our business arrangements with such QSR customers poses a threat on our ability to be able to continue to supply our products to these QSR customers in the future. Additionally, any change in preference of supplier by these QSR customers due to any existing peer or entry of any new peer may have a material adverse effect on our business, financial condition and results of operations. Our business may also be significantly affected if there are any temporary or permanent closure of operations of such QSR customers or diversification of their products which are not supplied by us.

Availability and price of raw materials

Our business operations are primarily dependent on availability of wheat flour, sugar, and oil and fats and packaging material used in the production of the majority of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. The cost of material consumed, purchase of stock-in-trade, and changes in inventories of finished goods, work-in-progress and stock-in-trade constituted 55.77 %, 55.36 %, 53.33% and 52.01 % of our revenue from operations for Fiscal ended 2022, 2023, 2024 and three months ended June 30, 2024 respectively. We have long-standing relationships with certain of our suppliers although we do not have any long term contracts with such suppliers. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products. The unavailability of these raw materials can be caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, pandemic, seasonality of the raw materials, inflation, governmental regulations and policies and price volatility which are beyond our control. Given the nature of these raw materials, the raw materials are also subject to adulteration despite our quality control measures in procurement and storage. We cannot assure you that we will be able to source our raw materials in adequate quantity and quality or at all, or at a reasonable price in the future. Further, we do not have any long terms contracts with fixed inventory requirements and consideration in this regard. Absence of such long term contracts exposes us to the price volatility of raw materials. In case of unexpected increase in the prices of any of the raw materials, the increase in the selling price of the finished products may not be in proportion to the increase in raw material price, which may adversely affect our sales, cash flow and our overall profitability. If a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or cost increases.

Expansion of our product reach in India and globally and distribution network through diversification

Our revenues are impacted by our geographic presence and the scale and growth of our distribution network. While historically we have had a strong presence in North India, we intend to leverage our brands and expand our presence in the other regions of India. We have commissioned two dedicated biscuit lines in our Rajpura (Punjab) Manufacturing Facility in Fiscal 2024 and are in the process of installing two more lines to cater to production of high margin premium products. We have commissioned our plant at Bhiwadi, Rajasthan. Further, we are currently in the process of constructing a plant for our biscuit business at Dhar, Madhya Pradesh and a new bakery plant at Khopoli, Maharashtra.

We also seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as South, Central and North America, the MENA region and Australasia.

We seek to increase our distribution through modern trade channels in other regions in India by introducing our premium products in biscuits and bakery segments in these regions. We believe we can establish our presence in other regions by leveraging our existing business in modern trade channels where we enjoy strong business relations and collaborating with certain regional players. However, we cannot assure that we will be able to implement our business strategies in a timely manner or at all or that we will meet the expectations of our consumers and other stakeholders. Our business and growth strategies in relation to expansion of our product portfolio will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, implementation of these growth strategies may require us to incur additional indebtedness. We cannot assure that we will be able to implement our proposed expansion in product portfolio, and such failure may materially impact our ability to grow our business and have an adverse effect on our business, financial condition and results of operations. We cannot also assure that in the future we will not discontinue production of any of our current products, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of products, which too could have an adverse effect on our growth, business, financial condition and results of operations

Revenues from exports and foreign currency fluctuations

According to the Technopak Report, we are one of the leading exporter of biscuits from India. During Fiscal 2024, we exported biscuits to over 70 countries, across Central America, Europe, North America, East and South Africa, Australasia, the MENA region and Asia to various retailers, distributors and buying houses such as Atlas Global (HK) Limited, Omni Trade Services Limited, Cristosa S.A., and Shoprite Checkers (PTY) Ltd.

We export various types of cookies such as danish cookies, choco chip cookies and centre filled cookies, creams, crackers and some glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*'. However, supply disruptions caused by the conflict in the Red Sea, leading to rerouting of shipments through Africa, have impacted our exports. This was caused by political unrest, worsening socio-economic conditions and foreign currency shortage in these countries. While we have consciously reduced our exposure to such export markets and have focused to increase our exports to more developed and politically and economically more stable countries, we cannot assure you that political and economic instability will not arise in any of the countries we export to in future and such development will not adversely affect our business prospects and results of operations.

We have started focusing on generating higher margins shifting away from volume driven sales. While we have moved our focus to developed and certain emerging markets such as Asia, Australasia, Europe, MENA region and North America and reduced our business in certain African countries, we cannot assure you that we will not face similar issues in the current Fiscal or in the future, which could have an adverse effect on our business, financial condition and results of operations.

We face exchange rate risk as a result of the fluctuations in the value of the Rupee against the U.S. Dollar and other major currencies. An appreciation of the Rupee causes our export products to be less competitive by raising our prices in U.S. Dollar terms, or alternatively requires us to reduce the Rupee price we charge for export sales, either of which could adversely affect our profitability. In addition, depreciation of the Rupee may adversely affect the results of our operations because, among other things, it causes:

- an increase in Rupee terms in the costs of machinery and capital equipment or any other imported materials or items that we purchase from overseas sources and our freight costs, part of which is denominated in foreign currencies; and
- foreign exchange translation losses on liabilities, which lower our earnings for accounting purposes.

We may from time to time for a portion of our foreign exchange transactions enter into forward foreign exchange contracts, currency swaps, options or a combination of both to hedge against some of our foreign exchange rate risks in connection with our operations.

Competition

International and domestic competition may adversely affect our business and results of operations. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior manufacturing facilities than we have. Competition emerges not only from the branded sector but also from the unorganised sector and from both small and big players. In the biscuits segment, we face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. Our competitors include national players such as Britannia Industries Limited, Parle Biscuits Private Limited, and ITC Limited (*Source: Technopak Report*). We also face competition from certain regional players on pricing and distribution front. We also compete on a broader scale with regional bakeries in the unbranded biscuit sector (*Source: Technopak Report*).

Duty Free Import Authorisation scheme and Export Promotion Capital Goods Scheme

We currently avail benefits under certain export promotion schemes, including Duty Free Import Authorisation Schem ("**DFIA**") scheme and Export Promotion Capital Goods Scheme ("**EPCG**") license. As per the licensing requirement under the said schemes, we are bound by certain export obligations which require us to export goods of a defined amount, failing which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the said schemes along with interest. As of June 30, 2024, differential amount of Customs Duty payable in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty was ₹ 18.31 million which will be adjusted at the time of the consequent exports as per the required timelines. There are no pending obligations under DFIA Scheme. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business and financial condition.

Our Brand Value

Maintaining and enhancing the recognition and reputation of our brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintain and enhance our brands, including maintaining or improving consumer satisfaction and the popularity of our products and increasing brand awareness through various brand building initiatives such as advertising mediums, including television, newspapers. In particular, when we launch new products and if any of those products do not meet standards for quality and taste or consumers' subjective expectations or preference, our brand reputation and the sales of our biscuits and bakery products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, our business may be adversely affected.

1. MATERIAL ACCOUNTING POLICIES

The Group and its associate have 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.

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)

Item Basis	*Measurement*
Net defined benefits (assets)/liability	Fair value of the plan assets less present value of defined benefit obligations
Derivative Financial Instruments	Fair value
Liabilities for share based payment arrangements	Fair Value

Fair value measurement

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group and its associate has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's board of directors.

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.

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 2(b) & 8a: investments accounted for using the equity method: whether the Group has significant influence over an investee;
- Note 2(q), 5 and 44 - leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116.
- Note 2(h) & 32 - revenue recognition: whether revenue is recognized over time or at a point in time; determining the transaction price, estimating the expected value of right to return.

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 2(g) and 46 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2(g) and 48 - fair value of share-based payments;
- Note 2(l) and 42 - recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(o) and 49 - impairment of financial assets;
- Note 2(m) and 49 - fair value measurement of financial instruments;
- Note 2(o) – impairment test of non-financial assets: key assumptions underlying recoverable amounts;
- Note 2(k) and 12 – valuation of inventories;
- Note 2(i), 25 and 29 – accounting for Government grant;
- Note 2(p), 10 and 24- recognition of tax expense including deferred tax; and
- Note 2(h) – revenue recognition: estimate of expected returns.

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;
- it is due to be settled within 12 months after the reporting date;
- 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; or
- 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

for using the equity method. They are initially recognized 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.

Name and relation of Company	Country of Incorporation	% of Interest As at 31 March 2024	As at 31 March 2023
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**
Controlled Trust (w.e.f. 18 October 2023)			
Bector Employee Welfare Trust	*India*	***100***	**-**

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.

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.

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
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, baking pans, crates, pallets and oven chain where the management has assessed useful life as 3 years and for solar panels as 25 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 August 29, 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.

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.

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.

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.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortization expense in Statement of Profit and Loss. Goodwill is not amortised.

The estimated useful life of the software is considered as 5 years.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

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.

When the terms of an equity-settled award are modified, the minimum expense recognised by the Group is the grant date fair value of the unmodified award, provided the vesting conditions (other than a market condition) specified on grant date of the award are met.

Further, additional expense, if any, is measured and recognised as at the date of modification, in case such modification increases the total fair value of the share-based payment plan or is otherwise beneficial to the employee.

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 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 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

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

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 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 over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on 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.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as cash discount, trade discount, price concessions, rebates and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.
- The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

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:

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. Where the Group and its associate expects some or all of the expenditure required to settle a provision are expected to be recovered from a third party, the reimbursement is recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

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.

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 since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized. A contingent asset is 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.

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

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.

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').

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) Treasury shares

The Group has created an Employee Benefit Trust ("EBT") for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee stock option schemes. The EBT buys shares of the Company from the market, for giving shares to employees. The shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued / sold, is recognised in other equity.

o) 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.

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.

p) 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 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.

q) 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 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 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.

r) 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.

s) Share issue expenses

The share issue expenses incurred by the Group and its associate on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Group and its associate on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as IPO expenses recoverable under other current financial assets.

t) 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.

u) 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.

v) 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.

w) 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.

x) Equity share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

y) 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.

z) 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. For the year ended March 31, 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the Company.

Reconciliation of Non-GAAP measures

The following table reconcile profit for the quarter/ year (a GAAP financial measure) to PAT Margin (a non-GAAP financial measure)

(₹ in million, except percentages)

Sr. No.	Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Profit for the quarter/ year (A)	354.26	348.50	1,403.61	900.74	571.43
2	Revenue from operations (B)	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
3	PAT Margin (%) (C= A/B)	8.06%	9.31%	8.64%	6.61%	5.78%

***Notes**:*

1.PAT Margin % = (Profit for the quarter/ year) / Revenue from operations

The following table reconcile profit for the quarter/ year (a GAAP financial measure) to EBITDA, EBITDA Margin (a non-GAAP financial measure)

(₹ in million, except percentages)

Sr. No.	Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Profit for the quarter/ year (A)	354.26	348.50	1,403.61	900.74	571.43
2	Tax expense (B)	121.06	119.16	479.21	306.29	185.81
3	Finance costs (C)	41.90	18.33	118.39	129.12	70.80
4	Depreciation and amortisation expense (D)	173.37	138.94	613.96	532.77	459.99
5	EBITDA (E = A+B+C+D)	690.59	624.93	2,615.17	1,868.92	1,288.03
6	Revenue from operations (F)	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
7	EBITDA Margin (%) (G = E/F)	15.72%	16.70%	16.10%	13.72%	13.03%

Notes:
1.EBITDA = Earnings before interest, taxes, depreciation and amortisation
2.EBITDA Margin % = EBITDA / Revenue from operations

The following table reconcile profit for the quarter/ year (a GAAP financial measure) to Adjusted EBITDA, Adjusted EBITDA Margin (a non-GAAP financial measure)

(₹ in million, except percentages)

Sr. No.	Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Profit for the quarter/ year (A)	354.26	348.50	1,403.61	900.74	571.43
2	Tax expense (B)	121.06	119.16	479.21	306.29	185.81
3	Finance costs (C)	41.90	18.33	118.39	129.12	70.80
4	Depreciation and amortisation expense (D)	173.37	138.94	613.96	532.77	459.99
5	EBITDA (E = A+B+C+D)	690.59	624.93	2,615.17	1,868.92	1,288.03
6	Other income (F)	50.23	45.44	190.09	120.23	62.76
7	Share of net profit/ (loss) of associate accounted for using the equity method (net of tax) (G)	0.24	0.01	0.69	(3.35)	0.41
8	Adjusted EBITDA (H = E-F-G)	640.12	579.48	2,424.39	1,752.04	1,224.86
9	Revenue from operations (I)	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
10	Adjusted EBITDA Margin (%) (J =H/I)	14.57%	15.49%	14.93%	12.86%	12.40%

***Notes**:*
1.Adjusted EBITDA = Earnings before interest, taxes, depreciation and amortisation, other income and share of net profit of associate
2.Adjusted EBITDA Margin % = Adjusted EBITDA / Revenue from operations

The following table reconcile revenue from operations (a GAAP financial measure) to Gross Margin and Gross Margin (%) (a non-GAAP financial measure)

(₹ in million, except percentages)

Sr. No.	Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Revenue from operations (A)	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
2	Cost of materials consumed (B)	2,352.44	1,993.61	8,336.13	7,376.78	5,360.31
3	Purchase of stock-in-trade (C)	91.09	77.47	405.59	237.84	155.85
4	Changes in inventories of finished goods, work-in-progress and stock-in-trade (D)	(158.36)	(85.60)	(80.65)	(73.74)	(4.98)
5	Gross Margin (E = A-B-C-D)	2,108.84	1,756.12	7,578.38	6,080.51	4,370.55
6	Gross Margin (%) (F= E/A)	47.99%	46.94%	46.67%	44.64%	44.23%

Notes:

1.Gross Margin = Revenue from Operations - COGS (cost of materials consumed + purchase of stock-in-trade + changes in inventories of finished goods, work-in-progress and stock-in-trade.
2.Gross Margin % = Gross Margin / Revenue from operations

RESULTS OF OPERATIONS

Income

Our total revenue from operations is divided into revenue from operation and other operating revenue. The following table shows our operating turnover and other income as a percentage of our total revenue from operation:

(₹ in million, except percentages)

Particulars	June 30, 2024 (Unaudited)	June 30, 2023(Unaudited)	Fiscal 2024 (Audited)	Fiscal 2023(Audited)	Fiscal 2022(Audited)
A. Revenue from operations					
Sale of products	4,182.40	3,514.46	15,344.11	12,713.79	9,035.12
Percentage of total revenue from operations (% of A+B)	95.18%	93.93%	94.49%	93.34%	91.43%
Sale of services					
Job work income	115.01	144.17	547.05	543.73	490.27
Percentage of total revenue from operations (% of A+B)	2.62%	3.85%	3.37%	3.99%	4.96%
Total (A)	**4,297.41**	**3,658.63**	**15,891.16**	**13,257.52**	**9,525.39**
B. Other operating revenue					
Export incentives	52.95	40.20	158.62	133.50	136.26
Percentage of total revenue from operations (% of A+B)	1.21%	1.07%	0.98%	0.98%	1.38%
Income from lease rentals	10.03	16.61	64.02	68.71	79.61*
Percentage of total revenue from operations (% of A+B)	0.23%	0.44%	0.39%	0.50%	0.81%
Sale of scarp	31.77	25.90	121.85	89.89	68.20
Percentage of total revenue from	0.72%	0.69%	0.75%	0.66%	0.69%

Particulars	June 30, 2024 (Unaudited)	June 30, 2023(Unaudited)	Fiscal 2024 (Audited)	Fiscal 2023(Audited)	Fiscal 2022(Audited)
operations (% of A+B)					
Others	1.85	0.26	3.80	71.77	72.27
Percentage of total revenue from operations (% of A+B)	0.04%	0.01%	0.02%	0.53%	0.73%
Total (B)	**96.60**	**82.97**	**348.29**	**363.87**	**356.34**
Total revenue from operations (A+B)	**4,394.01**	**3,741.60**	**16,239.45**	**13,621.39**	**9,881.73**
Other income	**50.23**	**45.44**	**190.09**	**120.23**	**62.76#**
Total income	**4,444.24**	**3,787.04**	**16,429.54**	**13,741.62**	**9,944.49**

 # In Fiscal 2022 our 'net gain from foreign exchange fluctuations' was categorized as 'other operating revenue' in our consolidated statement of profit and loss account which was thereafter recategorized as 'other income' for Fiscals 2023 and 2024 respectively.
**In Fiscal 2022 our 'income from lease rentals was categorized as 'others' under 'other operating revenue' in our consolidated statement of profit and loss account which was thereafter categorized as 'income lease rentals' under 'other operating revenue' for Fiscal 2023 and 2024 respectively. The above Fiscal 2022 numbers are represented based on similar adjustments.*

Total Revenue from Operations

Our total revenue from operations comprises of revenue from operation and other operating revenue. Revenue from operations comprises of revenue from (i) sale of products; and (ii) sale of services - job work income. Our other operating revenue comprise of revenue from (i) export incentives; (ii) lease rentals; (iii) sale of scrap; and (iv) others.

Revenue from sale of products

Our revenue from sale of products accounted 95.18%, 93.93%, 94.49%, 93.34% and 91.43 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively. Our revenue from sale of products primarily consists of sale of finished biscuits, and sweet and savoury bakery products manufactured in our manufacturing facilities and sale of traded biscuits.

Revenue from Sale of services – Job work income

Our revenue from sale of services is attributed to our income from job work which accounted for 2.62%, 3.85%, 3.37%, 3.99% and 4.96% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively. Our job work income primarily consists of revenue from certain third-party biscuit companies such as Mondelez India Foods Private Limited for whom we manufacture 'Oreo' biscuits and 'Chocobakes' cookies.

Export incentives

Our Company is eligible to avail certain benefits under the export promotion schemes introduced by the Government of India such as Duty Free Import Authorisation which entitles us to duty free import of certain inputs consumed or utilised in the production of an export product. The Company had also availed benefits from schemes incentive such as Merchandise Exports from India Scheme Transport and Market Assistance Scheme. Currently these schemes are not applicable.

Our revenue from export incentives accounted for 1.21%, 1.07%, 0.98%, 0.98% and 1.38% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Income from lease rentals

In Fiscal 2023, our Company has entered into an External Manufacturing Conversion/Tolling Master agreement with of one of our factories located at Phillaur pursuant to an agreement dated April 1, 2023. for a term of 3 years.

Our income from lease rentals accounted for 0.23%, 0.44%, 0.39% and 0.50% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024 and 2023 respectively.

Revenue from sale of scrap

Our revenue from sale of scrap accounted for 0.72%, 0.69%, 0.75%, 0.66% and 0.69 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively. Our revenue from sale of scrap primarily consists of waste packing material and waste raw materials.

Others

Our revenue from others accounted for 0.04%, 0.01%, 0.02%, 0.53% and 0.73 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively. Our revenue from others consists of recovery of old debts.

Other Income

Other income includes (i) interest income from financial assets at amortized cost; (ii) interest income from others; (iii) net gain on account of foreign exchange fluctuations; (iv) government grants; (v) net profit on sale/write off of property, plant and equipment; (vi) liabilities no longer required written back; and (vii) miscellaneous income which includes claim from insurance.

Expenses

Our expenses comprise of (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of finished goods, work-in-progress and stock-in-trade; (iv) employee benefit expenses; (v) finance costs; (vi) depreciation and amortisation expense; and (vii) other expenses.

The following table sets forth our expenditure in Rupees (in million) and as a percentage of our total revenue for the periods indicated:

(₹ in million, except percentages)

Particulars	June 30, 2024(Unaudited)	June 30, 2023(Unaudited)	Fiscal Year 2024(Audited)	Fiscal Year 2023(Audited)	Fiscal Year 2022(Audited)
Cost of materials consumed (including purchased components and packing material consumed) (A)	2,352.44	1,993.61	8,336.13	7,376.78	5,360.31
Percentage of (A) to total revenue from operations	53.54%	53.28%	51.33%	54.16%	54.24%
Purchase of stock-in-trade (B)	91.09	77.47	405.59	237.84	155.85
Percentage of (B) to total revenue from operations	2.07%	2.07%	2.50%	1.75%	1.58%
Changes in inventories of finished goods, work-in-progress and stock-in-trade (C)	(158.36)	(85.60)	(80.65)	(73.74)	(4.98)
Percentage of (C) to total revenue from operations	(3.60%)	(2.29%)	(0.50%)	(0.54%)	(0.05%)
Employee benefit expenses (D)	637.80	492.70	2,182.38	1,629.92	1,377.72
Percentage of (D) to total revenue from operations	14.52%	13.17%	13.44%	11.97%	13.94%
Finance costs (E)	41.90	18.33	118.39	129.12	70.80
Percentage of (E) to total revenue from operations	0.95%	0.49%	0.73%	0.95%	0.72%
Depreciation and amortisation expense (F)	173.37	138.94	613.96	532.77	459.99

Particulars	June 30, 2024(Unaudited)	June 30, 2023(Unaudited)	Fiscal Year 2024(Audited)	Fiscal Year 2023(Audited)	Fiscal Year 2022(Audited)
Percentage of (F) to total revenue from operations	3.95%	3.71%	3.78%	3.91%	4.65%
Other expenses (G)	830.92	683.94	2,971.61	2,698.55	1,767.97
Percentage of (G) to total revenue from operations	18.91%	18.28%	18.30%	19.81%	17.89%
Total expenses	**3,969.16**	**3,319.39**	**14,547.41**	**12,531.24**	**9,187.66**

Cost of materials consumed

Cost of materials consumed comprises of raw material costs incurred in production of our products. The primary raw materials involved in the manufacture of our products include wheat flour, oil and fats, sugar and packaging material. Raw materials purchased represent a significant majority of our total expenditure. Cost of materials consumed accounted for 53.54% and 53.28%, 51.33%, 54.16% and 54.24% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Purchase of stock-in-trade

Purchase of stock-in-trade represents purchase of biscuits, bread and other confectionary items which we procure from certain third parties due to capacity constraints. Purchase of stock-in-trade accounted for 2.07%, 2.07%, 2.50%, 1.75% and 1.58% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

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

Changes in inventories of finished goods, work-in-progress and stock-in-trade consist of costs attributable to an increase or decrease in inventory levels during the relevant financial period in finished goods, work-in-progress and stock-in-trade. . Changes in inventories of finished goods, work-in-progress and stock-in-trade accounted for (3.60)%, (2.29)%, (0.50)%, (0.54)% and (0.05) % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Employee benefit expenses

Employee benefits expense includes (i) salaries and wages; (ii) contribution to provident fund and other funds, (iii) share-based payment to employees; and (iv) staff welfare expenses. Employee benefit expenses accounted for 14.52% and 13.17%, 13.44 %, 11.97% and 13.94 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Finance costs

Finance cost includes interest expense on financial liabilities measured at amortised cost, loan from banks, lease liabilities and others. Finance costs accounted for 0.95%, 0.49%, 0.73%, 0.95% and 0.72 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Depreciation and amortisation expense

Depreciation represents depreciation on our fixed assets including buildings, leasehold improvements, plant and equipment, vehicles, office equipment, computers and furniture and fixtures and leasehold land. Amortisation represents amortisation on our intangible assets which includes our computer software. Depreciation on property, plant and equipment is calculated on a 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 machinery such as mould, crates and pallets where our management has assessed useful life as three years based on internal technical evaluation. Depreciation methods, useful lives and residual values are reviewed at each Fiscal end and adjusted if appropriate. Freehold land is not depreciated.

Depreciation and amortisation expense accounted for 3.95 %, 3.71%, 3.78%, 3.91% and 4.65% of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscals 2024, 2023 and 2022, respectively.

Other expenses

Other expenses include, rent payment charges, rates and taxes, power and fuel, repairs and maintenance of plant and machinery, buildings and others. job work charges, traveling and conveyance related expenses, payment to auditor, legal and professional fees, printing and stationery, advertisement and sales promotion, consumption of stores and spare parts, commission and brokerage, communication costs, freight and forwarding, insurance, allowances on trade receivable and other advances, net change in fair value of financial assets at FVTPL, bank charges, expenditure on corporate social responsibility and miscellaneous expenses. Other expenses accounted for accounted for 18.91%, 18.28%, 18.30%, 19.81% and 17.89 % of our total revenue from operations for the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Financial Years 2024, 2023 and 2022, respectively.

During three months ended June 30, 2024 compared with three months ended June 30, 2023

Total income

Our total income significantly increased by ₹ 657.20 million or by 17.35 % from ₹ 3,787.04 million during the three months ended June 30, 2023 to ₹ 4,444.24 million in during the three months ended June 30, 2024. This increase was primarily due to an increase in our revenue from operations.

Total Revenue from Operations

Our total revenue from operations increased by ₹ 652.41 million or by 17.44 % from ₹ 3,741.60 million during the three months ended June 30, 2023 to ₹ 4,394.01 million during the three months ended June 30, 2024. This increase was primarily driven by ₹ 667.94 million or by 19.01% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 667.94 million or by 19.01 % from ₹ 3,514.46 million during the three months ended June 30, 2023 to ₹ 4,182.40 million during the three months ended June 30, 2024. This increase was driven by an increase in our export and domestic sales volume of biscuits segment for both premium and mid-premium categories through an expanded distribution and marketing network.

Job work income

Our job work income decreased from ₹ 144.17 million or by ₹ 29.16 million or 20.23 % during the three months ended June 30, 2023 to ₹ 115.01 million during the three months ended June 30, 2024. This decrease was due to decline in orders due to decrease in demand for oreo biscuits.

Export incentives

Our income from export incentives increased by ₹ 12.75 million or by 31.72 % from ₹ 40.20 million in during the three months ended June 30, 2023 to ₹ 52.95 million during the three months ended June 30, 2024. This increase was primarily driven by an increase in the export incentives availed due to growth in the export of our biscuits segment for both premium and mid-premium categories.

Income from lease rentals

Our income from lease rentals decreased by ₹ 6.58 million or by 39.61 % from ₹ 16.61 million during the three months ended June 30, 2023 to ₹ 10.03 million during the three months ended June 30, 2024. We manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez. We have provided plant and machinery for such manufacturing on contract basis to Mondelez. We recovers lease rentals for the same on the basis of depreciation charge incurred. The decrease was due to some plant and machinery fully depreciated over the useful life during the previous period resulting in decrease in income from lease rentals.

Sale of scrap

Our income from sale of scrap increased by ₹ 5.87 million or by 22.66 % from ₹ 25.90 million during the three months ended June 30, 2023 to ₹ 31.77 million during the three months ended June 30, 2024. This increase was on account of an increase in sale of waste packing material and waste raw materials which increased due to an increase in production of our bakery products, particularly breads.

Others

Our revenue from others increased by ₹ 1.59 million or by 611.54% from ₹ 0.26 million during the three months ended June 30, 2023 to ₹ 1.85 million during the three months ended June 30, 2024. This significant increase was on recovery of old debts.

Other Income

Our other income increased by ₹ 4.79 million or by 10.54 % from ₹ 45.44 million during the three months ended June 30, 2023 to ₹ 50.23 million during the three months ended June 30, 2024. This increase was primarily on account of an increase in interest income on financial assets at amortised cost due to an increase in our deposits, increase in the interest income from others due to increase in security deposit rates, increase in net gain from foreign exchange fluctuations due to an increase in our export sales volume.

Total Expenses

Total expenses increased by ₹ 649.77 million or by 19.57 % from ₹ 3,319.39 million during the three months ended June 30, 2023 to ₹ 3,969.16 million in during the three months ended June 30, 2024.

Cost of materials consumed (including purchased components and packing material consumed)

Cost of raw materials consumed increased by ₹ 358.83 million or by 18.00% from ₹ 1,993.61 million in during the three months ended June 30, 2023 to ₹ 2,352.44 million during the three months ended June 30, 2024 on account of (a) increase in the export biscuits and bakery division of production of our products due to increase in demand and (b) an increase in the prices of certain raw materials such as maida and sugar.

The following table sets forth the amount spent on certain primary raw materials consumed in during the three months ended June 30, 2024 and during the three months ended June 30, 2023.

(₹ in million)

Raw Material Consumed	June 30, 2024	June 30, 2023
Wheat flour	752.76	627.83
Oil and fats	406.27	352.74
Sugar	301.89	247.67
Packaging material	497.17	434.64
Others	394.35	330.73
Total	**2,352.44**	**1,993.61**

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 13.62 million or by 17.58 % from ₹ 77.47 million during the three months ended June 30, 2023 to ₹ 91.09 million during the three months ended June 30, 2024 on account of increase in our purchase of biscuits and bread. We further altered our production strategy to purchase some bread directly from the market as finished product instead of making bread using raw materials such as maida which also attributed to an increase in our purchase of stock-in-trade. However, this expense was offset by an increase in our revenue from sale of products as discussed above.

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

The differences in the changes in inventories of finished goods, work-in-progress and stock-in-trade increased by ₹ 72.76 million or by 85.00 % from ₹ (85.60) million during the three months ended June 30, 2023 to ₹ (158.36) million during the three months ended June 30, 2024. This was primarily due to a significant increase in inventory of finished goods as a result of expansion to new geographies.

Employee benefit expenses

Employee benefits expenses increased by ₹ 145.10 million or by 29.45 % from ₹ 492.70 million during the three months ended June 30, 2023 to ₹ 637.80 million during the three months ended June 30, 2024. This was primarily due to an increase in the number of employees and number of labourers due to increase of our production.

Finance costs

Finance costs increased by ₹ 23.57 million or by 128.59% from ₹ 18.33 million during the three months ended June 30, 2023 to ₹ 41.90 million during the three months ended June 30, 2024. The increase in finance costs was primarily on account of increase in interest rates of loans and on account of availing of new loans.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 34.43 million, or 24.78%, from ₹ 138.94 million during the three months ended June 30, 2023 to ₹ 173.37 million during the three months ended June 30, 2024. This increase was primarily due to capitalization of assets of our new installed machinery at our manufacturing units at Rajpura and Bhiwadi.

Other expenses

Our other expenses increased by ₹ 146.98 million or by 21.49 % from ₹ 683.94 million in during the three months ended June 30, 2023 to ₹ 830.92 million during the three months ended June 30, 2024. The increase in other expenses was primarily due to an increase in power and fuel, repair and maintenance of plant and machinery, job work charges, travelling and conveyance, advertisement and sales promotion, freight and forwarding, expenditure on CSR activities and miscellaneous expenses.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 7.66 million or by 1.64% from ₹ 467.66 million during the three months ended June 30, 2023 to ₹ 475.32 million during the three months ended June 30, 2024.

Tax expense

Our total tax expense increased by ₹ 1.90 million or by 1.59% from ₹ 119.16 million during the three months ended June 30, 2023 to ₹ 121.06 million during the three months ended June 30, 2024.

Profit for the quarter

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit for the quarter by ₹ 5.76 million or by 1.65% from ₹ 348.50 million during the three months ended June 30, 2023 to ₹ 354.26 million during the three months ended June 30, 2024.

Fiscal 2024 compared with Fiscal 2023

Total income

Our total income significantly increased by ₹ 2,687.92 million or by 19.56 % from ₹ 13,741.62 million in Fiscal 2023 to ₹ 16,429.54 million in Fiscal 2024. This increase was primarily due to an increase in our revenue from operations.

Total Revenue from Operations

Our total revenue from operations increased by ₹ 2,618.06 million or by 19.22% from ₹ 13,621.39 million in Fiscal 2023 to ₹ 16,239.45 million in Fiscal 2024. This increase was primarily driven by ₹ 2,630.32 million or by 20.69% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 2,630.32 million or by 20.69 % from ₹ 12,713.79 million in Fiscal 2023 to ₹ 15,344.11 million in Fiscal 2024. This increase was driven by an increase in our export and domestic sales volume of biscuits division for both premium and mid-premium categories through an expanded distribution and marketing network. This increase was also attributed to the growth of our domestic biscuit and bakery divisions due to commissioning of an additional plant at Bhiwadi, Rajasthan, India in November, 2023 and increase in production capacity at Raipura plant for production of biscuits. Further, instead of producing some of our products from scratch, we began purchasing the finished component such as bread directly from the market which also led to an increase in our sales which contributed to the above increase in sale of products compared to Fiscal 2023.

Job work income

Our job work income increased marginally from ₹ 543.73 million or by ₹ 3.32 million or 0.61 % in Fiscal 2023 to ₹ 547.05 million in Fiscal 2024.

Export incentives

Our income from export incentives increased by ₹ 25.12 million or by 18.82% from ₹ 133.5 million in Fiscal 2023 to ₹ 158.62 million in Fiscal 2024. This increase was primarily driven by an increase in the export incentives availed due to growth in the export of our biscuits division for both premium and mid-premium categories.

Income from lease rentals

Our income from lease rentals decreased by ₹ 4.69 million or by 6.83% from ₹ 68.71 million in Fiscal 2023 to ₹ 64.02 million in Fiscal 2024. We manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez. We have provided plant and machinery for such manufacturing on contract basis to Mondelez. We recovers lease rentals for the same on the basis of depreciation charge incurred. The decrease was due to some plant and machinery fully depreciated over the useful life during the previous period resulting in decrease in income from lease rentals.

Sale of scrap

Our income from sale of scrap increased by ₹ 31.96 million or by 35.55% from ₹ 89.89 million in Fiscal 2023 to ₹ 121.85 million in Fiscal 2024. This increase was on account of an increase in sale of waste packing material and waste raw materials which increased due to an increase in production of our bakery products, particularly breads.

Others

Our revenue from others decreased by ₹ 67.97 million or by 94.71% from ₹ 71.77 million in Fiscal 2023 to ₹ 3.80 million in Fiscal 2024. This significant decrease was on account of settlement of a one-time forward contract in relation to the purchase of wheat which we had bought in Fiscal 2023 but due to fall in the market price of wheat, we settled the forward contract. Such settlement accounted for an one-time spurt in revenue from others in Fiscal 2023 which was not there in Fiscal 2024.

Other Income

Our other income increased by ₹ 69.86 million or by 58.11% from ₹ 120.23 million in Fiscal 2023 to ₹ 190.09 million in Fiscal 2024. This increase was primarily on account of an increase in interest income on financial assets at amortised cost due to an increase in our deposits, increase in the interest income from others due to increase in security deposit rates, increase in net gain from foreign exchange fluctuations due to an increase in our export sales volume, new grant received from Ministry of Food Processing Industries, Government of India for our project at Rajpura . Further, we had adjusted ₹ 19.42 million as income against liabilities no longer to be written back due to the settlement of our value-added tax matter.

Total Expenses

Total expenses increased by ₹ 2,016.17 million or by 16.09% from ₹ 12,531.24 million in Fiscal 2023 to ₹ 14,547.41 million in Fiscal 2024.

Cost of materials consumed (including purchased components and packing material consumed)

Cost of raw materials consumed increased by ₹ 959.35 million or by 13.00% from ₹ 7,376.78 million in Fiscal 2023 to ₹ 8,336.13 million in Fiscal 2024 on account of (a) increase in the biscuits and bakery division of production of our products due to increase in demand and launching of new products and new geographies

The following table sets forth the amount spent on certain primary raw materials consumed in Fiscal 2024 and Fiscal 2023.

(₹ in million)

Raw Material Consumed	Fiscal 2024	Fiscal 2023
Wheat flour	2,727.23	2,390.88
Oil and fats	1,369.90	1,413.32
Sugar	1,074.85	834.42
Packaging material	1,708.30	1,560.29
Others	1,455.85	1,177.87
Total	**8,336.13**	**7,376.78**

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 167.75 million or by 70.53% from ₹ 237.84 million in Fiscal 2023 to ₹ 405.59 million in Fiscal 2024 on account of increase in our purchase of biscuits and bread. We further altered our production strategy to purchase bread directly from the market as finished product instead of making bread using raw materials such as wheat which also attributed to an increase in our purchase of stock-in-trade. However, this expense was offset by an increase in our revenue from sale of products as discussed above.

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

The differences in the changes in inventories of finished goods, work-in-progress and stock-in-trade increased by ₹ 6.91 million or by 9.37% from ₹ (73.74) million in Fiscal 2023 to ₹ (80.65) million in Fiscal 2024. This was primarily due to a significant increase in inventory of finished goods as a result of decrease in sales of our products in the corresponding period.

Employee benefit expenses

Employee benefits expenses increased by ₹ 552.46 million or by 33.89% from ₹ 1,629.92 million in Fiscal 2023 to ₹ 2,182.38 million in Fiscal 2024. This was primarily due to an increase in the number of employees and number of labourers due to increase in the production and capitalization of two biscuit lines at our factory at Rajpura and a new bakery line in Bhiwadi in Fiscal 2024.

Further, in Fiscal 2023, our 'directors' remuneration and sitting fees' was categorized as 'other expenses' which was recategorized as 'salaries and wages' under 'employee benefit in Fiscal 2024. This recategorization also attributed to the increase in employee benefit expenses in Fiscal 2024 compared to Fiscal 2023.

Finance costs

Finance costs decreased by ₹ 10.73 million or by 8.31% from ₹ 129.12 million in Fiscal 2023 to ₹ 118.39 million in Fiscal 2024. The decrease in finance costs was primarily on account of decrease in one-time interest costs paid in relation to the purchase of forward contract for wheat.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 81.19 million, or 15.24%, from ₹ 532.77 million in Fiscal 2023 to ₹ 613.96 million in Fiscal 2024. This increase was primarily due to capitalization of assets of our new installed machinery at our manufacturing units at Rajpura and Bhiwadi.

Other expenses

Our other expenses increased by ₹ 273.06 million or by 10.12% from ₹ 2,698.55 million in Fiscal 2024 to ₹ 2,971.61 million in Fiscal 2023. The increase in other expenses was primarily due to an increase in power and fuel, repair and maintenance of plant and machinery, job work charges, travelling and conveyance, advertisement and sales promotion, freight and forwarding, expenditure on CSR activities and miscellaneous expenses.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 675.79 million or by 55.99% from ₹ 1,207.03 million in Fiscal 2023 to ₹ 1,882.82 million in Fiscal 2024.

Tax expense

Our total tax expense increased by ₹ 172.92 million or by 56.46% from ₹ 306.29 million in Fiscal 2023 to ₹ 479.21 million in Fiscal 2024.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit for the year by ₹ 502.87 million or by 55.83% from ₹ 900.74 million in Fiscal 2023 to ₹ 1,403.61 million in Fiscal 2024.

Fiscal 2023 compared with Fiscal 2022

Total income

Our total income increased by ₹ 3,797.13 million or by 38.18% from ₹ 9,944.49 million in Fiscal 2022 to ₹ 13,741.62 million in Fiscal 2023. This increase was primarily due to an increase in our revenue from operations.

Revenue

Total Revenue from Operations

Our total revenue from operations increased by ₹ 3,739.66 million or by 37.84% from ₹ 9,881.73 million in Fiscal 2022 to ₹ 13,621.39 million in Fiscal 2023. This increase was primarily driven by ₹ 3,678.67 million or by 40.72% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 3,678.67 million or by 40.72% from ₹ 9,035.12 million in Fiscal 2022 to ₹ 12,713.79 million in Fiscal 2023. This increase was on account of growth in our business as a result of normalization of activities following the reduction in the COVID-19 pandemic and its related restrictions and also increase in our domestic sales volume of biscuit division for both premium and mid-premium categories through an expanded distribution network. Due to normalization activities following the reduction in the COVID-19 pandemic and its related restrictions our sales volume in the premium division for biscuits and bakery categories increased which contributed to the increase in sale of products compared to Fiscal 2022.

Job work income

Our job work income increased from ₹ 490.27 million or by ₹ 53.46 million or 10.90% in Fiscal 2022 to ₹ 543.73 million in Fiscal 2023. This increase was primarily on account of increased orders from our existing job-work customers which was also due to normalization of activities following the reduction in the COVID-19 pandemic and its related restrictions.

Export incentives

Our income from export incentives decreased by ₹ 2.76 million or by 2.03% from ₹ 136.26 million in Fiscal 2022 to ₹ 133.50 million in Fiscal 2023. This decrease was due to the withdrawal of Transport and Market Assistance Scheme by Government of India.

Income from lease rentals

In Fiscal 2022, our 'income from lease rentals' was categorized as 'others' under 'other operating revenue' in our consolidated statement of profit and loss account.

Our income from lease rentals decreased by ₹ 10.90 million or by 13.69% from ₹ 79.61 million in Fiscal 2022 to ₹ 68.71 million in Fiscal 2023. We manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for

Mondelez India Foods Private Limited. We have provided plant and machinery for such manufacturing on contract basis to Mondelez India Foods Private Limited. We recovers lease rentals for the same on the basis of depreciation charge incurred. The decrease was due to some plant and machinery fully depreciated over the useful life during the previous period resulting in decrease in income from lease rentals.

Net gain on account of foreign exchange fluctuations

In Fiscal 2022 our 'net gain from foreign exchange fluctuations' was categorized as 'other operating revenue' in our consolidated statement of profit and loss account which was thereafter recategorized as 'other income' for Fiscal 2023 and 2024, respectively.

Our net gain on account of foreign exchange fluctuations decreased by ₹ 15.34 million or by 22.82% from ₹ 67.23 million in Fiscal 2022 to ₹ 51.89 million in Fiscal 2023. This decrease was primarily driven by high fluctuation in dollar rates (in the range of ₹ 75.00 to ₹ 83.00 per USD) in Fiscal 2023 and also due to the recategorization from 'other operating revenue' to other income'.

Sale of scrap

Our income from sale of scrap increased by ₹ 21.69 million or by 31.80% from ₹ 68.20 million in Fiscal 2022 to ₹ 89.89 million in Fiscal 2023. This increase was on account of an increase in sale of waste packing material and waste raw materials which increased due to an increase in production of our bakery products, particularly breads.

Others

Our revenue from others decreased by ₹ 0.05 million or by 0.69% from ₹ 72.27 million in Fiscal 2022 to ₹ 71.77 million in Fiscal 2023.

Other Income

Our other income increased by ₹ 57.47 million or by 91.57% from ₹ 62.76 million in Fiscal 2022 to ₹ 120.23 million in Fiscal 2023. This increase was primarily on account of recategorization of 'net gain in foreign exchange fluctuation' of ₹ 51.89 million from 'other operating revenue' to other income' in Fiscal 2023, increase in interest income on financial assets at amortised cost due to increase in deposits, interest income from others due to increase in security deposit rates and increase in miscellaneous income due to receipt of marine insurance claims due to damage of goods during transit. which was off set by net profit on sale/write off of property, plant and equipment due to lower disposal of assets in Fiscal 2023.

Total Expenses

Total expenses increased by ₹ 3,343.58 million or by 36.39% from ₹ 9,187.66 million in Fiscal 2022 to ₹ 12,531.24 million in Fiscal 2023.

Cost of materials consumed (including purchased components and packing material consumed)

Cost of raw materials consumed increased by ₹ 2,016.47 million or by 37.62% from ₹ 5,360.31 million in Fiscal 2022 to ₹ 7,376.78 million in Fiscal 2023 on account of (a) increase in the biscuits and bakery division of production of our products due to increase in demand and b) increase in the price of certain raw materials like maida, sugar, milk powder and gluten.

The following table sets forth the amount spent on certain primary raw materials consumed in Fiscal 2023 and Fiscal 2022.

(₹ in million)

Raw Material Consumed	Fiscal 2023	Fiscal 2022
Wheat flour	2,390.88	1,491.08
Oil and fats	1,413.32	1,247.76
Sugar	834.42	639.12
Packaging material	1,560.29	1,171.77
Others	1,177.87	810.58
Total	**7,376.78**	**5,360.31**

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 81.99 million or by 52.61% from ₹ 155.85 million in Fiscal 2022 to ₹ 237.84 million in Fiscal 2023 on account of account of increase in our purchase of biscuits and bread as demand for such products increased and in order to meet such demands and retain customers we purchased these cookies and biscuits from third parties. However, this expense was offset by an increase in our revenue from sale of products as discussed above.

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

The differences in the changes in inventories of finished goods, work-in-progress and stock-in-trade increased by ₹ 68.76 million or by 1,380.72% from ₹ (4.98) million in Fiscal 2022 to ₹ (73.74) million in Fiscal 2023. This was primarily due to a significant increase in inventory of finished goods as we sought to maintain higher levels of finished goods as part of our strategy to meet customer demands and manage our sales volume effectively.

Employee benefit expenses

Employee benefits expenses increased by ₹ 252.20 million or by 18.31% from ₹ 1,377.72 million in Fiscal 2022 to ₹ 1,629.92 million in Fiscal 2023. This was primarily due to an increase in the number of employees and number of labourers.

Finance costs

Finance costs increased by ₹ 58.32 million or by 82.37% from ₹ 70.80 million in Fiscal 2022 to ₹ 129.12 million in Fiscal 2023. The increase in finance costs was primarily on account of increase in interest paid on loans taken from banks and interest incurred in relation to the purchase of forward contract for wheat.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 72.78 million, or 15.82%, from ₹ 459.99 million in Fiscal 2022 to ₹ 532.77 million in Fiscal 2023. This increase was primarily due to increase in fixed assets as we bought for our manufacturing unit at Rajpura.

Other expenses

Our other expenses increased by ₹ 930.58 million or by 52.64 % from ₹ 1,767.97 million in Fiscal 2023 to ₹ 2,698.55 million in Fiscal 2022. The increase in other expenses was primarily due to increase in rates and taxes, power and fuel, repair and maintenance of plant and machinery, job work charges, travelling and conveyance, advertisement and sales promotion, freight and forwarding, expenditure on CSR activities and miscellaneous expenses.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 449.79 million or by 59.40 % from ₹ 757.24 million in Fiscal 2022 to ₹ 1,207.03 million in Fiscal 2023.

Tax expense

Our total tax expense increased by ₹ 120.48 million or by 64.84% from ₹ 185.81 million in Fiscal 2022 to ₹ 306.29 million in Fiscal 2023.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit for the year by ₹ 329.31 million or by 57.63 % from ₹ 571.43 million in Fiscal 2022 to ₹ 900.74 million in Fiscal 2023.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in the period April 1, 2024 to June 30, 2024, the period April 1, 2023 to June 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in million)

	June 30, 2024	June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash from operating activities	366.73	452.56	1,534.13	1,640.58	842.52
Net cash used in investing activities	(410.71)	(431.99)	(2,235.36)	(1,509.73)	(565.07)
Net cash generated from/used in the financing activities	247.07	4.69	687.64	(365.75)	(300.07)
Net increase/(decrease) in cash and cash equivalents	**203.09**	**25.26**	**(13.59)**	**(234.90)**	**(22.62)**
Effect of exchange gain on cash and cash equivalents	(0.01)	-	0.06	0.07	-
Cash and cash equivalents at the beginning of the quarter/ year	76.37	89.90	89.90	324.73	347.35
Cash and cash equivalents at the end of the quarter / year	**279.45**	**115.16**	**76.37**	**89.90**	**324.73**

Net cash from operating activities

Net cash from operating activities in the period April 1, 2024 to June 30, 2024 was ₹ 366.73 million and our operating profit before working capital changes for that period was ₹ 665.27 million. The difference was primarily attributable to ₹ 106.86 million increase in trade receivables, ₹ 6.57 million decrease in other liabilities and ₹ 234.69 million increase in inventory which was offset by ₹ 135.65 million increase in trade payables and ₹ 20.83 million increase in other financial liabilities.

Net cash from operating activities in the period April 1, 2023 to June 30, 2023 was ₹ 452.56 million and our operating profit before working capital changes for that period was ₹ 597.86 million. The difference was primarily attributable to ₹ 41.26 million increase in trade receivables, ₹ 49.86 million decrease in other liabilities and ₹ 124.33 million increase in inventory which was offset by ₹ 127.01 million increase in trade payables and ₹ 3.72 million increase in other financial liabilities.

Net cash from operating activities in Fiscal 2024 was ₹ 1,534.13 million and our operating profit before working capital changes for that period was ₹ 2,497.05 million. The difference was primarily attributable to ₹ 430.81 million increase in trade receivables, ₹ 256.38 million decrease in other liabilities and ₹ 222.12 million increase in inventory which was offset by ₹ 292.01 million increase in trade payables and ₹ 218.34 million increase in other financial liabilities.

Net cash from operating activities in Fiscal 2023 was ₹ 1,640.58 million and our operating profit before working capital changes for that period was ₹ 1,820.33 million. The difference was primarily attributable to ₹ 163.16 million increase in trade receivables, ₹ 116.36 million increase in other current assets and ₹ 27.66 million increase in inventory which was offset by ₹ 197.95 million increase in trade payables, ₹ 17.04 million increase in other financial liabilities.

Net cash from operating activities in Fiscal 2022 was ₹ 842.52 million and our operating profit before working capital changes for that period was ₹ 1,222.30 million. The difference was primarily attributable to ₹ 217.73 million increase in inventories, ₹ 53.64 million increase in other current assets and ₹ 28.10 million increase in trade receivables which was offset by ₹ 71.98 million decrease in other financial assets and ₹ 40.90 million increase in other liabilities.

Net cash used in investing activities

Net cash used in investing activities in the period April 1, 2024 to June 30, 2024 was ₹ 410.71 million. This reflected (i) payments of ₹ 537.52 million towards purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances) (ii) amount of ₹292.77 million towards proceeds from maturity of bank deposits, (iii) amount of ₹ 184.99 million towards Investments in bank deposits (having original maturity of more than three months), (iv) amount of ₹ 17.73 million towards Interest Received and (v) amount of ₹ 1.30 million towards proceeds from sale of property, plant and equipment.

Net cash used in investing activities in the period April 1, 2023 to June 30, 2023 was ₹ 431.99 million. This reflected (i) payments of ₹ 291.42 million towards Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and Capital Advances), (ii) amount of ₹ 103.81 million towards Proceeds from maturity of bank deposits, (iii) amount of ₹ 263.99 million towards Investments in bank deposits (having original maturity of more than three months), (iv) amount of ₹ 18.33 million towards Interest Received and (v) amount of ₹ 2.55 million towards Proceeds from sale of property, plant and equipment and (vi) amount of ₹ 1.27 million towards purchase of investments.

Net cash used in investing activities in Fiscal 2024 was ₹ 2,235.36 million. This reflected (i) payment of ₹ 2,151.52 million towards purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances); (ii) amount of ₹ 0.53 million towards purchase of intangible assets; (iii) amount of ₹ 619.05 million towards investments in bank deposits (having original maturity of more than three months). This was offset by (i) amount of ₹ 5.29 million as proceeds from sale of property, plant and equipment; (ii) amount of ₹ 68.95 million as proceeds from sale of investments; (iii) amount of ₹ 378.00 million as proceeds from maturity of bank deposits; (iv) amount of ₹ 83.50 million as interest received.

Net cash used in investing activities in Fiscal 2023 was ₹ 1,509.73 million. This reflected (i) payment of ₹ 1,094.55 million towards purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances); (ii) amount of ₹ 6.28 million towards purchase of investments; (iii) amount of ₹ 1,163.23 million towards investments in bank deposits (having original maturity of more than three months). This was offset by (i) amount of ₹ 11.58 million as proceeds from sale of property, plant and equipment; (ii) amount of ₹ 697.79 million as proceeds from maturity of bank deposits; (iv) amount of ₹ 44.96 million as interest received.

Net cash used in investing activities in Fiscal 2022 was ₹ 565.07 million. This reflected (i) payment of ₹ 602.99 million towards purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances); (ii) payment of ₹ 1.52 million towards purchase of intangible assets; (iii) amount of ₹ 5.76 million towards purchase of investments; (iv) amount of ₹ 5.85 million towards Net investments in bank deposits (having original maturity of more than three months). This was offset by (i) ₹ 12.03 million as proceeds from sale of property, plant and equipment; (ii) ₹ 39.02 million as interest received.

Net cash generated from/ used in financing activities

Net cash generated from financing activities in the period April 1, 2024 to June 30, 2024 was ₹ 247.07 million. This reflected (i) ₹ 466.64 million from proceeds from non-current borrowings; (ii) ₹ 4.58 million as proceeds of current borrowings (net). This was offset by (i) repayment of ₹ 178.44 million towards non-current borrowings (ii) payment of ₹ 37.00 million towards finance costs.

Net cash generated from financing activities in the period April 1, 2023 to June 30, 2023 was ₹ 4.69 million. This reflected (i) repayment of ₹ 154.35 million towards non-current borrowings (ii) payment of ₹ 17.20 million towards finance costs. This was offset by (i) ₹ 87.07 million from proceeds from non-current borrowings; (ii) ₹ 93.51 million as proceeds repayments of current borrowings (net).

Net cash generated from financing activities in Fiscal 2024 was ₹ 687.64 million. This reflected (i) repayment of ₹ 216.01 million towards non-current borrowings (ii) payment of ₹ 176.31 million towards dividend; and (iii) payment of ₹ 108.10 million towards finance costs. This was offset by (i) ₹ 801.31 million from proceeds from non-current borrowings; (ii) ₹ 453.57 million as proceeds of current borrowings (net).

Net cash generated from financing activities in Fiscal 2023 was ₹ 365.75 million. This reflected (i) repayment of ₹ 242.39 million towards non-current borrowings (ii) payment of ₹ 146.93 million towards dividend paid; (iii) payment of ₹ 124.31 million towards payment of finance cost. This was offset by (i) ₹ 243.82 million as proceeds from non-current borrowings.

Net cash generated from financing activities in Fiscal 2022 was ₹ 300.07 million. This reflected (i) repayment of ₹ 260.06 million towards non-current borrowings (ii) payment of ₹ 214.50 million towards dividend. This was offset by (i) ₹ 142.09 million as proceeds from non-current borrowings; and (ii) ₹ 98.47 million as proceeds of current borrowings (net).

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities and borrowings under term loan facilities from banks and financial institutions. Our primary use of funds have been to pay for our working capital requirements and capital expenditures for setting-up of our manufacturing facilities. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. To the extent we do not generate sufficient cash flow from operating activities, we may rely on other debt or equity financing activities, subject to market conditions.

Our Company had consolidated cash and cash equivalents of ₹ 279.45 million as of June 30, 2024, ₹ 115.16 million as of June 30, 2023, ₹ 76.37 million as of March 31, 2024, ₹ 89.90 million as of March 31, 2023 and ₹ 324.73 million as of March 31, 2022. As of March 31, 2024, we had borrowings (non-current borrowings and current borrowings including interests accrued) of ₹ 2,249.57 million and as of June 30, 2024, we had borrowings (non-current borrowings and current borrowings including interests accrued) of ₹ 2,543.35 million.

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

As of June 30, 2024, our contingent liabilities as per ***Notes to Condensed Consolidated Interim Financial Statements*** on page 358, that have not been provided for were as follows:

Particulars of contingent liabilities	**As of June 30, 2024 (₹ million)**
1. Income Tax related matters	32.41
2. Sales Tax related matters	4.83
3. Civil matters	9.10
4. Differential amount of Customs Duty payable in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty	18.31
5. Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government which represents three times of duty saved. Duty will be payable in case of domestic sale of capital goods	156.14
6. Impact of bonus due to retrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judice in similar case	10.48
Total	**231.27**

For further information on our contingent liabilities and commitments, see "***Financial Information***" on page 298.

Capital expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in property, plant and equipment for our manufacturing facilities and other intangible assets.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business including purchase of goods, sale of fixed assets, rent paid and rent received and unsecured loans given/repaid. For further information relating to our related party transactions, see "***Financial Information***" on page 298.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our risk management policies are established to identify and analyse the risks faced by us, 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 our activities. Our 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.

Credit risk

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to our Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Liquidity risk

Liquidity risk is the risk that our Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our 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 our Company's reputation.

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect our income or the value of our 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.

Commodity Price Risk

Our Company is affected by the price volatility of certain commodities. Our 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, our Company also entered into various purchase contracts for wheat (for which there is an active market). Our 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, our 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.

Currency risk

Our 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. Currency risks related to the cash credit loan have been hedged using forward contracts taken by our Company.

In respect of other monetary assets and liabilities denominated in foreign currencies, our policy is to ensure that our net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Interest rate risk

Our main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose our cash flow to interest rate risk.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

KNOWN TRENDS OR UNCERTAINTIES

Other than as described in this Preliminary Placement Document, particularly in the sections "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 55 and

104, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

NEW PRODUCTS OR BUSINESS DIVISIONS

Other than as disclosed in this chapter and in "***Our Business***" on page 208, there are no new products or business divisions that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

SEASONALITY OF BUSINESS

Typically, there is an increase in sale of our products during the festive seasons in India i.e., during October to December. The sale of our biscuits and bakery products during this season is usually for the purpose of gifting of these products by our customers. Any change in preference by our customers may adversely affect our sales during these festive seasons.

MATERIAL DEVELOPMENTS SUBSEQUENT TO JUNE 30, 2024

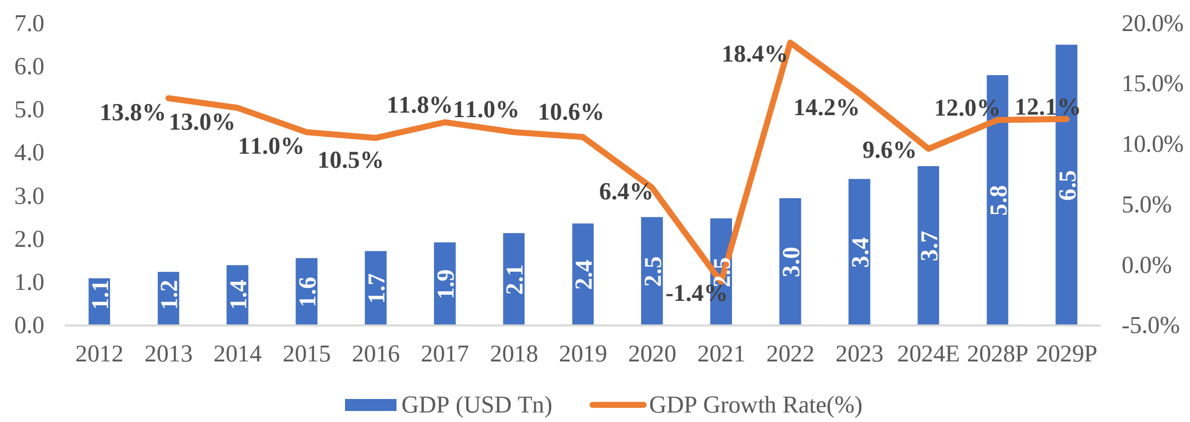
Except our announcement of final dividend pursuant to the resolution of the board dated May 30, 2024 which is subject Shareholders approval, there have been no significant developments after June 30, 2024 that may affect our future results of operations.

Overview of Indian Economy

GDP and GDP Growth (Real and Nominal) - Historical, current & projected trajectory

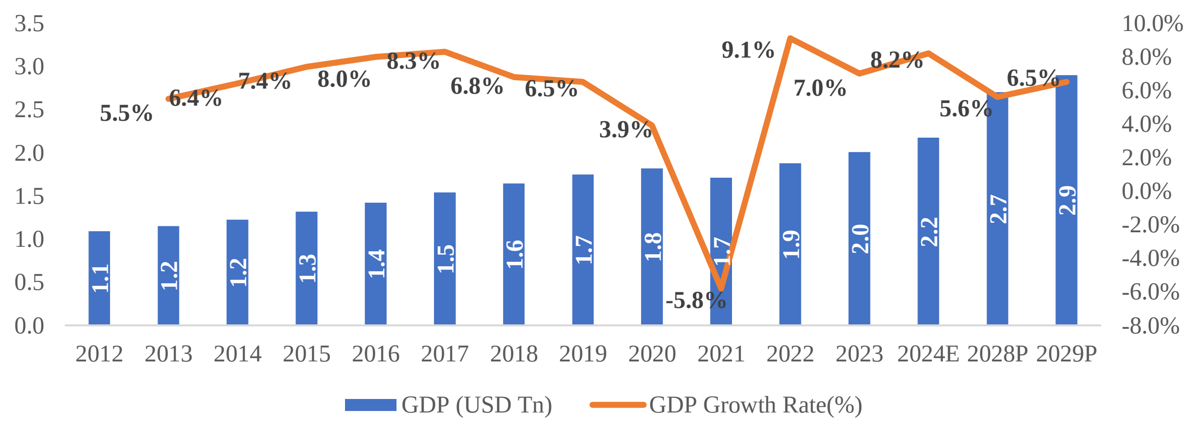
India is ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 2024 and is the third-largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be a ~ United States Dollar (USD) 6.5 trillion economy by FY 2029 and is estimated to become the third largest economy, surpassing Germany, and Japan.

Exhibit.1.1: India's GDP at Current Prices (Nominal GDP) (In USD Trillion) and GDP Growth Rate (%) (FY)



Source: Reserve Bank of India ("RBI"), Technopak Analysis
Note: 1 USD = Indian Rupee (INR) 80

Exhibit. 1.2: India's GDP at Constant Prices (Real GDP) (In USD Trillion) and GDP Growth Rate (%) (FY)



Source: RBI, Technopak Analysis
Note: 1USD = INR 80

India's nominal GDP has grown at a Compound Annual Growth Rate ("CAGR") of 9.9% between FY 2015 and FY 2023 and is expected to continue this trend by registering a CAGR of ~11.4 % for the 6-year time-period from FY 2023 to FY 2029.

Since FY 2005, the Indian economy's growth rate has been nearly twice as that of the world economy, and it is expected to sustain this growth momentum in the long term. In the wake of Coronavirus Disease 2019 ("COVID-19"), India's nominal GDP contracted by 1.4% in FY 2021 followed by an 18.4% growth in FY 2022 and a 14.2%

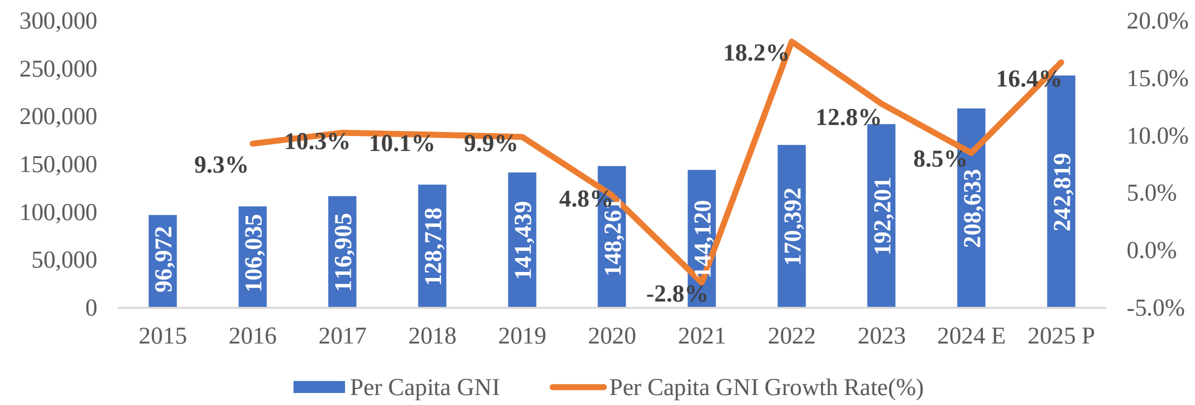
growth in FY 2023. It is expected to regain momentum and reach USD 6.5 trillion by FY 2029. Between FY 2023 and FY 2029, India's real GDP is expected to grow at a CAGR of 6.4%. It is also expected that the growth trajectory of the Indian economy will position India among the top three global economies by FY 2029.

Several factors are likely to contribute to this long-term economic growth. These factors include favorable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, a growing young and working population, the IT revolution, increasing penetration of mobile and internet infrastructure, government policies, increasing aspirations, and affordability etc.

Per Capita Income Growth

India's income growth is one of the strongest drivers for higher private consumption trends. In recent years, the rate of growth of per capita Gross National Income (GNI) has accelerated, indicating that the Indian economy has been growing at a faster rate. The per capita GNI for India stood at INR 1,92,201 in FY 2023, marking a ~49.3% increase from INR 1,28,718 in FY 2018, exhibiting a CAGR of 8.3% during the period.

Exhibit 1.3: India's GNI Per Capita (INR) (Current Prices) And Year-Over-Year (YoY) Growth Trend (%) (FY)



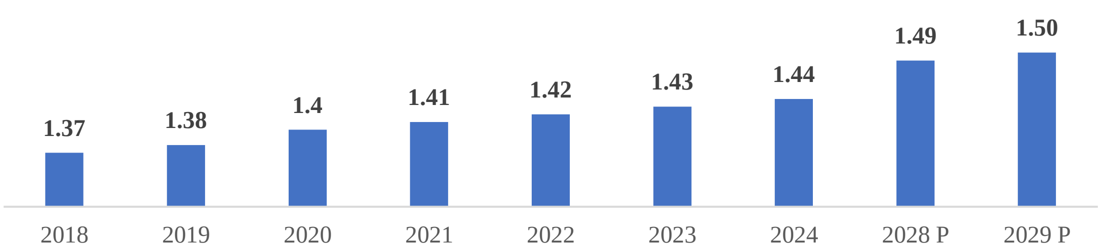
Source: Ministry of Statistics and Program Implementation , Technopak Analysis

Key growth drivers

Indian Population

India's population has been steadily growing over the years. India has surpassed China's population, thus making it the most populous country in the world with 1.43 billion ("Bn") population in Calendar Year ("CY") 2023. Further projections suggest that India's population will continue to increase, reaching 1.49 Bn by CY 2028.

Exhibit 1.4: Population of India (in Bn) (CY)



Source: IMF Projections

Note: For India, Data for CY 2018 refers to FY 2019 and so on

Age-wise Population

India has one of the youngest populations globally compared to other leading economies. The median age in India was ~29.5 years for CY 2023, as compared to 38.5 years and 39.8 years in the United States of America (USA) and China respectively and is expected to remain under 30 years until CY 2030. The younger population is naturally predisposed to adopting the latest trends and exploration, given their educational profile and exposure to media and technology. This presents an opportunity for domestic consumption in the form of branded products and organized retail.

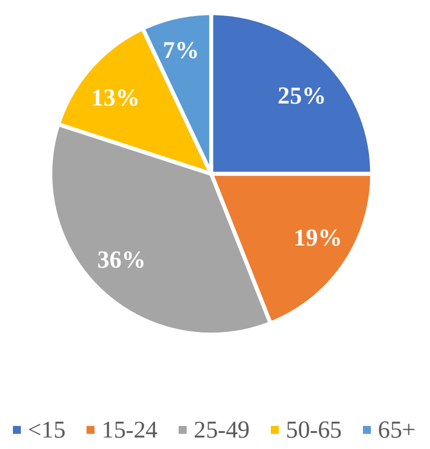
Exhibit 1.4: Median Age: Key Emerging and Developed Economies (CY 2023)

Country	India	China	USA	Singapore	Russia	South Korea	Canada	United Kingdom (UK)
Median Age (Yrs.)	29.5	39.8	38.5	38.9	41.5	45	42.4	40.6

Source: World Population Review
Note: For India, Data for CY 2023 refers to FY 2024

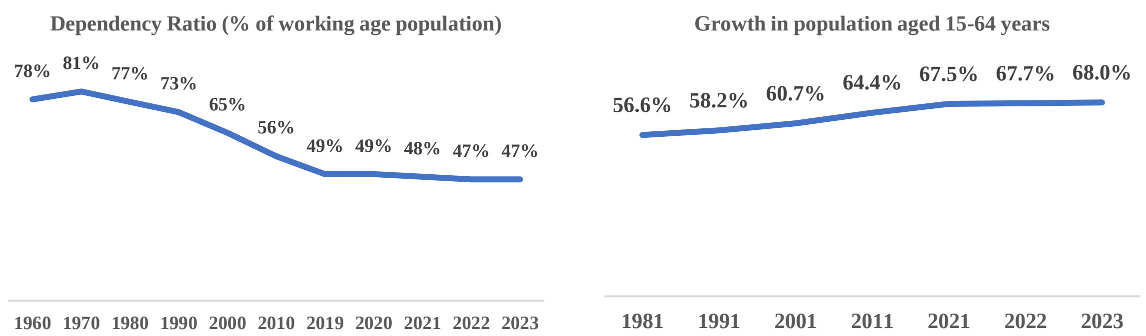
More than half of India's population falls in the 15–49 year age bracket
As of April 2024, India was the most populated country in the world, home to 1.44 billion people, which is approximately one-sixth of the world's population. About 55% of the total population falls within the 15 to 49 years age group, while 80% of the population is below 50 years old.

Exhibit 1.5: India's Population Distribution, by Age (%) (FY 2024)



Source: Technopak Estimates

Exhibit 1.6: Age Dependency Ratio (CY)

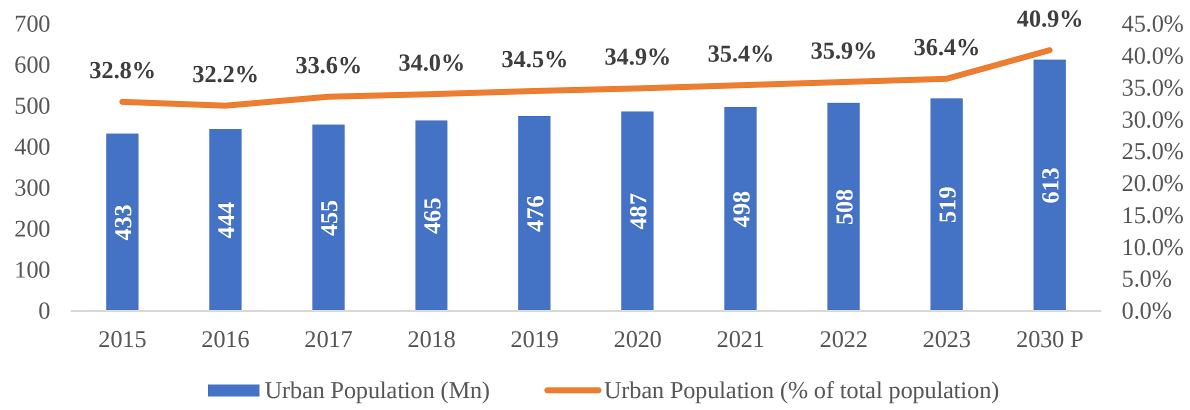


Source: Census of India 2011, World Bank, Ministry of Statistics and Programme Implementation (MOSPI); Age-wise break up of population not adding up to 100% due to rounding off
Note: Dependency Ratio and Growth in population aged 15-64 years are in CY. CY 2023 for India refers to FY 2024 data and so on.

Urbanization

Urbanization is one of the most important pillars of India's growth story, as these areas serve as the core drivers for consumption. India had the second-largest urban population in the world (in absolute terms) at 519 million in CY 2023, ranking only below China. Indian urban system constitutes ~11% of the total global urban population. However, only ~36% of India's population is classified as urban, compared to a global average of ~58%. It is the pace of India's urbanization that is a key trend fuelling India's economic growth. Currently, the urban population contributes 63% to India's GDP. Looking ahead, it is estimated that ~41% (613 million) of India's population will be living in urban centres by CY 2030.

Exhibit 1.7: India's Urban Population (In Million) and Increasing Urban Population as a Percentage of Total Population Over the Years (CY)

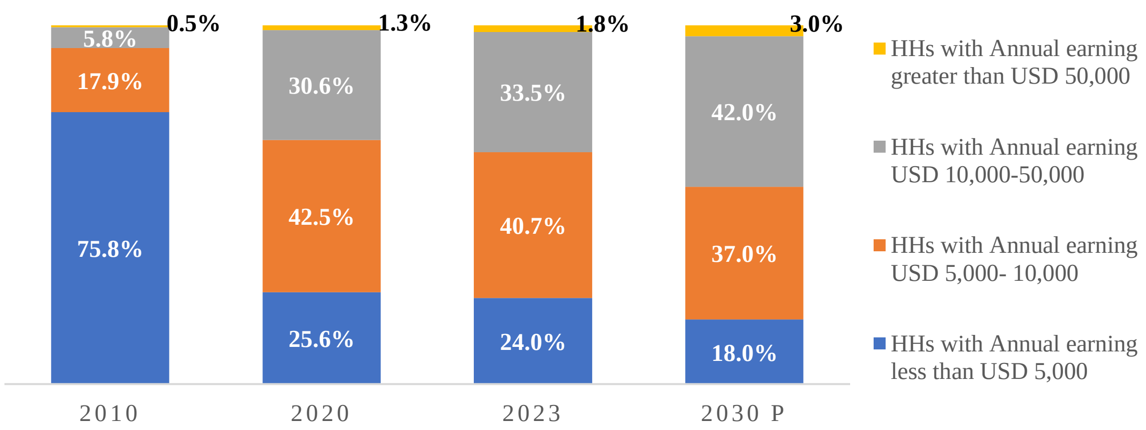


Source: World Bank, Technopak Analysis
Note: For India, Data for CY 2023 refers to FY 2024

Growing Middle Class

The increase in number of households with annual earnings ranging from USD 10,000 to USD 50,000 is poised to drive the Indian economy by fostering demand for a wide array of goods, improved services, housing, healthcare, education, and more. Households with an annual income between USD 10,000 and USD 50,000 constituted a minor portion, accounting for 5.8% of the total population in FY 2010. This share increased to ~33.5% in FY 2023 and is expected to continue in the same manner rising to 42% of the total population by FY 2030. The expanding middle-class sector in India is accompanied by a growing appetite for premiumization across various sectors, including goods and services, construction, housing services, financial services, telecommunications, and retail.

Exhibit 1.8: Household (HH) Annual Earning Details (FY)

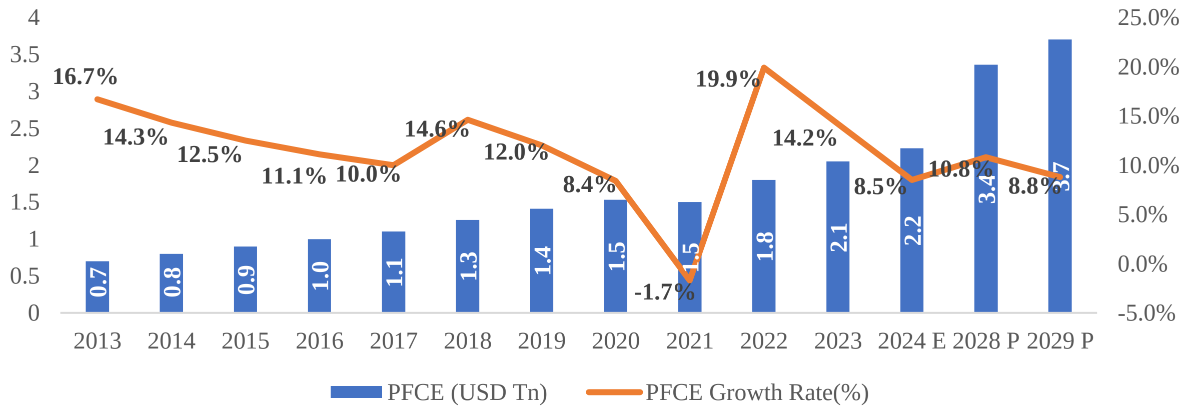


Source: EIU, Technopak Estimates
Note: 1 USD = INR 80

Private Final Consumption Expenditure

GDP growth in India is expected to be driven by rising Private Final Consumption Expenditure (PFCE). India is a private consumption-driven economy, where the share of domestic consumption is measured as PFCE. This private consumption expenditure comprises both goods (food, lifestyle, home, pharmacy, etc.) and services (food services, education, healthcare, etc.). The high share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. India's domestic consumption has grown at a CAGR of 10.8% between FY 2016 and FY 2023 and is expected to grow at a CAGR of ~10.7% between FY 2024 to FY 2029.With the rapidly growing GDP and PFCE, India is poised to become one of the top consumer markets globally. PFCE's contribution to India's GDP is estimated to be 60.3% for FY 2024.

Exhibit 1.9: India's Private Final Consumption Expenditure (In USD trillion) (FY)



Source: RBI, Ministry of Statistics and Program Implementation, Technopak Analysis,
Note:1 USD= INR 80

PFCE in India has exhibited varying YoY growth rates over the past few years. FY 2021 witnessed asignificant contraction in PFCE growth, with a YoY rate of -1.7% largely due to the slowdown caused by the COVID-19 pandemic. Data for FY 2023 shows a substantial rebound, with a growth rate of 14.2%, reflecting an anticipated revival in consumer demand. With projected growth rates of 8.8% in FY 2029, a sustained positive trajectory for PFCE is forecasted in India.

Retail Market in India

The Indian retail market has historically been characterized as largely fragmented and unorganized. In FY 2015, the total retail market in India stood at USD 461 Bn. Organized retail, while still in its nascent stage contributed 8.8% (in 2015) to the total retail market in India while the unorganized sector had a significant share, contributing to 91.2% of the total retail market. The emergence of an increasing middle class, rise of consumerism and entry of foreign retailers gave a significant push to the development of organized retail in India.
While the total retail market in India in FY 2023 reached a value of USD 951 Bn and grew by 9.5% CAGR over 8 years, the organized retail market reached a value of USD 150 Bn contributing to 15.8% of the overall retail market and grew by 18.7% CAGR over 8 years. For FY 2024, the total retail market is estimated at USD 1,061 Bn and the organized retail market at USD 196 Bn, contributing 18.5% of the overall retail market. This shift is expected to increase over the next few years. By FY 2028, it is expected that the overall retail market would reach a value of USD 1,581 Bn growing at 10.5% CAGR between FY 2024-28 whereas the organized retail market is expected to reach a value of USD 382 Bn contributing to ~24% of the total retail market in India.

Exhibit 1.10: Share of various categories in overall Indian Retail Basket (FY)

Type of Categories	Categories	FY 2020	FY 2022	FY 2023	FY 2024 (E)	FY 2027 (P)	FY 2028 (P)	CAGR (FY 2024-FY 2028P)
	Total Retail (USD Bn)	**746**	**844**	**951**	**1,061**	**1,417**	**1,581**	**10.5%**
Need based	Food and Grocery	64.7%	67.6%	65.1%	63.1%	59.4%	58.1%	8.2%
	Pharmacy and Wellness	2.9%	3.0%	3.0%	3.0%	3.2%	3.2%	12.0%

Type of Categories	Categories	FY 2020	FY 2022	FY 2023	FY 2024 (E)	FY 2027 (P)	FY 2028 (P)	CAGR (FY 2024-FY 2028P)
Primary Non-Food	Apparel and Apparel Accessories	7.5%	6.1%	7.2%	8.1%	9.4%	9.7%	15.7%
	Non-Apparel Accessories*	0.6%	0.5%	0.6%	0.6%	0.7%	0.8%	15.7%
	Jewellery	7.5%	6.6%	7.3%	7.9%	8.7%	9.2%	14.7%
	Consumer Electronics	6.4%	6.3%	6.7%	7.0%	7.8%	8.2%	14.7%
	Watches	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	12.4%
Other Non-Food	Home and Living	4.3%	3.7%	4.0%	4.2%	4.5%	4.6%	12.7%
	Footwear	1.2%	1.0%	1.0%	1.1%	1.3%	1.3%	15.6%
	Others	4.7%	5.0%	4.9%	4.8%	4.7%	4.6%	9.0%
	Total	**100.0%**	**100.0%**	**100.0%**	**100%**	**100.0%**	**100%**	-

**Accessories includes Bags, Belts, Watches and Wallets; Others include Books and Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages and Tobacco etc.*
Source: Technopak Research; 1 USD= INR 80

Exhibit 1.11: Share of Unorganised (Traditional) and Organised (Brick and Mortar and E-commerce) retail across Categories

	FY 2020					**FY 2024 E**				
	Share of Retail	**Retail Size (USD Bn)**	**Share of Traditional Retail**	**Share of B&M Retail**	**Share of E-commerce**	**Share of Retail**	**Retail Size (USD Bn)**	**Share of Traditional Retail**	**Share of B&M Retail**	**Share of E-Commerce**
Food and Grocery	64.7%	483	95.5%	4.4%	0.5%	63.05%	669	91.5%	5.4%	3.1%
Jewellery and Watches	7.5%	56	68.0%	29.7%	2.3%	8.11%	86	61.2%	31.4%	6.9%
Apparel and Accessories*	8.1%	60	68.0%	15.4%	17.5%	8.69%	92	55.0%	23.9%	21.0%
Footwear	1.2%	9	70.0%	14.0%	16.0%	1.12%	12	63.9%	16.8%	21.0%
Pharmacy and Wellness	2.9%	22	90.0%	8.5%	2.2%	3.00%	32	79.9%	12.6%	6.6%
Consumer Electronics	6.4%	48	68.0%	5.0%	27.0%	7.05%	75	58.0%	9.4%	32.0%
Home and Living	4.3%	32	85.0%	7.0%	8.0%	4.21%	45	70.0%	13.4%	17.4%
Others	4.7%	35	86.0%	5.0%	5.0%	4.81%	51	82.9%	7.8%	9.4%
Total	**100%**	**746**	**88.1%**	**7.2%**	**4.6%**	**100.00%**	**1,061**	**81.5%**	**10.3%**	**8.2%**

	FY 2027 P					**FY 2028 P**				
	Share of Retail	**Retail Size (USD Bn)**	**Share of Traditional Retail**	**Share of B&M Retail**	**Share of E-commerce**	**Share of Retail**	**Retail Size (USD Bn)**	**Share of Traditional Retail**	**Share of B&M Retail**	**Share of E-Commerce**
Food and Grocery	59.4%	842	88.5%	6.6%	4.9%	58.1%	918	88.0%	6.9%	5.1%
Jewellery and Watches	8.9%	126	58.0%	32.8%	9.2%	9.4%	149	56.5%	33.2%	10.1%
Apparel and Accessories*	10.1%	143	51.4%	24.6%	24.0%	10.5%	166	55.3%	25.2%	26.9%
Footwear	1.3%	18	58%	19.0%	23.0%	1.3%	21	57.0%	19.0%	24.0%
Pharmacy and Wellness	3.2%	45	77.5%	13.3%	9.2%	3.2%	50	76.0%	14.0%	10.0%
Consumer Electronics	7.8%	111	52.0%	13.0%	35.0%	8.2%	130	51.5%	12.5%	36.0%
Home and Living	4.5%	64	68%	10.9%	21.1%	4.6%	72	67.5%	10.9%	21.6%
Others	4.7%	67	80%	8.0%	12.0%	4.6%	72	79.0%	8.2%	12.8%

	FY 2027 P					FY 2028 P				
	Share of Retail	Retail Size (USD Bn)	Share of Traditional Retail	Share of B&M Retail	Share of E-commerce	Share of Retail	Retail Size (USD Bn)	Share of Traditional Retail	Share of B&M Retail	Share of E-Commerce
Total	**100%**	**1417**	**77.1%**	**11.9%**	**11.0%**	**100%**	**1581**	**75.8%**	**12.3%**	**11.9%**

Share of Merchandise vs Services Retail

In FY 2024, India's private consumption accounted for ~58.5% of the total GDP. Nearly 52% of total private consumption was contributed by service industry sectors such as Healthcare, Travel, Hospitality, Food Services etc. and the rest 48% was contributed by merchandise retail comprising of Food and Grocery (32.4%), Jewellery (3.2%), Apparel and Accessories (3.1%), Consumer Durables (3.0%) etc.

Exhibit 1.12: Share of Merchandise and Services in Household Expenditure- India (FY 2024 E)

Broad Category	Share in Household Expenditure	Category	Share of Wallet
Merchandise Retail	~48%	Food and Grocery	32.4%
		Jewellery	3.2%
		Apparel & Accessories	3.1%
		Footwear	0.5%
		Pharma & Wellness	1.4%
		Consumer Durables & Information Technology	3.0%
		Home & Living	1.8%
		Others Retail Categories	2.4%
Services	~52%	Healthcare, Travel, Hospitality etc.	52%

Source: Technopak Analysis

Consumer Trends in the Food Industry in India

1. **Continued shift towards packaged and branded products:** This shift towards packaged and branded products is now becoming prevalent across categories, whether staples, snacks, biscuits or bread etc., given the growing concern for food safety and inclination towards hygienically packaged products. Convenience, availability of various pack options, hygiene, and certain degree of trust/ quality assurance associated with branded products drives this trend.

2. **Consumers across the spectrum are moving towards premium products:** Whether this means a change from preparing all foods from scratch to purchasing certain ready-made items, a move from standard to premium snack items, or the switch from basic staples to enriched, organic or premium versions, consumers are upgrading through food categories and prices.

3. **Convenience fuelled by health and wellness:** The perception of packaged foods is changing among consumers as there has been a significant rise in the convenience, availability and affordability of such products across the country. There is a growing demand for organic fruits, vegetables, and grains, as well as food products made from natural ingredients without preservatives or artificial additives. Therefore, with the onset of information sharing through various sources like social and printed media, consumers are more informed about the benefits and downsides of packaged foods, leading to better informed decisions while consuming products.

4. **Experimentation with new brands and taste:** Across segments, consumers are increasingly willing to try new brands. This has far-reaching implications for marketers, who now need to work not just to attract new consumers but also to retain existing ones. Seeking novelty in more than just brands, consumers have started to play with new formats and flavours along with renewed interest in traditional and regional Indian cuisines leading to a rise in speciality restaurants and packaged food products.

Impact of Growth of Organized Retail on Packaged Food Segment

While traditional retail channel continues to be the key channel for Total Packaged Food Market in India with a share of ~76%, the organized retail has enabled width and depth in stores for brands. Organized modern retail and E-commerce channels together with a share of ~24% of Total Packaged Food Market ensure brand visibility and digital connect with the consumers, and enable brands to pursue premiumization and category advocacy opportunities. Vertical Specialists and Hyperlocal / Quick Commerce platforms like BigBasket, Blinkit, Swiggy Instamart, Zepto, Amazon Now etc. have catalysed consumer demand for packaged food in Metros, Mini-Metros and Tier 1 cities. The quick commerce platforms contribute around 1.5-2% of the total packaged food market (estimated at INR 10,199 billion for FY 2024. This market includes packaged staples, packaged beverages, packaged dairy, packaged meat and other packaged food), E-commerce marketplaces and brand websites/ social media retail channels collectively contribute around ~5 %, making the total E-commerce contribution ~7% of the overall packaged food market. The share of Modern Retail channel is around ~17% of the total packaged food market. Some of the impacts of organized retail are-

1. **Increased market reach (width and depth) and consumer awareness:** Organized retail chains such as supermarkets, hypermarkets, and convenience stores, have expanded their presence across urban and rural areas thereby increasing the accessibility of packaged foods to a wider consumer base. It provides a platform for brands to showcase their products through in-store promotions, sampling, and better product display thus, consumers are more aware of the variety and benefits of packaged foods.

2. **Rise of Quick Commerce:** Quick Commerce platforms offering round-the-clock availability of services with low minimum order requirements and fast delivery times encourage consumers to place more frequent orders without planning. These platforms often use algorithms to recommend products based on browsing and past purchase history with frequent discounts, promotions and flash sales prompting consumers to make impulse buying decisions, thus, impacting consumer behaviour by increasing order frequency. Packaged food delivery share through the quick commerce channel is estimated at 45-50% of the total quick-commerce market for overall packaged food market including packaged staples, beverages, dairy, meat and other packaged food, which is estimated to be ~INR 330 bn (Gross Merchandise Value, “GMV”) for FY2024.

3. **Improved supply chain efficiency:** With better infrastructure and logistics, organized retail chains have streamlined the supply chain for packaged foods which has resulted in fresher products with longer shelf lives reaching consumers. This has not only pushed packaged food manufacturers to improve their quality and packaging but also increased compliance with safety regulations.

4. **Consumer convenience along with e-commerce integration:** Organized retail stores offer a convenient shopping experience with a wide range of products under one roof. Also, they can negotiate better deals with manufacturers due to bulk purchasing, leading to competitive pricing. In addition, many retail chains have integrated e-commerce platforms, further boosting the sales of packaged foods.

5. **Premiumisation:** Organized retail chains often have the infrastructure and space to attract discerning customers who are looking for high-quality, unique, or specialty foods that might not be available in traditional or smaller retail outlets thereby effectively promoting premium products through various channels, including digital marketing, loyalty programs, and in-store promotions. They can quickly adapt to and introduce new food trends and innovations which are often seen in the premium segment which keeps the product offerings fresh and exciting, attracting trend-conscious consumers who are willing to pay a premium for the latest and innovative products. Thus, premiumisation not only drives the growth of organized retail in the packaged food sector by attracting a higher-spending customer base but also enhances the overall profitability and differentiation of retail brands.

6. **Consumer data and insights through brand visibility and marketing:** Retail chains use standardized data analytics to track consumer behaviour and preferences which helps them to optimize their product offerings, tailor promotions, improve customer satisfaction and provide valuable insights to manufacturers for product development. Further, it provides a platform for packaged food brands to increase their visibility through strategic placement, in-store promotions, and advertising which enhances brand recognition and can drive sales for both established and new brands. Also, they are more likely to adhere to regulatory standards due to their visibility and the potential impact of non-compliance on their reputation which helps to ensure that the packaged foods sold are safe and meet legal standards.

Overall, the growth of organized retail in India has significantly transformed the packaged food segment, benefiting consumers with better quality, variety, and affordability while driving industry growth through innovation and improved supply chain efficiencies.

Overview of Indian Packaged Food Market

Indian Packaged Food Market

The Indian packaged food market is estimated at INR 10,199 billion in FY 2024, growing at a rate of ~10.9% to reach INR 17,080 billion by FY 2024. The market includes various segments like packed staples, packaged dairy, packaged beverage, packaged meat and other packaged food. Packaged beverage, other packaged food and packaged dairy segment is growing at a higher CAGR than the overall packaged food market.

Exhibit 2.2: Indian Packaged Food Market Segmentation (in INR billion) (FY)

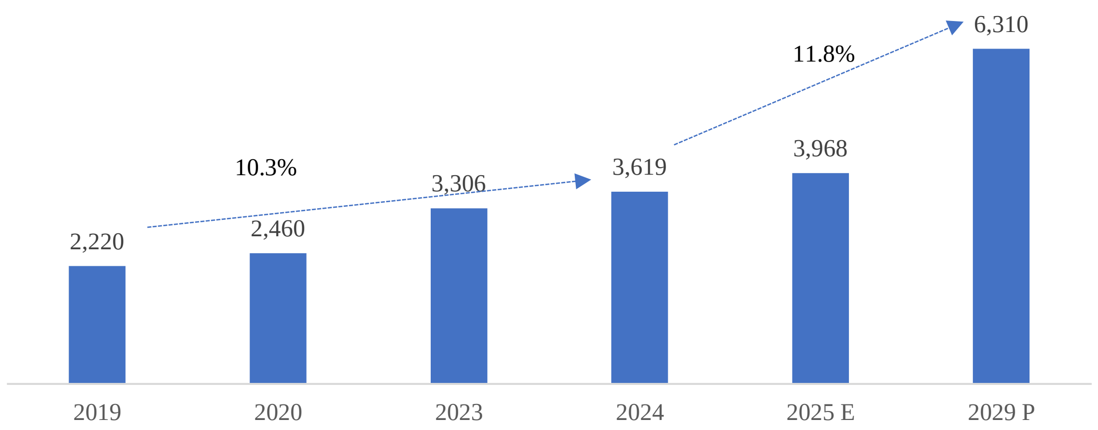
Category	2019	2024 E	2029 P	CAGR 2019-2024	CAGR 2024-2029
Packaged Staples	2,263	3,755	5,976	10.7%	9.7%
Other Packaged Food	2,220	3,619	6,310	10.3%	11.8%
Packaged Dairy (Fresh)	1,103	2,006	3,381	12.7%	11.0%
Packaged Beverages	392	622	1,096	9.7%	12.0%
Packaged Meat	140	196	316	6.9%	10.0%
Total Packaged Food	6,118	10,199	17,080	10.8%	10.9%

Source: Secondary research, Companies annual reports, Technopak analysis

The other packaged food market including categories like biscuits, breads, buns, snacks, confectionary, condiments, Ready to Eat (RTE), Ready to Cook (RTC) and others is estimated at INR 3,619 billion for FY 2024, growing at a rate of ~9.5% from INR 3,306 billion in FY 2023. The market is growing at a steady rate owing to changing lifestyle and urbanization trends, the increasing number of nuclear families, increase in the number of working women etc., leading to people consuming more packaged food. The market is expected to reach a value of INR 6,310 billion growing at a CAGR of ~11.8% by FY 2029. The packaged food market is largely unorganized with a share of ~70% in FY 2024.

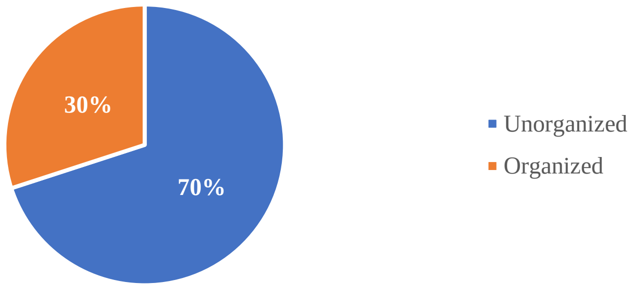
The other packaged food segments are further divided into biscuits, bakery, snacks, ready-to-cook and ready-to-eat, baby food, and other categories. Savory snacks, Biscuits and Bakery are the two largest segments of packaged food market, with a share of ~20.7% and ~16.9% respectively in FY 2024.

Exhibit 2.1: Indian Other Packaged Food Market (in INR billion) (FY)



Source: Secondary research, Technopak analysis
Note: Other packaged food market size is exclusive of staples, edible oil, packaged fresh dairy, packaged meat and packaged beverages

Exhibit 2.2: Indian Other Packaged Food Industry- Organized v/s Unorganized Split (FY 2024) (Total market-INR 3,619 billion)



Source: Technopak analysis

Per capita spend on packaged food in India is less as compared to the key developed economies

The per capita spend on packaged food in India is relatively less compared with developed economies. But the trend is changing and the per capita spend on packaged food is increasing gradually. This shift is mainly driven by factors such as rising disposable income, urbanization, changing demographics, and a shift in consumer preference toward convenience and value-added products.

In India, annual per capita spend on all categories of packaged food in India is estimated to be ~INR 6,510 for FY 2023. Spend on packaged food in India is much lower compared to other key economies like China and USA, thereby offering room for growth of packaged food industry in India.

Exhibit 2.3: Annual per capita spend on Packaged Food- FY 2020

Country	Per person spend (INR)
USA	1,12,500
China	16,000
India	4,650

Source: Technopak Analysis, NA refers to data not available

Key segments within the other packaged food market

The packaged food market in India is diverse, with key segments including snacks, biscuit and bakery, dairy products, ready-to-eat meals, etc. Each segment has its unique growth drivers and challenges. Savory snacks form the largest share of the market ~21% in FY 2024, followed by the second largest segment of Biscuit and Bakery expected at ~17% share for FY 2024. The biscuit and breads segment together is expected to reach a market size of INR 1,006 Bn by FY 2029, growing at a CAGR of 10.4% from FY 2024-29.

Exhibit 2.4: Key Segment of the Other Packaged Food Industry (in INR billion) (FY)

Category	2019	CAGR 19-24	2024	CAGR 24-29 P	2029 P
Biscuit**	363	8.7%	551	10.4%	903
Breads and Buns	47	5.7%	62	10.7%	103
Pasta and noodles	71	9.9%	114	9.0%	176
Savoury snacks	345	16.7%	748	13.0%	1,378
Confectionary	260	7.9%	381	7.0%	535
Sauces, dressings, & condiments	147	9.3%	230	11.0%	388
Ice cream and frozen desserts	111	7.5%	160	10.0%	258
Baby food	43	6.6%	59	8.0%	86
RTE/RTC/Packaged Sweets	84	15.0%	169	19.0%	403
Others*	748	8.9%	1,145	12.7%	2,082
Total	2,220	10.3%	3,619	11.8%	6,310

Source: Secondary research, Technopak analysis
**Others include Value added dairy, teas/coffee, breakfast cereals and packaged dry fruits*
***Biscuits include- biscuits, rusks, tea cakes, wafers (doesn't includes artisanal cakes)*
Note: Other Packaged Food market size is exclusive of staples, edible oil, packaged fresh dairy, packaged meat and packaged beverages

Exhibit 2.5: Biscuit, Breads and Bun Segment of the Other Packaged Food Industry (in INR million) (FY)

	2020	2021	2022	2023	2024	CAGR (2020-2024)
Indian Biscuit Industry	4,00,000	4,28,200	4,56,000	5,13,000	5,51,000	8%
Indian Breads & Buns Industry	50,000	52,800	56,000	57,000	62,000	6%
Biscuit Exports from India*	14,480	13,440	16,080	21,280	26,000	
Indian Biscuit Industry Less Exports	3,85,520	4,14,760	4,39,920	4,91,720	5,25,000	8%
Mrs Bectors Food Specialities Ltd	7,077	8,278	9,882	13,621	16,239	23%

Source: Secondary research, Technopak analysis, trade map
**Exports is in CY. CY 2019 is equivalent to FY 2020 and so on.*

Mrs Bector Food Specialities Ltd. has grown at a significantly higher CAGR of 23% against the market growth of ~8% for Biscuits segment and ~6% for the Breads and Buns segment.

Outlook of the Indian Other Packaged Food Market

Growth Drivers:

1. **Rising Disposable Incomes:** Disposable income levels are rising and increasing women participation in the workforce has also led to dual incomes in households. Due to the increase in purchasing power, out-of-home consumption spend is increasing and the increased willingness to spend on quality and convenient products at home is increasing the demand for packaged food products, which are often perceived as more convenient and hygienic.

2. **Urbanization and Growing Working Population:** As more people move to cities for jobs and adopt busier lifestyles, the demand for convenient food options has increased. With a large portion of India's population being young and working, and often living in nuclear families, there is lesser time for meal preparations. This shift has led to a growing preference for packaged food items like value added and ready to cook/eat products, which are quick and easy to prepare, driving up their sales.

3. **Increasing Brand Awareness:** With increased online access, people are more exposed to advertisements and promotions, making them more familiar with branded packaged foods. This familiarity and trust encourage consumers to choose branded products over unbranded or loose items, benefiting packaged food companies by boosting their sales and market presence.

4. **E-commerce Growth:** The rise of online shopping in India has made it much easier for consumers to access products. Thanks to websites and mobile apps, people can now quickly search for and order what they want, while online platforms provide easy access to a wide range of packaged food products. Quick-commerce platforms like Zepto, Blinkit, and Instamart providing delivery within 10 mins is further fuelling the online shopping for packaged food. Packaged food delivery share through the quick commerce channel is around 45-50% of the total quick-commerce market for overall packaged food market including packaged staples, beverages, dairy, meat and other packaged food, which is estimated to be INR 330 bn (GMV) for FY 2024. This convenience, combined with the ability to target specific groups and customized marketing, has helped Fast-Moving Consumer Goods (FMCG) brands connect with customers on a deeper level. E-commerce is expected to keep growing, fuelled by the rising number of smartphone users and widespread internet access. It is estimated that India will have over 1 billion internet users by 2030, boosting the growth of online shopping further.

5. **Expansion in Tier 2 and beyond:** Distribution expansion by players in tier 2 and tier 3 cities is generating new demand for packaged food products and helping companies reach a wider customer base resulting into the overall growth of the packaged food sector.

6. **Technological Advancements:** With the rapid progress of technology, companies can now use advanced software and tools to keep up with shifting consumer patterns and demands. By integrating these technologies, businesses can optimize their supply chains, making them more efficient and responsive to market changes. This not only helps them meet consumer expectations but also improves overall operational efficiency. Adopting these technological advancements in market research and data analytics enables companies to make informed decisions, stay competitive, and effectively address their customers' evolving needs.

Challenges:

1. **Rising Competition:** Rising competition in the packaged food industry comes from multiple fronts. Fresh food options, includes home-cooked meals, as most consumers still prefer homemade dishes for their perceived health benefits and freshness. Local and regional players also pose a challenge by offering traditional and culturally relevant products that resonate with local tastes. This competition is intensified by the rise of private labels from retail giants, which often offer similar products at lower prices. Moreover, consumers' growing interest in specialized diets, like organic, gluten-free, or vegan, has led to the emergence of niche brands that cater specifically to these markets, further fragmenting the competition. All these factors combine to make it challenging for packaged food companies to capture and retain consumer loyalty.

2. **Rising Costs and Supply Chain Disruptions:** To meet the rising demand for healthier and innovative products, there are additional costs involved like research and development ("R&D"), raw material costs, sustainable packaging, use of technological innovations etc. leading to increased costs. Additionally, funds are also required for marketing and customer acquisition to maintain leadership, market share and growth. These increased cost and other parameters can impact the business profitability or result in increased product MRP, which is tough to manage in a highly competitive environment. Another factor that can put strain on companies is disruption caused in the supply chains as packaged food is a fast-moving category that relies on its vast distribution network and supply chain.

Trends:

1. **Health and Wellness Focus:** With increasing health awareness, consumers are focusing on healthier lifestyles and this trend goes beyond just physical fitness and includes a broader interest in mental and emotional well-being. As people become more aware of their overall health, their eating habits are changing, and they are now focusing on what they are consuming, reading packaging labels to know what the product is made of, its ingredients and its nutritional value leading to a rise in conscious consumption. Increasing demand for healthier options in packaged food products, such as low-fat, organic ingredients, products with reduced sugar content, clean label products with organic ingredients, and clearly highlighted ingredient list, etc. are gaining popularity.

2. **Rising Demand for Convenience Food:** The rapid urbanization and changing demographics in India are reshaping consumer preferences and dietary habits. There's a growing demand for convenient and ready-to-eat food options. This trend is evident in the packaged food industry, where the need for value added products which aid in cooking, and quick and easy meal solutions is on the rise. Busy lifestyles and the increasing number of working individuals including the rising women workforce have led to a preference for convenience foods that save time and effort.

3. **Digital Innovation:** Digital innovation is another rising trend in the packaged food industry in India, fundamentally changing the way consumers interact with brands. The rise of e-commerce has revolutionized how we discover, purchase, and engage with products. It allows brands to reach customers directly and explore new market opportunities beyond the conventional retail channels. This shift has opened new possibilities for product visibility, customer engagement, and market expansion, making digital platforms an essential part of the industry's growth strategy.

4. **Diverse Taste Palates:** With increasing cultural awareness and exposure, consumer taste palates and preference are expanding. This is driving the demand for fusion food and unique flavours catering to diverse consumer tastes. Along with fusion products and international flavours there is a demand for regional and traditional flavours as well. Adapting to these changing consumer needs and acting on the same is giving brands a first mover advantage which can help them acquire a sizeable market share and gain competitive advantage.

5. **Sustainable Packaging:** In today's socially conscious environment, consumers are more aware of the environmental impact of their purchasing decisions. They increasingly look for products from companies that prioritize sustainability, particularly in packaging. In India, this has led to a growing trend in the packaged food industry towards sustainable packaging solutions. A section of consumers prefers brands that use eco-friendly materials, such as recyclable, biodegradable, or compostable packaging. This shift reflects a broader desire for responsible business practices and a commitment to reducing environmental harm, making sustainable packaging one of the key parameters.

6. **Western Culinary Influences:** There is an increasing impact of Western culinary influence in India due to globalization and availability of western snacks in the market. Indian consumers are increasingly developing a taste for international cuisines, and with a willingness to explore new culinary experiences. Pasta and noodles have gained popularity as convenient meal options, with various shapes and styles catering to those experimenting with international recipes. Instant noodles, combining ease and global flavours, remain a favourite among younger consumers and busy professionals. Similarly, the market for sauces and dips has expanded, with products like pasta sauces, salad dressings, and international condiments becoming household ingredients. In breads segment, apart from the wheat and multigrain bread options, gourmet breads like sourdough, pizza base, garlic breads, sub footlongs in different flavours and other artisanal breads are gaining popularity. This trend towards Western culinary influences is diversifying the packaged food market catering to the evolving tastes of Indian consumers and creating new opportunities for growth and innovation.

Growth Prospects for the Organized Sector in Packaged Foods

The packaged food industry in India is growing at a steady rate, and this growth is driven by rising disposable incomes, increased spending, the continuous expansion of modern trade retail in urban cities as well as Tier 2 and Tier 3 cities, and advancements in e-commerce and quick commerce platforms. All these factors are paving the way for the growth of the organized sector in the packaged food.

1. **Expansion of Modern Trade Retail:** The growth of supermarkets and hypermarkets is significantly boosting the distribution network for packaged food products, not only in metro areas but also in Tier 2 cities and beyond. These modern retail formats offer a wide range of products and provide a convenient, one-stop shopping experience. The spread of these stores into more regions is making high-quality and diverse food products more accessible, driving the organized sector's growth by reaching a broader consumer base, better visibility and shelf space.

2. **E-Commerce and Quick Commerce:** The rise of e-commerce and quick commerce is further boosting the growth of the packaged food sector. Online platforms provide consumers with the convenience of ordering packaged foods from the comfort of their homes, often with fast delivery options. Along with the convenience of at home ordering, anytime snacking trend is being driven by quick commerce, where consumer can order their favourite snack and get in in 10 minutes, or if they are looking to order party refills, the need to step out is being taken care of by quick commerce in urban areas. This trend is expanding the market reach of organized packaged food sector, allowing brands to tap into a larger customer base and enhance their market presence.

3. **Increased Brand Awareness:** With increasing internet penetration and increased exposure, brands can reach consumers more easily now through marketing increasing the brand awareness for packaged foods and its benefits. This is helping brands to gain consumer trust and recognition. As a result, consumers look for the product options that they view through social media ads and other marketing sources and search for those products to buy them through online platforms or retail stores. This increased exposure about the products and brands is contributing to the growth of the organized sector in packaged food.

4. **Premiumization and Convenience:** Rising disposable incomes, busy lifestyles and changing eating habits, especially in urban cities are leading consumers to allocate more of their budgets towards better quality and convenience products. They are seeking out healthier, diversified flavours and convenient food options and willing to pay a higher price for better quality. Brands are continuously innovating and introducing new and healthier products to meet the consumer needs in various segments like oats and cornflakes biscuits, whole wheat, multigrain breads, reduced or zero sugar biscuits and bars and baked snacks, etc. These innovation in products with ingredients, flavours and packaging is driving the growth of organized sector.
5. **Regulatory Aspects:** Packaged food products sold in India need to fulfil a certain safety regulations and compliance requirements as laid by the Food Safety and Standard Authority of India (FSSAI) to keep the consumers informed. These guidelines and regulation are getting more stricter to ensure quality products are being served to the consumers. Recently in 2024, FSSAI laid out guidelines for the companies to display the sugar, salt and saturated fat content of products in bold on the front. Regulations pushing for clear labelling of nutritional content can nudge manufacturers towards healthier product formulations. Organized players often have the resources to meet such regulatory requirements, while unorganized players may struggle. Such rules and regulations act as a differentiator between brands giving them a competitive edge as consumer prefer products from brands that adhere to quality standards. Hence, driving the growth of the organized sector.

Key Trends in the Bread and Biscuits Segment

Bread Segment:

1. **Rising Demand for Healthier Options:** Bread is like a staple food in many people's diets in urban cities and becoming a part of people's diet in Tier 2 and Tier 3 cities as well. However, growing health awareness has led to the bread market experiencing a shift towards healthier and organic options as consumers become more health conscious. There is an increasing preference for whole wheat, multigrain, and whole wheat bread over traditional white bread. This growing demand is prompting packaged bread manufacturers to expand their product lines to include these healthier options, catering to the evolving preferences of health-focused consumers.
2. **Artisanal and Specialty Breads:** There is a growing interest in artisanal and specialty breads, such as sourdough, pizza base, ciabatta etc., which cater to niche markets looking for unique and high-quality options. As a result, packaged bread brands are increasingly offering a variety of artisanal and specialty breads such as sub footlongs, flavoured breads like roasted garlic, olives infused, etc. to appeal to discerning customers seeking more than just everyday staples. This trend is fostering a greater appreciation for diverse bread offerings and contributing to the overall growth of the bread market.

Biscuits Segment:

1. **Diverse Offerings:** The biscuit market is expanding by providing a variety of offerings that cater to different consumer preferences, such as cream-filled, chocolate-coated, nut-infused, and digestive biscuits. This variety enables consumers to select products that suit their taste, dietary needs, and specific occasions, driving segment growth.
2. **Health-Focused Products:** With increasing focus on health, there is a growing demand for healthier biscuit options, reflecting a shift towards more nutritious eating habits. Biscuits made with ingredients like oats, millets, and reduced sugar content are becoming increasingly popular.
3. **Premiumization:** The biscuit segment is being notably impacted by the premiumization trend, leading to a rise in popularity of premium and gourmet biscuits among urban consumers. Consumers are willing to pay more for biscuits that offer a unique taste experience and a touch of indulgence. This trend is driven by a growing appetite for gourmet and artisanal products, as people look for higher-quality options that stand out from standard offerings.
4. **Anytime snacking:** Biscuits remain a staple in Indian households, often enjoyed with tea or coffee and serving as a versatile snack for any time of the day. The convenience and variety of biscuits make them an ideal choice for quick snacking, whether paired with morning tea or as an afternoon treat. Their long shelf life and ease of storage add to their appeal, ensuring that they are always available for casual snacking and increasing the demand for the segment.

Key Government Initiatives in the Food Processing Industry

1. **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY):** Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) is a comprehensive initiative by the Ministry of Food Processing Industries (MoFPI) aimed at creating modern infrastructure and efficient supply chain management from the farm gate to the retail outlet. It focuses on developing and expanding food processing and preservation capacities.

   Key Objectives of PMKSY:

   - **Modern Infrastructure Creation**: Establishing mega food parks, clusters, and individual units to enhance food processing capabilities.
   - **Effective Linkages**: Building robust connections between farmers, processors, and markets to streamline the supply chain.
   - **Supply Chain Infrastructure:** Developing infrastructure for perishables to maintain quality and reduce wastage.
   -

   Impact on the Biscuit and Bread Industry:

   - **Infrastructure Development:** The scheme supports the creation and expansion of bakery processing units, aiding in the production and preservation of bread and biscuits.

- **Efficiency and Quality:** By improving supply chain infrastructure, the scheme helps in maintaining the freshness and quality of baked goods, thus benefiting producers and consumers alike.
- **Market Access:** Enhanced linkages with markets provide better access for bakery products, increasing their availability and reach.

2. PM Formalization of Micro Food Processing Enterprises (PMFME)

The PMFME scheme is a centrally sponsored program which seeks to formalize and enhance the capacity of micro-enterprises in the food processing sector. As of 2023, the scheme has provided support worth INR 186 crore to over 2,000+ bakery units across India, aiding in their development and formalization.

3. Production-Linked Incentive Scheme for Food Processing Industries (PLISFPI)

To foster the development of global food manufacturing champions and promote Indian food brands in international markets, the Central Government launched the "Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)." Approved by the Union Cabinet on March 31, 2021, the scheme has a budget of Rs. 10,900 crore and will be implemented over six years, from 2021-22 to 2026-27.

Key Components of PLISFPI:

- **Incentivizing Key Food Product Segments (Category-I):** This includes promoting the manufacture of Ready to Cook/Ready to Eat foods, including millet-based products, processed fruits and vegetables, marine products, and mozzarella cheese.
- **Supporting Innovative/Organic Products (Category-II):** Focused on small and medium enterprises (SMEs), this component encourages the production of innovative and organic food products.
- **Branding and Marketing Support (Category-III):** Aims to strengthen Indian brands globally by providing incentives for in-store branding, shelf space renting, and marketing.

Additionally, a separate component under the scheme, the Production Linked Incentives Scheme for Millet-Based Products (PLISMBP), was introduced. This initiative encourages the use of millets in RTC/RTE products, promoting their production, value addition, and sale, thereby supporting the broader goals of the PLI Scheme.

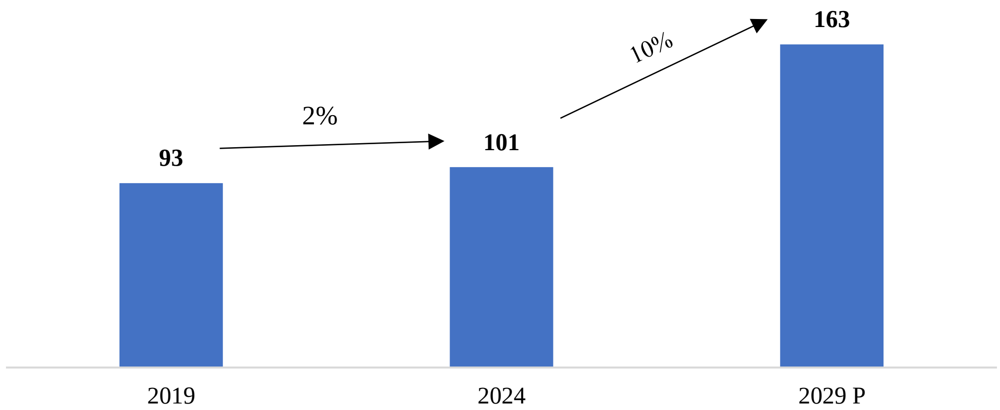
Overview of Bakery Segment

Industry Overview: Overall Organized Bakery and Café Market

Bakeries are establishments that primarily sell baked items such as bread, pastries, cakes, cookies, savoury snacks etc. Additionally, they also offer certain beverages such as coffee, tea, soft drinks etc. Cafés primarily concentrate on selling coffee and other beverages such as tea, shakes, smoothies etc. Additionally, they also offer bakery items including savoury snacks, desserts etc.

The Indian organized bakery and café market was valued at INR 101 billion as of FY 2024. In the period between FY 2019 and FY 2024, the market grew marginally from INR 93 billion to INR 101 billion, at a CAGR of 2%, as the sales were impacted substantially in FY 2020 and FY 2021, because of COVID-19. It is projected that the market will reach INR 163 billion by FY 2029, with a projected CAGR of 10% between FY 2024 and FY 2029.

Exhibit 3.1: Indian Organized Bakery and Café Market – By Value (in INR Billion) (FY)



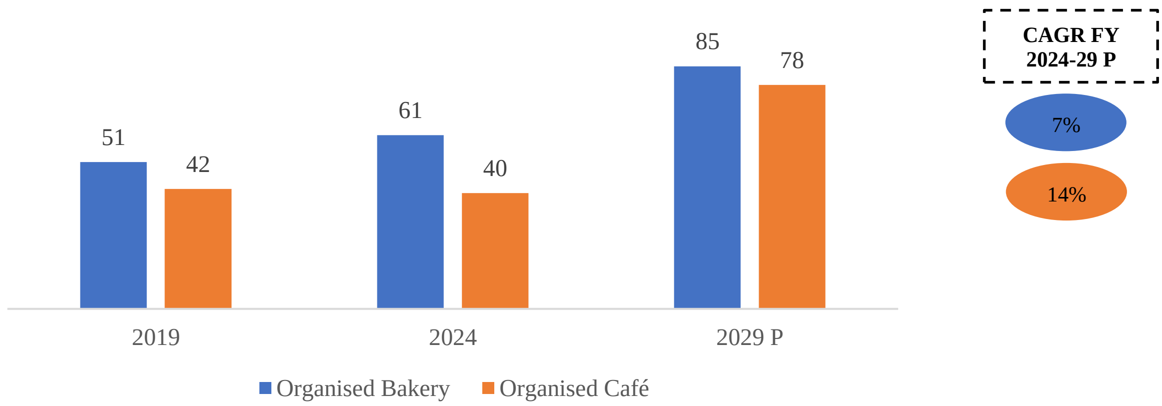
Source – Technopak Analysis

Organized Bakery and Café Market Segmentation

As of FY 2024, organized bakeries and organized cafés constitute ~60% (INR 61 billion) and ~40% (INR 40 billion) respectively of the Indian organized bakery and café market by value. In the period between FY 2019 and FY 2024, the market of organized bakeries in India grew from INR 51 billion, to INR 61 billion, at a CAGR of 3%. It is projected that by FY 2029, organized bakeries would be constituting ~52% (INR 85 billion) of the Indian organized bakery and café market by value, growing at a CAGR of ~7% between FY 2024 and 2029.

In the period between FY 2019 and FY 2024, the market of organized café in India contracted from INR 42 billion to INR 40 billion, as the sales were badly hit due to COVID in FY 2021. It is estimated that by FY 2029, organized cafés would be constituting ~48% (INR 78 billion) of the Indian organized bakery and café market by value, growing at a CAGR of ~14% between FY 2024 and 2029. Theobroma, Monginis, L'Opera etc. are some of the key chain outlets in the organized bakery market. Café Coffee Day (CCD), Starbucks, Costa Coffee, Third Wave, Chaayos etc. are some of the key chain outlets in the organized café market.

Exhibit 3.2: Break up of Organized Bakery and Café Market in India – By Value (in INR Billion) (FY)



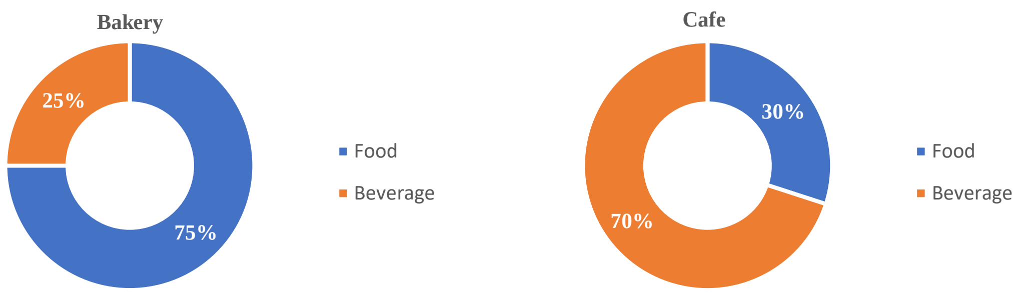
Source – Technopak Analysis

By product type

Both bakeries and cafés offer food and beverages, however, for bakeries most of the sales (~75%) is from bakery and confectionary products, whereas for cafés, the majority of the sales (~70%) is from beverages. Based on product type, the food segment of the organized bakery and café market in India can be split into savoury snacks, breads and buns, cakes and pastries and others (comprising of cookies, chocolates etc.). As of FY 2024, savoury snacks constitute ~34% (INR 20 billion) of the market by value. It is projected that by FY 2029, savory snacks would constitute ~35% (INR 31 billion) of the overall food segment of the organized bakery and café market by value, growing at a CAGR of ~9% between FY 2024 and 2029.

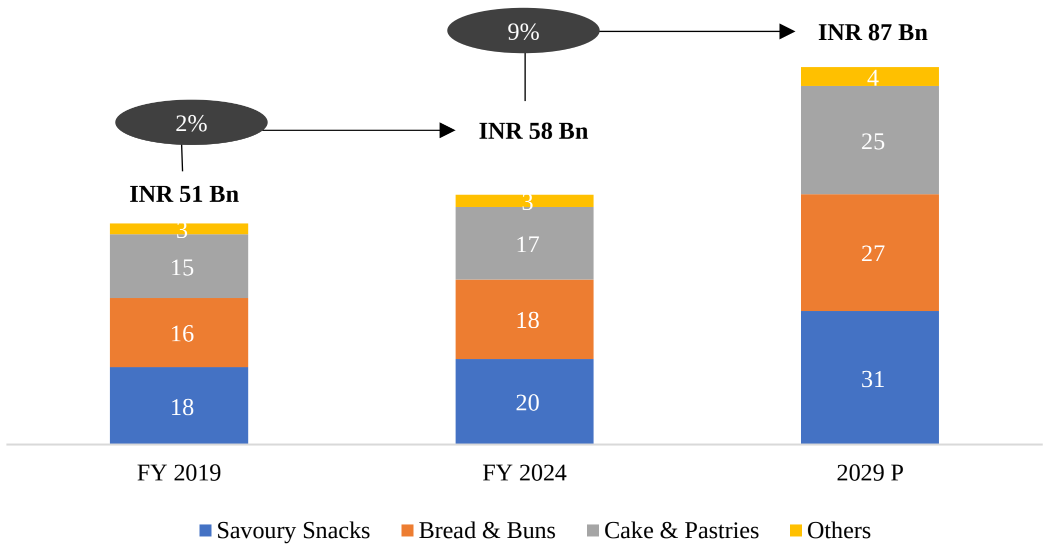
As of FY 2024, bread and buns constitute ~32% (INR 18 billion) of the market by value. It is projected that by FY 2029, breads and buns would be constituting ~31% (INR 27 billion) of the overall food segment of the organized bakery and café market by value, growing at a CAGR of ~8% between FY 2024 and 2029. As of FY 2024, cakes and pastries constitute ~29% (INR 17 billion) of the market by value. It is projected that by FY 2029, cakes and pastries would constitute ~29% (INR 25 billion) of the overall food segment of the organized bakery and café market by value, growing at a CAGR of ~8% between FY 2024 and 2029. Others segment, which include chocolates, cookies etc. constitute ~5% (INR 3 billion) of the market by value. It is projected to grow to INR 4 billion by FY 2029, growing at a CAGR of 9%.

Exhibit 3.3: Split of organized bakery and café market in India into food and beverages – By Value (FY 2024)



Source – Technopak Analysis

Exhibit 3.4: Break-up of food segment of Indian organized bakery and café market by product type – By Value (in INR Billion) (FY)



CAGR	FY 2019-24	FY 2024-29
Savoury Snacks	2%	9%
Bread & Buns	3%	8%
Cake & Pastries	3%	8%
Others	2%	9%

Source – Technopak Analysis

Key players in Organised Bakery and Café market in India

Theobroma, Monginis, L'Opera, Dough and Cream and Flury's are some of the leading chain outlets in Indian organized bakery market. Theobroma exhibited a YoY growth rate of 38% between FY 2022 and FY 2023. Similarly, Monginis and L'Opera exhibited growth rates of 23% and 37% respectively between FY 2022 and FY 2023.

In organized café market in India, Café Coffee Day (CCD), Starbucks, Costa Coffee, Third Wave and Chaayos are some of the leading chain outlets. Starbucks exhibited a YoY growth rate of 65% between FY 2022 and FY 2023. Similarly, Third wave coffee and Chaayos exhibited growth rates of 358% and 77% respectively between FY 2022 and FY 2023.

To capture a higher share in the organized bakery and café market, it is important for players to employ a product portfolio diversification strategy. It helps them in catering to the ever-evolving consumer tastes and preferences. Theobroma, who is amongst the leading players in the market, is present across multiple product categories such as breads, buns, cakes, pastries etc. Majority of the chain outlets in Indian organized bakery and café market, procure raw materials such as bread, buns etc. from leading branded suppliers such as Mrs Bectors, Bakers Circle etc. Remaining chain outlets manufacture the raw materials in-house.

Exhibit 3.5: Revenue and Growth rates of select leading players between FY 2022 and 2023 in Indian organised bakery and café market

Player*	FY 23 Revenue in INR Bn.	FY 22 Revenue in INR Bn.	Growth Rate (FY 22-23)
Bakery			
Theobroma	3.52	2.55	38%
Monginis	0.21	0.17	23%
L'Opera	0.31	0.22	37%
Cafe			
Starbucks	10.87	6.70	62%
Third Wave Coffee	1.47	0.32	358%
Chaayos	2.39	1.35	77%

*Source – Technopak Analysis, *FY 2024 data is not available for all players.*
Starbucks revenue for FY 24 - INR 12.18 Bn.

Exhibit 3.6: Presence of key players in different product categories

Player	Breads & Buns	Cakes & Pastries	Savoury Snacks	Others
Bakery				
Theobroma	✓	✓	✓	✓
Monginis	✓	✓	✓	✓
L'Opera	✓	✓	✓	✓
Dough & Cream	✓	✓	✓	✓
Flury's	✓	✓	✓	✓
Cafe				
Café Coffee Day		✓	✓	✓
Tim Hortons		✓	✓	✓
Starbucks		✓	✓	✓
Costa Coffee		✓	✓	✓
Third Wave Coffee		✓	✓	✓
Chaayos		✓	✓	✓

Source – Technopak Analysis and Secondary Research
Others include chocolates, cookies etc.

Exhibit 3.7: Number of stock keeping units ("SKU") of product categories of key players

Player	Breads & Buns	Cakes & Pastries	Savoury Snacks	Others
Bakery				
Theobroma	6	40	14	10
Monginis	1	24	20	3

Player	Breads & Buns	Cakes & Pastries	Savoury Snacks	Others
L'Opera	15	34	7	5
Dough & Cream	37	44	86	21
Flury's	6	31	8	27
Cafe				
Café Coffee Day	-	6	27	7
Tim Hortons	-	6	17	19
Starbucks	-	9	23	11
Costa Coffee	-	5	16	1
Third Wave Coffee	-	9	30	20
Chaayos	-	3	34	20

Source – Technopak Analysis and Secondary Research
Others include chocolates, cookies etc.

Exhibit 3.8: Number of stores of key players (FY 2024)

Player	Number of Outlets
Bakery	
Theobroma	225
Monginis	1000+
L'Opera	19
Dough & Cream	NA
Flury's	82
Cafe	
Café Coffee Day*	737
Tim Hortons	31
Starbucks	421
Costa Coffee	179
Third Wave Coffee	108
Chaayos	39

Source – Technopak Analysis, Company Filings, and Secondary Research
**Café Coffee Day outlet number is as per FY 2023*

Outlook for Indian Organized Bakery and Café Market

Key growth drivers

1. **Product innovation and diversification:** With evolving consumer preferences, there has been an increase in demand for innovative and artisanal bakery and confectionary products in Indian market. Additionally, there has been an increase in demand for customized bakery products such as personalized cakes, themed pastries etc., catering to specific consumer preferences. Owing to such a shift in demand, bakery manufacturers are coming up with new and innovative products.

2. **Aggregator platforms:** With the advent of aggregator platforms like Swiggy and Zomato, bakeries and cafes have been able to reach out to a wider customer base. This model has helped various standalone bakeries to increase their sales substantially. This is one of the key factors driving the growth of organized bakery and café market in India.

3. **Changing consumer lifestyle:** With increasing socialization culture in India, more and more people are visiting various leisure destinations for meet up or relaxation. Organized cafés and bakeries have become popular social and leisure destinations for such meet ups. This change in consumer lifestyle is another factor contributing to the market growth.

Trends shaping Indian organized bakery and café market

1. **Store Expansion of branded players**: Branded bakery and café players, through their extensive retail footprint, have been able to cater to a broad segment of customers, ranging from Metro and Mini Metro cities to tier III and beyond cities. This has accelerated the growth of the organized bakery and café market in India.

2. **Growing demand for premium bakery and confectionary products:** Increase in disposable income of people has increased their purchasing power, which in turn has accelerated the demand for premium bakery and confectionary products in India.

Key Challenges

1. **Intense competition:** Indian organized bakery and café market is highly competitive, comprising of multiple players, ranging from local players to large commercial chains. In order to capture a significant share in this market, it is imperative for players to have a diversified portfolio, innovation in their products, and a strong and effective marketing and branding strategy.

2. **Volatility in prices of raw materials:** Fluctuation in prices of raw materials such as wheat, sugar, oil etc. may lead to profitability of players being impacted. If there is an increase in raw material costs, it would lead to an increase in the overall cost. This increase can either be passed on to the consumer or absorbed by the player. In a highly competitive market like cafes and bakeries, absorbing this increase in raw material cost would eventually lead to a decrease in the per unit margin and thereby is likely to impact on the overall profitability of the player. For instance, palm oil wholesale prices were INR 104,648.5 per metric ton in January 2021, which increased to INR 143,280.9 per metric ton in January 2022 (an increase of ~37%).

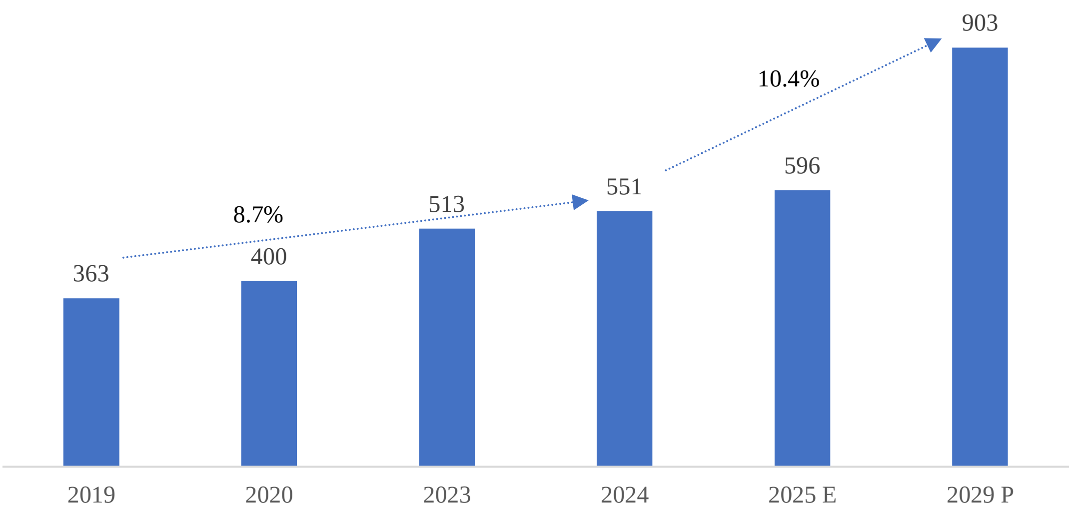
3. **Increasing Real Estate Cost**: Rising rental costs are acting as a deterrent for organized bakery and café players as such rental increases ultimately add up to the total cost, there increasing it and impacting profitability.

Overview of Biscuits Market in India

The Indian biscuits retail market was valued at INR 513 billion in FY 2023 and has grown at a CAGR of ~7.4% to reach INR 551 Bn for FY 2024. Over the next five years i.e. by FY 2029, the market is projected to reach INR 903 billion growing at an expected CAGR of ~10.4%.

Biscuits are one of the most widely consumed products in the Indian market, holding the second largest share in the packaged food industry. This market includes a diverse range of products, from traditional biscuits, crackers, and cookies to innovative health-focused options. The biscuit market in India is growing steadily, driven by changing consumer preferences, health trends, and the introduction of new and innovative products.

Exhibit 4.1: Indian Biscuit Market Size (FY) (in INR Billion)



Source: Secondary Research, Technopak analysis

Per capita spend on biscuits in India is less as compared to the key developed economies

The Per capita consumption of biscuits in India is low and lags as compared to the key developed economies but due to factors like increasing disposable income, product innovations, demand for various product types, and favorable consumer perception, there is room for growth for the industry.

Exhibit 4.2: Per Person Spend Annually (INR)

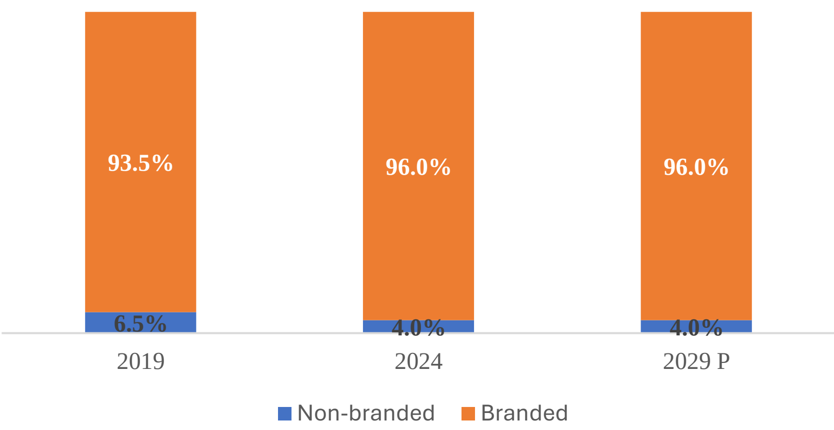
Country	Per person spend
UK	4,333
USA	2,972
Japan	2,209
India	425

Source: Secondary research, Technopak analysis

Branded v/s Non-Branded Biscuits

The Indian biscuit market is dominated by branded players with share of ~95% in FY 2024. Also, branded share is expected to increase ~96% by FY 2029 due to changing consumer preference for branded products, premiumization in the category, huge variety of products available in the segment and rising disposable income of the consumers. Britannia, Parle, ITC, Mrs Bector (Cremica Biscuits) are some of the leading players in the branded biscuit market. The non-branded market is mainly comprised of small, local/regional and household type manufacturing units. They usually sell through standalone or general trade stores maintaining close relations with the regional or local retailers.

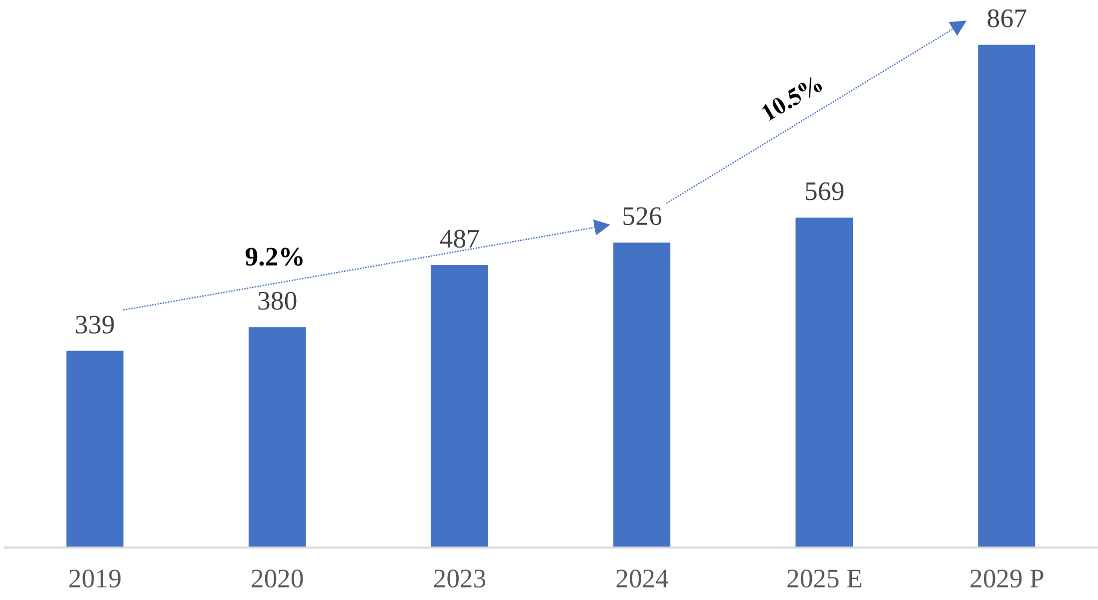
Exhibit 4.3: Branded v/s Non-branded Biscuit Market

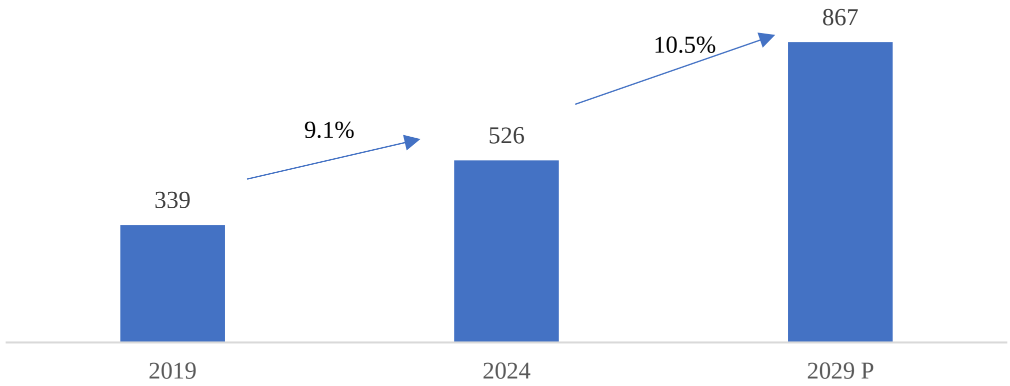


Source: Technopak analysis

The branded biscuit market was valued at INR 526 billion in FY 2024 and is expected to grow at a CAGR of ~10.5% to reach INR 867 billion by FY 2029.

Exhibit 4.4: Indian Branded Biscuit Market (in INR billion) (FY)



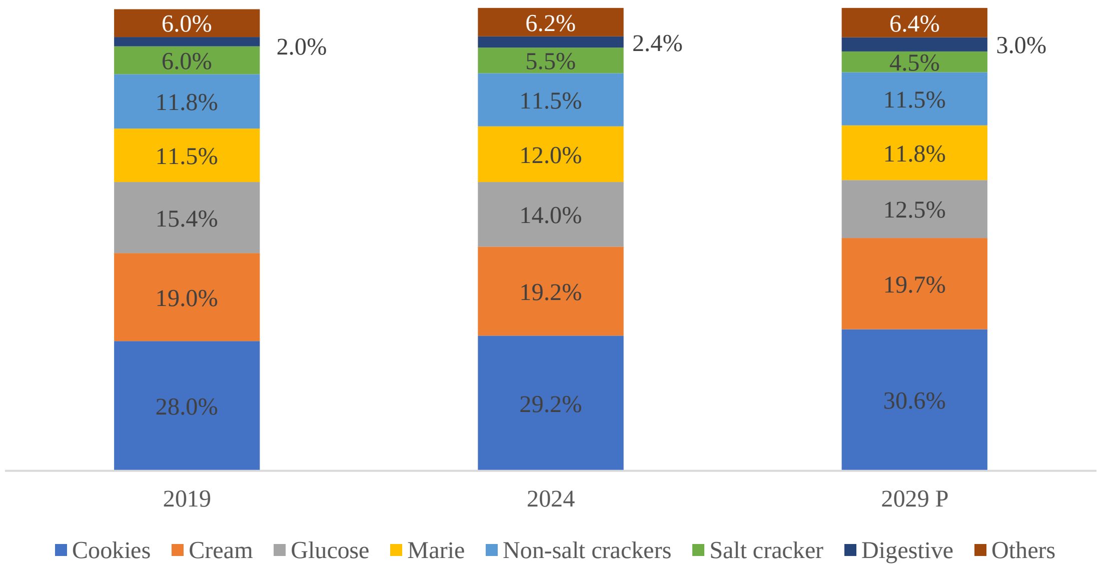


Source: Technopak analysis

Classification of Biscuits

The biscuit market in India is primarily categorized based on two factors: product type and price. By product type, it is divided into Glucose and Non-Glucose (NG) segments. By price, it is segmented into Mass, Mid Premium, and Premium categories. The Non-Glucose segment includes various kinds of biscuits such as cookies, cream, marie, digestives, and others. The growth of the Glucose segment is slower and is expected to remain so over the next five years. This shift can be attributed to factors such as rising disposable incomes of consumers, preference for trying new flavors and a greater willingness to pay for premium, healthy, and perceived higher quality products.

Exhibit 4.5: Indian Branded Biscuit Market Product Type Segmentation by Value (FY) (%)



Source: Technopak analysis

Exhibit 4.6: Biscuit Market: Category wise Price Range

Categories	Price Range (INR/ Per Kg)
Cookies	140-350
Cream	150-340
Glucose	90-140
Marie	150-190
Non-salt crackers	150-190
Salt cracker	150-200
Digestive	150-300

Source: Secondary research, Technopak analysis

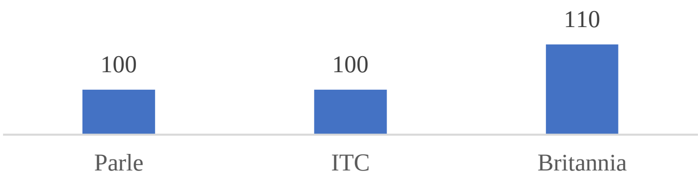
Branded Market Price Segmentation

Based on the price segmentation, the branded biscuit market can be categorized into Mass, Mid Premium and Premium segments. The mid premium and premium categories are the growth drivers of the biscuit market with over ~86% of the branded biscuit market share. The mid premium and premium segment was valued at INR 453 billion in FY 2024 and is expected to grow at rate of ~11% by FY 2029 outpacing the growth of the mass segment which is expected to grow at a CAGR of ~8% from FY 2024 to FY 2029.

This reflects the shift in consumer preference to explore more mid-premium and premium categories like cookies, cream filled biscuits, crackers and other digestive biscuits. The availability of diverse variety, flavours, and new fusion products introduction is driving the growth of the mid premium and premium segments. In the mid premium segment both national and regional players serve a diverse variety, however, in the premium segment, the national players dominate the market with their assortments.

Price Segmentation for Key Players in Mass Segment

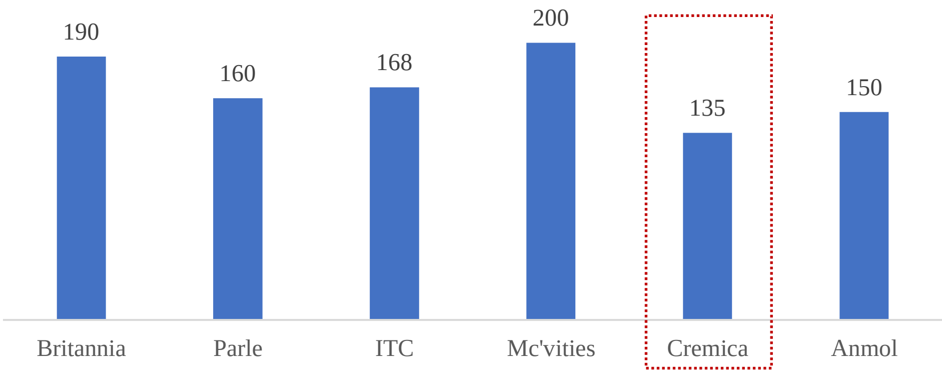
Exhibit 4.7: Key Players Mass Segment (Glucose category) Price comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for classic Glucose biscuits (no flavours, or any other value addition type)

Price Segmentation for Key Player in Mid Premium Segment

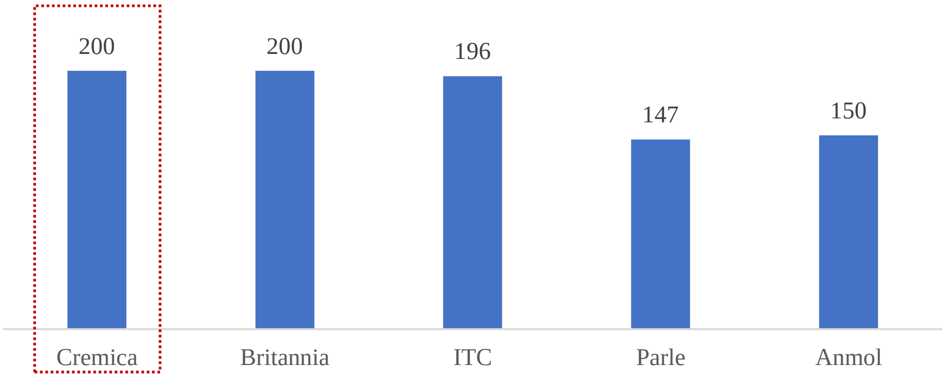
Exhibit 4.8: Key Players Mid Premium Cookie Segment Price comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for butter cookies biscuit

Cookies: Cookies hold the largest share of ~29.2% in the total branded biscuit market, with a value of INR 154 billion in FY 2024 and it is expected to be the dominant category till FY 2029, growing at a CAGR of ~11.5% to reach at a value of INR 265 billion by FY 2029. This segment includes mid premium and premium cookies. However, the segment is also witnessing new launches and new entrants driving the growth of the overall cookies market.

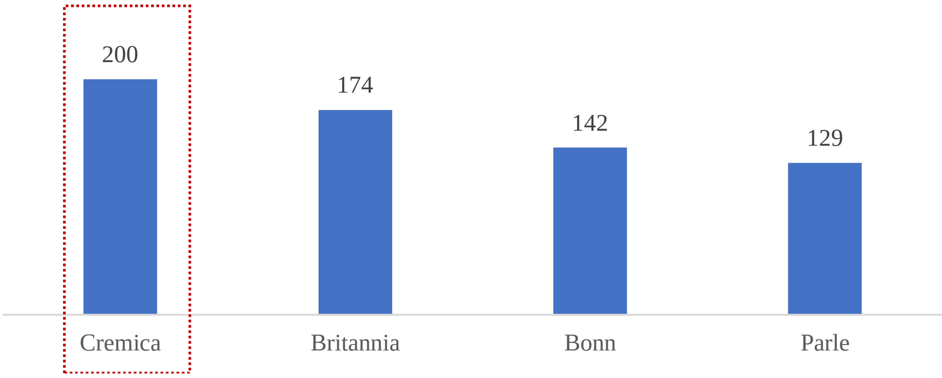
Exhibit 4.9: Mid Premium Cracker- Non-Salt Segment Market Price Comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for value cream biscuit (strawberry, chocolate,etc.)

Cream Biscuits: Cream filled biscuits have the second largest share of ~19.2% in the total branded biscuit market, with a value of INR 101 billion in FY 2024. The segment is growing at a CAGR of ~11.1% to reach a value of INR 171 billion by FY 2029. Cream filled biscuit segment also has mid premium and premium range, with the premium range including cream filled biscuits like Dark Fantasy, Bourbon, Oreo, and others, and the mid premium range includes brands like Sunfeast bounce, Treat by Britannia, Magix by Parle, etc.

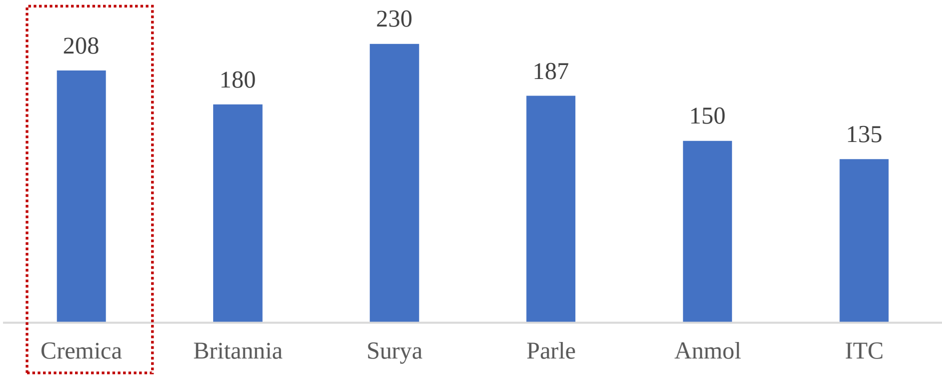
Exhibit 4.10: Mid Premium Cracker- Non-Salt Segment Market Price Comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for sugar sprinkled cracker

Non-Salted Crackers: Non-salted crackers held a share of ~11.5% in the total branded biscuit market, with a value of INR 61 billion in FY 2024. The segment is growing at a CAGR of ~10.5% to reach a value of INR 100 billion by FY 2029.

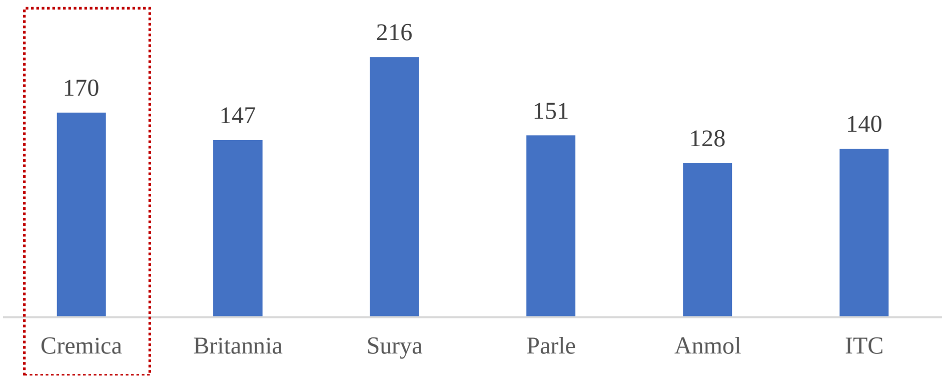
Exhibit 4.11: Mid Premium Cracker-Salt Segment Market Price Comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for salted cracker (no flavours, or any other value addition type)

Salted Cracker: Salted crackers segments held a share of ~5.5% in the total branded biscuit market, with a value of INR 29 billion in FY 2024. The segment is growing at a CAGR of ~6.2% to reach a value of INR 39 billion by FY 2029.

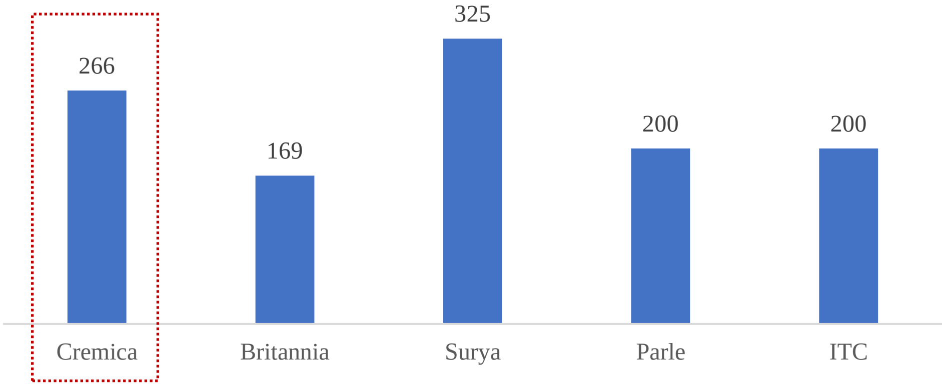
Exhibit 4.12: Mid Premium Marie Segment Market Price Comparison (INR/Kg)



Source: Secondary research, Technopak Analysis
Note: Comparison for classic marie biscuits (no flavours, or any other value addition type)

Marie: Marie biscuits occupy a share of ~12% in the total branded biscuit market, with a value of INR 63 billion in FY 2024. The segment is growing at a CAGR of ~10.1% to reach a value of INR 102 billion by FY 2029.

Exhibit 4.13: Premium Digestive Segment Market Price Comparison (INR/Kg)



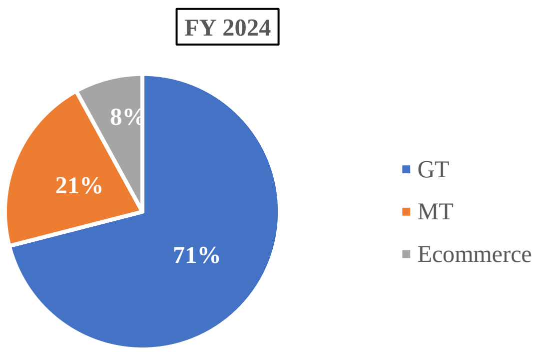
Source: Secondary research, Technopak Analysis
Note: Comparison for classic digestive biscuits (no flavours, or any other value addition type)

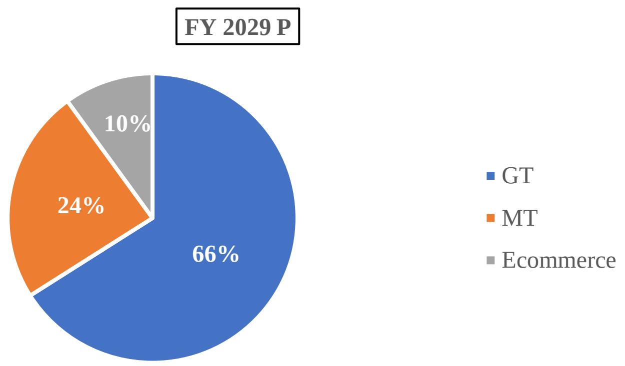
Digestive: Digestive biscuits occupy a share of ~2.4% in the total branded biscuit market, with a value of INR 13 billion in FY 2024. This is the fastest growing segment in the biscuit market with a CAGR of ~15.5% from FY 2024 (INR 13 billion) to FY 2029 (INR 26 billion). This segment growth is being driven by changing eating habits of consumer towards healthy food products. This segment is mainly driven by the national players like ITC, Cremica, Britannia with various products offering within the category. Cremica's portfolio in this category includes Cremica Digestive, Cornflakes and Oatmeal Digestive

Channel Wise Split

In the branded biscuit market, the retail channel is dominated by general trade stores (GT), with a share of ~71%. The modern trade channel (MT) accounts for around ~21%, while e-commerce holds about ~8% as of FY 2024. Modern trade and e-commerce channels are rapidly expanding, driven by the growth of supermarkets and hypermarkets in tier 2 and tier 3 cities, as well with the rise of quick commerce in metro areas and it is projected that as of FY 2029, general trade stores (GT), with hold a share of ~66%. The modern trade channel (MT) will be around ~24%, while e-commerce is project about ~10%

Exhibit 4.14: Branded market channel wise split - (FY 2024 Total branded market: INR 526 billion) and (FY 2029 P Total branded market: INR 867 billion)

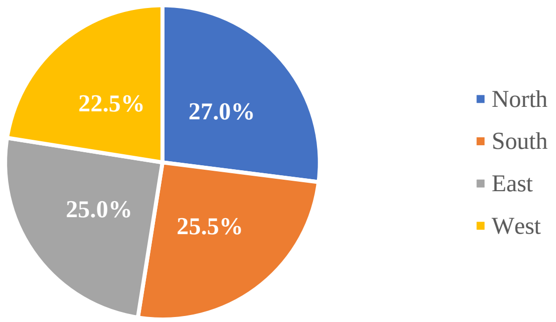




Source: Technopak analysis

Geographical Segmentation

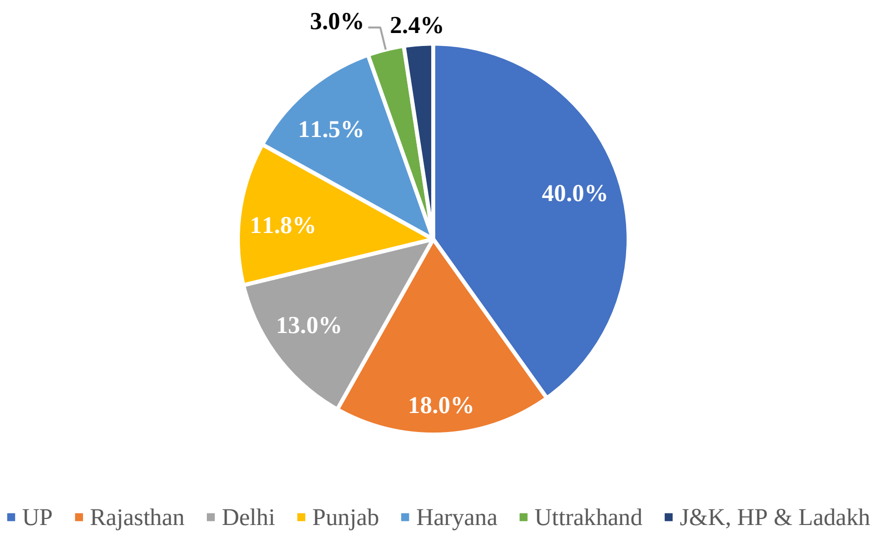
Exhibit 4.15: Biscuit Market Geographical Segmentation (FY 2024) (Total Market – INR 551 billion)



Source: Primary Research, Technopak analysis

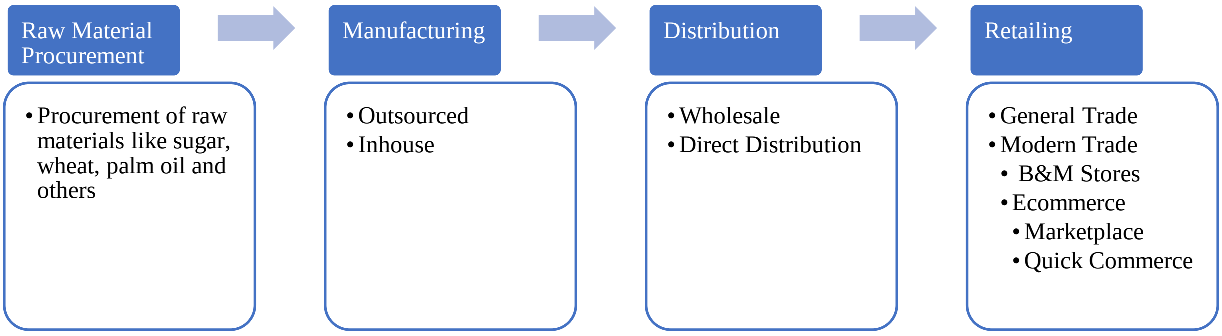
North India accounts for 27% of the total biscuit market in India, with Uttar Pradesh holding the largest share around ~40% within the region. This is followed by South and Eastern India with a share of 25.5% and 25% respectively. The North Indian market was valued at about INR 149 billion in FY 2024, which includes Uttar Pradesh, Rajasthan, Punjab, Haryana, Uttarakhand, Ladakh, Himachal Pradesh and Jammu and Kashmir. In FY 2024 national players like Britannia, Parle, Mrs. Bector, Unibic commanded more than 60% of the market share in North India. Mrs. Bector share in FY 2024 stood at ~5% of the total North India market size.

Exhibit 4.16: Biscuit Market North India Segmentation (FY 2024) (Total Market – INR 149 billion)



Source: Primary Research, Technopak analysis

Value Chain in Biscuits Segment



Manufacturing of Branded Biscuit- Contract Manufacturing v/s Inhouse

There are specific trade-offs between in-house manufacturing and outsourcing models. Industry players such as Patanjali, ITC, Britannia, Unibic and Parle utilize a combination of in-house manufacturing and outsourcing to meet their demand. On the other hand, Cremica relies entirely on in-house manufacturing to achieve higher margins and quality. The share of contract manufacturing is less as compared to In-house manufacturing amongst leading players as it offers these leaders an advantage in export opportunities, ensuring better visibility and control over quality assurance, adherence to food safety standards, and faster product development cycles. For new entrants, contract manufacturing is a quick way to enter the market by accessing contract manufacturing expertise and with lesser capital investment compared to in-house manufacturing, enabling brands to launch their products in the market while focusing on their core competencies like marketing and sales.

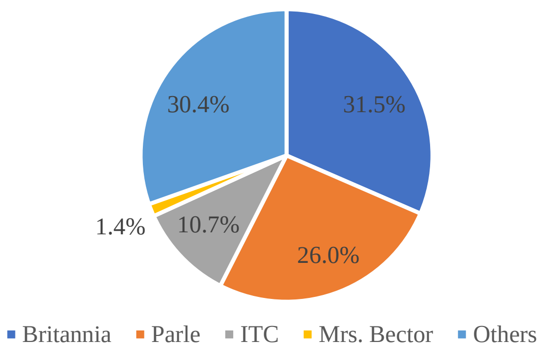
Manufacturing	Characteristics
In-house	- Better quality control and consistency - Capital Investment - Better profit margins - Product development
Contract	- Scalability without large capital investment - Flexibility to shift production base as per market demands - Speed to market - Stringent quality checks and parameters - Increased dependency and lead times

Competitive Intensity

The branded market is dominated by players like Britannia, Mrs. Bector (Cremica), Parle, ITC (Sunfeast), and others. Britannia and Parle together hold ~50% of the market share, ITC had a market share of ~10.7% and Mrs. Bector's brand Cremica had a share of 1.4% in FY 2023 which rose to 1.6% in FY 2024. And the remaining ~ 30% of the market share is occupied by players like Anmol Industries, Surya food and agro (Priyagold), Patanjali and others.

Mrs Bector Food Specialities has a network of 400+ super-stockists, and 900+ distributors which allows them to reach a wide range of consumers. The Company, through its biscuits, brand, Cremica have a presence in over 550K+ retail outlets (as of June 30, 2024).

Exhibit 4.17: Key Players Market Share FY 2023 (Total Branded Market-INR 487 billion)



Source: Secondary Research, Company Annual reports, Technopak analysis

Exhibit 4.18: Key Players Overview

Player name	Inception year	Headquarters	Manufacturing capabilities	Revenue (INR Bn) (FY 2023)	Revenue (INR Bn) (FY 2024)	Share of exports (FY 2023)
Mrs Bector Food Specialities	1978	Phillaur, Punjab	3 facilities	13.7	16.4	Exported to over 70 countries across the world (as of 30 June 2024) Exports share: ~27% (FY 2023)
Britannia Industries Limited	1892	Bengaluru, Karnataka	44 facilities, own manufacturing stands at 65%	158.4	164.1	Exports to over 80 countries across the world, Exports share ~5%
Parle Products Private Limited	1929	Mumbai, Maharashtra	10 manufacturing units in India- Has 8 manufacturing units outside India: Cameron, Nigeria, Ghana, Ethiopia, Kenya, Ivory Coast, Nepal, Mexico	168.9	NA	~0.08%
ITC Limited	1910	Kolkata, West Bengal	18 food factories	784.9	795.7	~14.5%

Source: Secondary research; Consolidated Figures; NA- information not available

Mrs Bector Food Specialities exported biscuits under their brand Cremica as well as under third party private labels to over 70 countries as of June 30, 2024, to prominent retail chains, distributors and buying houses.

Product portfolio matrix

The key players in the Indian biscuits market feature a wide range of products, catering to different consumer preferences. Players like Britannia, Parle and Cremica are present across majorly all categories. Within each of the categories, the players offer a wide variety of products to meet the consumer demand and market trends. These players have a set of brands under their umbrella through which they sell various SKUs. For instance, Britannia sells digestive biscuits under the brand name Nutrichoice, while cookies sell under the brand name Good Day. Similarly, Parle sells cream biscuits under the brand name Magix and salted cracker under the brand name Monaco.

Exhibit 4.19: Category presence of key players in domestic market

Name of player	Cookies	Cream	Crackers *	Digestive	Marie	Glucose	Others
Mrs Bector Food Specialities Limited (Cremica)	✓	✓	✓	✓	✓	✓	✓
Britannia Industries Limited (Britannia)	✓	✓	✓	✓	✓	✓	✓
Parle Products Private Limited (Parle)	✓	✓	✓	✓	✓	✓	✓
ITC Limited (Sunfeast)	✓	✓	✓	✓	✓	✓	✓

Source: Company website, quick commerce portals, secondary research
Note: (✓) Refers to presence in categories
Retail category presence in domestic market
**Crackers include salted and non-salted crackers*

Exhibit 4.20: Product portfolio (SKU and Price) matrix of key players

Player	Product category	Products	Variants	SKUs and Prices
Mrs Bector Food Specialities Limited (Cremica)	Cookies	Center filled-trufills	Choco	75gm- Rs 30
			Choco Vanilla	75gm-Rs 30
		Premium Cookies	Choco chip	75gm- Rs 30, 400gm- Rs 70, 900gm-Rs 220
			Pista almond	75gm- Rs 30, 400gm- Rs 70, 900gm-Rs 220
			Honey Oatmeal	75gm- Rs 30, 400gm- Rs 70, 900gm-Rs 220
		Coconut Cookies	Classic	79gm- Rs 10, 100gm- Rs 20, 185gm-Rs 30, 400gm- Rs 70, 900gm- Rs 220
			Crunchies	37gm- Rs 5, 74gm-Rs 10
		Butter Cookies	Classic Rich	35.5gm-Rs 5, 71gm- Rs 10, 106gm-Rs 20, 137gm-Rs 20
			Golden Bites Butter	68gm- Rs 10, 200gm- Rs 30, 500gm-Rs 140
		Cashew Cookies	Golden Bites	35.5gm-Rs 5, 71gm-Rs 10, 106gm-Rs 20
		Choco Cookies	Choco Bico	32.5gm-Rs 5, 65gm-Rs 10
			Choco Chip	32.5gm-Rs 5, 65gm-Rs 10
		Jeera Cookies	Jeera Lite	36.5gm-Rs 5, 73gm-Rs 10, 146gm-Rs 20, 500gm-Rs 120
	Cream	Bourbon	Bourbon	70gm-Rs 10, 120gm- Rs 20, 150gm-Rs 35, 500gm- Rs 100
		Premium Creme	Vanilla	50gm- Rs 10, 100gm- Rs 20, 150gm-Rs 300
			Strawberry	50gm- Rs 10, 100gm- Rs 20, 150gm-Rs 300
			Chocolate	50gm- Rs 10, 100gm- Rs 20, 150gm-Rs 300
			Melto	50gm- Rs 10, 100gm- Rs 20, 150gm-Rs 300
		Twin Creme	Strawberry Vanilla	37gm- Rs 5, 74gm- Rs 10
			Orange Vanilla	37gm- Rs 5, 74gm- Rs 10
			Elaichi Vanilla	37gm- Rs 5, 74gm- Rs 10
			Chocolate Vanilla	37gm- Rs 5, 74gm- Rs 10
		Magic Creme	Strawberry	37gm- Rs 5, 74gm- Rs 10

Player	Product category	Products	Variants	SKUs and Prices
			Orange	37gm- Rs 5, 74gm- Rs 10
			Elaichi	37gm- Rs 5, 74gm- Rs 10
			Choco	37gm- Rs 5, 74gm- Rs 10
	Crackers	Premium Classic Crackers	Premium Classic Crackers	125gm- Rs 25, 250gm- Rs 50
		Non-Stop Crunchy	Masala	75gm-Rs 30
			Pizza	75gm-Rs 30
		Indian Cracker	Butter King	68gm- Rs 10
			Kalonji	68gm- Rs 10, 136gm- Rs 20
			Ajwain	68gm- Rs 10, 136gm- Rs 20
		Krack Bite	Krack Bite	35gm- Rs 5, 76gm- Rs 10, 140gm-Rs 20, 400gm- Rs 110
		Party Cracker	Party Cracker	35gm- Rs 5, 76gm- Rs 10, 400gm-Rs 110
		Premium Sugar Crackers	Premium Sugar Crackers	125gm- Rs 25, 250gm- Rs 50
	Digestive	Digestive	Oatmeal	60gm- Rs 10, 112.5gm- Rs 20, 500gm- Rs 165
			Cornflakes	120gm-Rs 25
			Classic	60gm- Rs 10, 112.5gm- Rs 20, 200gm- Rs 40, 600gm- Rs 110, 1000gm- Rs 240
	Tea-time	Marie	Marie	39gm- Rs 4, 43gm- Rs 10, 300gm-Rs 40, 500gm-Rs 110
	Glucose	Glucose	Glucose	10gm, 35gm, 41gm, 60gm
Britannia Industries Limited (Britannia)	Cookies	Hide and Seek	Chocolate Chip	120gm-Rs 30, 200gm-Rs 60, 350gm-Rs 100, 1kg- Rs 300
			Chocolate and Almond	100gm-Rs 30
			Café Mocha	120gm- Rs 30, 200gm- Rs 50
		Milano	Chocolate Chip	75gm-Rs 30, 120gm- Rs 60, 300gm-Rs 120, 360gm- Rs 150
			Centre Filled-Dark Choco	75gm- Rs 35, 250gm- Rs 120, 300gm- Rs 120, 360gm- 150
			Centre Filled-Mixed Berry	75gm- Rs 35, 250gm- Rs 120, 300gm- Rs 120, 360gm- 150
			Centre Filled-Coco and Hazelnut	60gm- Rs 35
	Cream	Fab Bourbon	Bourbon	60gm-Rs 10, 120gm- Rs 20, 150gm-Rs 30
		Fab! Jam-in	Mixed fruit	55gm- Rs 10, 100gm- Rs 25, 150gm-Rs 35
			Orange	55gm- Rs 10, 150gm- Rs 35
			Black currant	55gm- Rs 10, 150gm- Rs 35
			Strawberry	55gm- Rs 10, 150gm- Rs 35
		Fabio	Chocolate	50gm- Rs 10, 120gm- Rs 30
			Vanilla	50gm- Rs 10, 120gm- Rs 30
		Hide and Seek	Choco rolls	25gm- Rs 10, 75gm- Rs 30, 120gm-Rs 50, 250gm- Rs 100
		Hide and Seek	Black Bourbon	100gm- Rs 30
			Choco	100gm- Rs 30
			Vanilla	100gm- Rs 30
		Hide and Seek Crème Sandwich	Chocolate	120gm
			Orange	120gm
			Vanilla	120gm
			Strawberry	120gm

Player	Product category	Products	Variants	SKUs and Prices
Parle Products Private Limited	Crackers	50-50	Masala Chaska	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Sweet and Salty	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Golmaal	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Potazos	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Jeera	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Time pass	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
			Top	28.4gm- Rs 5. 62.8gm- Rs 10, 150gm- Rs 30, 188gm- Rs 35
		Nice time	Nice time	59.4gm- Rs 10, 143gm- Rs 25, 300gm- Rs 49
		Biscafe	Biscafe	29.5gm- Rs 10, 100gm- Rs 30
	Digestive	Nutricrunch	Classic Digestive	120gm- Rs 20, 1kg- Rs 200
			Honey and Oats Digestive	600gm- Rs 120
			Marie Digestive	100gm- Rs 15, 200gm- Rs 300
			Lite Crackers	100gm- Rs 15, 200gm- Rs 30
	Tea-time	Marie Gold	Marie Gold	950gm- Rs 140, 33gm- Rs 3, 68gm- Rs 10, 190gm- Rs 30, 250gm- Rs 40
	Glucose	Tiger	Glucose Biscuits	28.6gm- Rs 3, 39.3gm- Rs 4, 42.7gm Rs 5, 85.3gm- Rs 10
	Others	Little Hearts	Little Hearts	13gm- Rs 5, 26gm- Rs 10, 75gm- Rs 30
		Milk Bikies	Biscuit	66.8gm- Rs 10, 500gm- Rs 90
			Milk Sandwich	NA
			Atta	NA
	Cookies	20-20	Classic Butter	40gm- Rs 5, 80gm- Rs 10, 200gm- Rs 20
			Classic Cashew	35gm- Rs 5, 70gm- Rs 10, 200gm-Rs 25
			Gold butter	75gm- Rs 10, 120gm- Rs 20, 150gm- Rs 25, 120gm- Rs 30, 200gm- Rs 40, 600gm- Rs 120
		Happy Happy	Happy Happy	40gm- Rs 5, 80gm- Rs 10, 150gm- Rs 20
		Coconut	Coconut	48gm- Rs 5, 96gm- Rs 10, 80gm- Rs 10, 200gm- Rs 20
	Cream	Magix Round	Mango	40.8gm- Rs 5
			Orange	40.8gm- Rs 5, 81.6gm- Rs 10, 200gm- Rs 25
			Elaichi	40.8gm- Rs 5, 81.6gm- Rs 10
			Chocolate	40.8gm- Rs 5, 81.6gm- Rs 10, 200gm- Rs 25
			Strawberry	40.8gm- Rs 5
			Pineapple	40.8gm- Rs 5
		Magix Rectangle	Mango	40.8gm- Rs 5
			Orange	40.8gm- Rs 5
			Elaichi	40.8gm- Rs 5
			Chocolate	40.8gm- Rs 5
			Pineapple	40.8gm- Rs 5
	Cracker	Monaco	Classic	37.7gm- Rs 5, 75.4gm- Rs 10, 200gm- Rs 30, 400gm- Rs 60, 800gm- Rs 120
			Zeera	60.9gm- Rs 10, 120gm- Rs 20
			Pizza	50gm- Rs 10, 120gm- Rs 30, 300gm- Rs 60
			Peri peri	50gm- Rs 10, 120gm- Rs 30

Player	Product category	Products	Variants	SKUs and Prices
		Krackjack	Classic	37.8gm- Rs 5, 75.5gm- Rs 10, 200gm- Rs 30, 400gm- Rs 60, 800gm- Rs 120
			Butter Masala	50gm- Rs 10, 120gm- Rs 30, 300gm- Rs 60
			Jeera	37.8gm- Rs 5, 75.5gm- Rs 10
		Top Crackers	Cracker	39.2gm- Rs 5. 73.5gm- Rs 10, 200gm- Rs 30, 400gm- Rs 60
			Spin Cracker	76.95gm- Rs 10, 200gm- Rs 25
	Tea-time	Parle-G	Parle-G	24.5gm- Rs 2, 38.5gm- Rs 3, 49gm- Rs 4, 65gm- Rs 5, 130gm- Rs 10, 250gm- Rs 20, 800gm- Rs 70
			Gold	100gm- Rs 10, 200gm- Rs 25, 500gm- Rs 65, 1kg- Rs 125, 2kg- Rs 250
			Chota Bheem	65gm- Rs 5, 100gm- Rs 10, 250gm- Rs 50
		20-20 Nice	Nice	68.75gm- Rs 10, 150gm- Rs 25
		Marie	Marie	42.3gm- Rs 5
			Multivita	79.9gm- Rs 10, 250gm- Rs 30
			Arovita	75gm- Rs 10, 150gm- Rs 22
	Others	Milk Shakti	Milk Shakti	50gm- Rs 5, 98gm- Rs 10, 200gm- Rs 25, 300gm- Rs 30
ITC Limited-(Sunfeast)	Cookies	Mom's Magic	Fruit & Milk	200gm- Rs 50
			Rich Butter	150gm- Rs 25
		Dark Fantasy	Choco Fills	150gm- Rs 75
			Choco Nut Fills	75gm- Rs 40
			Dessert Choco Chunks	75gm- Rs 60
			Choco chip cookies	150gm- Rs 30
			Choco Nut Dipped	100gm- Rs 60
			Choco Melts	50gm- Rs 25
			Choco Fills	300gm- Rs 170, 600gm- Rs 340
			Coffee Fills	75gm- Rs 40
	Cream	Dark Fantasy	Choco Crème	100gm- Rs 35
			Vanilla Creme	277.5gm- Rs 100
		Bounce	Choco Crème	41gm- Rs 5
			Orange Crème	41gm- Rs 5
			Pineapple Crème	41gm- Rs 5
			Elaichi Crème	41gm- Rs 5
		Double Creme	Choco Vanilla	36gm- Rs 5, 60gm- Rs 10, 120gm- Rs 20
			Strawberry Vanilla	36gm- Rs 5, 120gm- Rs 20
			Orange Vanilla	36gm- Rs 5
	Digestive	Farmlite	High Fibre	100gm- Rs 20, 250gm- Rs 70, 800gm- Rs 220
			Oats and Almonds	300gm- Rs 160
			Super Choco Chip Millet	75gm- Rs 45
			Oats and Raisins	150gm- Rs 70
			Oats and Chocolate	150gm- Rs 70
			Oats and Almonds	150gm- Rs 70
			Super multi millet	75gm- Rs 50
			5 grain digestive	800gm- Rs 240

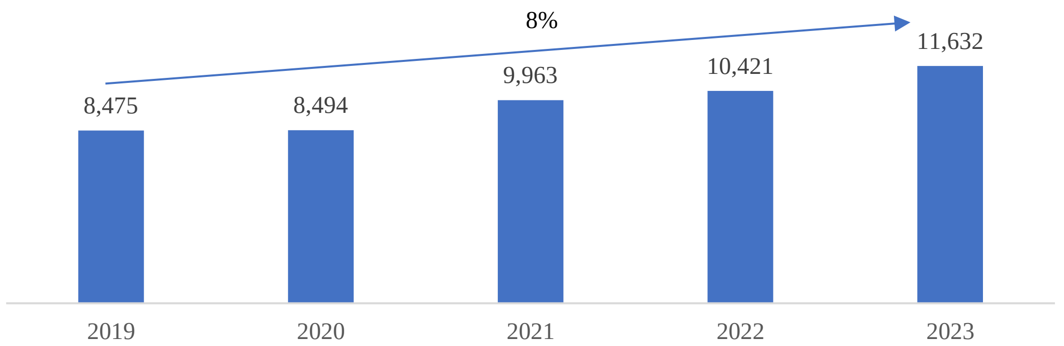
Player	Product category	Products	Variants	SKUs and Prices
			Veda	100gm- Rs 25
	Crackers	All Rounder biscuits thin potato	Cream and herb	28.2gm- Rs 10, 75gm- Rs 25
			Chatpata Masala	75gm- Rs 25
	Tea-time	Marie light	Active	300gm- Rs 40
			Oats fibre	200gm- Rs 30
	Glucose	Glucose	Glucose	1kg- Rs 120
			Glucose Milk	250gm- Rs 25

Source: Company website, E-commerce market places, secondary research

Exports in Biscuit Segment

The world export value for biscuits stood at USD 11,632 million in CY 2023 growing at a rate of 8% from CY 2019 by value.

Exhibit 4.21: Global Export Value of Biscuits (in USD Million) (CY)



Source: ITC trade map
HSN- 190531

Exhibit 4.22: India Export Value and Share of Biscuits (in USD Million) (CY)

Export Value	2019	2020	2021	2022	2023	CAGR CY 2019-23
World	8,475	8,494	9,663	10,421	11,632	8%
India	181	168	201	266	325	16%
India Export Share	2%	2%	2%	3%	3%	-

Source: ITC trade map
HSN- 190531

The share of Indian exports has increased from 2% in CY 2019 to 3% in CY 2023 and while the world exports grew at a CAGR of 8%, the Indian exports by value saw a CAGR of 16% for the same period.

Key markets for Indian Exports

Exhibit 4.23: Countries to Which India Exports Biscuits (CY)

Country	Value exported in 2023 (INR crore)	Quantity exported in 2023 (Tons)
United States of America	364	20,538
Yemen	170	20,753
Kenya	116	16,576
South Sudan	109	16,742
Canada	102	4,926
South Africa	100	9,071
United Arab Emirates	88	5,914
Chad	87	13,026
Cameroon	73	10,546
Benin	66	8,524

Country	Value exported in 2023 (INR crore)	Quantity exported in 2023 (Tons)
Uganda	65	9,020
Dominican Republic	57	5,158
Angola	57	7,392
Senegal	56	6,759
Democratic Republic of the Congo	56	7,295
Congo	52	6,616
Guinea	47	6,005
United Republic of Tanzania	45	5,968
Somalia	45	5,496
Togo	43	5,598
Nepal	43	2,006
Oman	41	4,143
Mozambique	38	4,852
Australia	37	1,665
Ghana	35	4,422
Others	611	53,309
Total	**2,601**	**2,62,320**

Source: ITC trade map
Conversion rate 1 USD = 80
HSN - 190531

The key exports market for India is the USA, African countries and Middle east. India's export has grown at a CAGR of 16% from CY 2019 to CY 2023. Players like Britannia, Parle and Mrs. Bectors are the leading exporters from the country.

Key growth drivers for India Biscuit Exports:

1. **Cultural Exports**: Brands like Parle, Britannia and Cremica who are selling their own product range in the international markets. They are targeting the global Indian diaspora, which has created a steady demand for Indian flavour products, including biscuits. This cultural export has contributed to the sustained growth in biscuit exports from India.
2. **Support from Government:** The Indian government has launched schemes to support the companies to increase their share of exports in the market. The Financial Assistance Scheme (FAS) is an export promotion scheme for Agricultural and Processed Food Products. The scheme has been open and implemented for the period of 2021-22 to 2025-26. The scheme aims to facilitate the export of Agri-products by aiding the exporters.
3. **Quality and Safety Standards**: Indian biscuit manufacturers have significantly improved their adherence to international quality and safety standards. This compliance with global norms has enhanced their acceptance in markets like the US, South America and others.

Outlook for Indian Biscuits Market

The biscuits market is expected to grow at a CAGR of 10.4% over the next 5 years, owing to factors like consumer demand for convenient and nutritious snacks, rising income levels, availability of innovative product options etc. The market is likely to see further innovation, with manufacturers focusing on health-conscious products and premium offerings. Expanding into new markets and leveraging modern trade retail channels and e-commerce platforms will also play a significant role in the industry's growth.

Key Trends

- **Premiumization**: The biscuit segment is impacted by the premiumization trend, leading to a rise in popularity of premium and gourmet biscuits, especially amongst the urban consumer. Consumers are increasingly looking for premium biscuit options that offer unique flavors, superior ingredients, and taste. This trend is driving growth in the premium segment of the market.
- **Healthy Biscuits**: There is a significant trend towards healthier eating, leading to increased demand for biscuits made with ingredients like whole grains, reduced sugar, and added nutrients. Products targeting specific dietary needs, such as gluten-free or vegan biscuits, are also gaining popularity. Consumer are looking for options to fulfil their daily nutrients in their snacks like biscuits.
- **Sustainable Packaging**: With rising awareness about the environment, consumer is noticing and making decisions basis their observations regarding what brands are doing to reduce their environmental impact,

this is resulting into opting for eco-friendly packaging options. Brands that prioritize sustainability are likely to resonate well with environmentally conscious buyers.

- **Convenience and On-the-Go**: Biscuits continue to be a staple in Indian households, commonly enjoyed with tea or coffee and serving as a versatile snack at any time of the day or when on the go. Their convenience and variety make them a perfect choice for quick bites, hassle free and fulfilling option. The long shelf life and easy storage of biscuits further enhance their appeal, ensuring they are always on hand for casual snacking, which drives ongoing demand for this segment.

Challenges

1. **Rising Costs and Competition**: The biscuit market is highly competitive, with numerous established brands and new entrants vying for market share. Differentiation and maintaining a competitive edge in the highly competitive market requires funds for various marketing activities, product innovations and technology adaptation. This requirement along with the fluctuating prices of raw materials, packaging, and transportation can impact profitability.
2. **Consumer Health Trends**: Consumer health trends and their eating habits are changing and to meet the demand new product development and innovation is required. It could be a challenge for small players as they do not have enough funds and capabilities for the same.

Key Success Factors

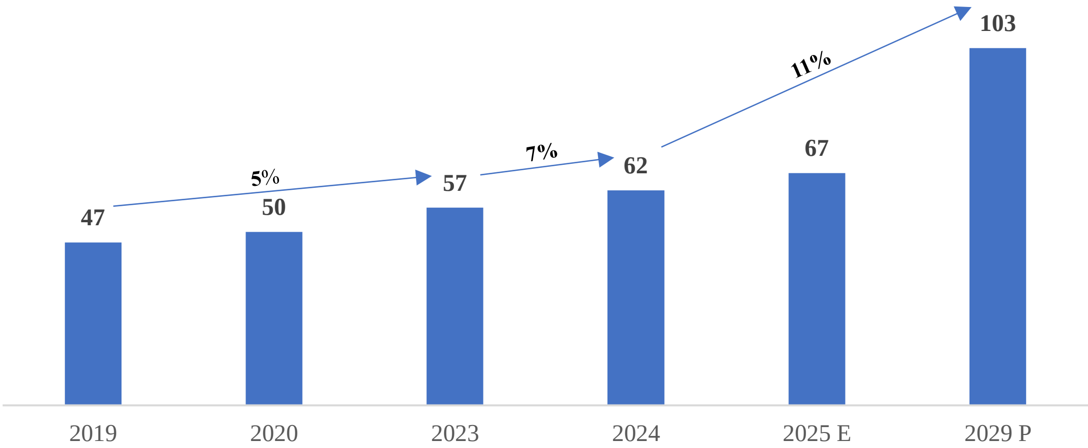
1. **Product Quality and Consistency**: To maintain leadership and consumer loyalty, maintaining of quality and consistency is crucial. Since consumer are becoming more aware and conscious and reading labels before consumption, it is important to maintain the quality of the products consistently. This involves sourcing right ingredients, adhering to strict manufacturing processes, ensuring food safety and adhering to the set quality standards.
2. **Innovation and Product Development**: Consumer demands are changing more rapidly now and to meet those demands continual innovation is required. Innovation in flavors, ingredients, and packaging can set brands apart and provide them first mover advantage and set the course towards success.
3. **Strong Branding and Marketing**: With the increased internet penetration, consumer exposure to marketing activities through social media and ads has increased. Effective branding and targeted marketing campaigns can help in building brand recognition and loyalty. Leveraging digital marketing and social media can significantly enhance reach and build consumer trust.
4. **Competitive Pricing**: Biscuit market is a highly competitive market with various product offering from established national players and new players coming up in the market. Product pricing plays an important role in there as competitive prices without compromising on quality can attract a broad customer base and enhance market share.
5. **Distribution Network**: Biscuit as a category has over 70% sales through the general trade and around 20% through modern trade channel. Establishing a robust and efficient distribution network that ensures product availability and accessibility in various markets through these channels covering more retail touch points will help players capture a wider market and result in success in the market.

Overview of the Breads and Buns Industry

Overall market size and growth

The Indian breads and buns retail market in India was valued at INR 62 billion in FY 2024, growing at a CAGR of 5% from INR 47 billion in FY 2019. The market saw a 7% year-on-year growth for the period of FY 2023-24. The market is estimated to reach INR 67 billion in FY 2025. The market is further projected to grow at a CAGR of 11%, to reach a market size of INR 103 billion in FY 2029.

Exhibit 5.1: Indian breads and buns retail market size (in INR Billion) (FY)

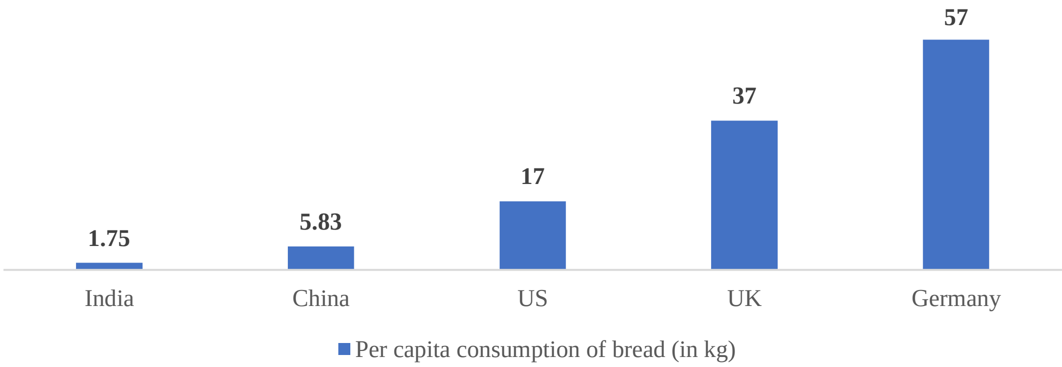


Source: Technopak Analysis

Per capita consumption of bread

The consumption of bread varies significantly across countries and regions. The per capita consumption of bread in India was 1 Kg in CY 2015, which has now increased to 1.75 Kg for CY 2023 growing at the CAGR of 7.2%. However, it remains significantly lower when compared to other key economies like China, USA, UK, Germany etc.

Exhibit 5.2: Country wise per capita consumption of bread (In Kg) (CY 2023)



Source: Secondary research

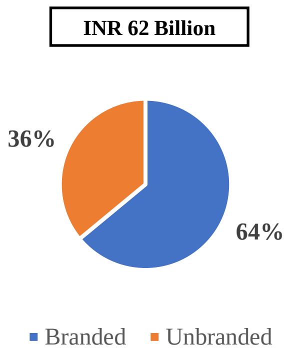
Market Segmentation

Branded vs unbranded

The branded segment of the industry consists of national, regional and local brands, that produce a wide variety of breads and buns under their brand, like Britannia, English Oven, Harvest Gold, Bonn, Modern etc. The larger brands operate at a large scale with modern production facilities, in strict adherence to quality controls, and have wide distribution networks. The branded segment has been expanding its reach beyond Metros and Tier 1 cities, with distribution and reach in Tier 2 and beyond. The unbranded segment consists of local manufacturers and vendors who make and sell bread at a comparatively smaller scale catering to local geographies. Their product portfolio typically includes basic varieties of bread such as white bread and buns and regional, local specialties like pav and kulcha. On the other hand, the branded segment product portfolio encompasses a variety of options such as whole wheat bread, multigrain, gourmet and specialty breads etc. apart from the basic breads which form the larger share of business.

The branded segment is estimated at 64% for the Breads & Buns Industry at INR 40 billion for FY 2024. The size of unbranded segment is estimated at INR 22 billion for the same period.

Exhibit 5.3: Bread and buns sales breakup (FY 2024)

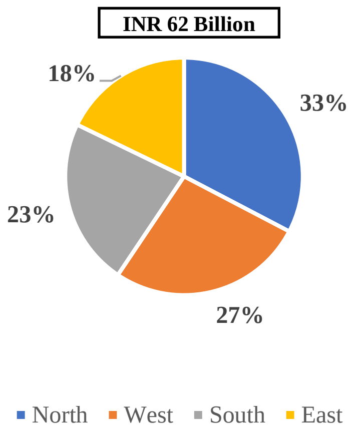


Source: Technopak Analysis

Consumption wise pattern

The Indian bread market is uniquely shaped by diverse cultural and regional preferences across the country. Manufacturers have recognized the importance of adapting their offerings to suit the tastes and habits of different regions. This driver involves the introduction of regional flavours, ingredients, and bread formats that resonate with local preferences. For instance, kulchas are popular in North India, and pavs are sold widely in the West.

Exhibit 5.4: Consumption pattern in four zones in India (FY 2024)



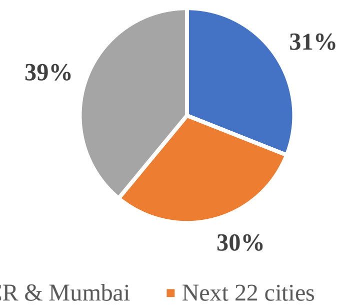
Source: Technopak Analysis

National players like Britannia, English Oven, Harvest Gold have presence across various regions, while some of the regional players are Bonn in North India, Homa in Northeast India and Aabad bread in Gujarat.

Bread consumption is an adapted food habit in Indian cities. It is generally served as a part of breakfast and snacks items, and is also part of traditional snacks with usage of bread items like Pav, Kulcha etc. Around 61% of the branded market share comes from the top 24 cities of the country. Bread demand is high especially in metro cities like Mumbai and Delhi NCR and consumers are gradually inching towards premium and premium plus segment bread variants. Also, there is increased demand from tier 2 and beyond for breads and buns, including segments like whole wheat, multigrain etc.

Exhibit 5.5: Branded breads and buns city-wise market share (FY 2024)

INR 40 Billion



Source: Technopak Analysis
Top Two Cities: Mumbai and Delhi
Next 22 Cities: Bangalore, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat, Pune, Jaipur, Lucknow, Kanpur, Nagpur, Visakhapatnam, Indore, Bhopal, Patna, Vadodara, Chandigarh, Amritsar, Madurai, Ludhiana, Coimbatore, Kochi

Types of breads and buns- based on shape

The Indian breads and buns market offers a diverse range of bread and bun types, catering to varying regional preferences and consumption habits. These products span from everyday varieties to more specialized products. Organized players and unorganized sectors both play significant roles, with certain types of bread being more prevalent in specific regions, channels and contexts.

Exhibit 5.6: Types of breads and buns- based on shape

Type of breads and buns	Description	Consumption	Dominance
Sliced bread 	Pre-sliced loafs, widely available in grocery stores	Commonly consumed for breakfast, and with milk, tea, etc	Organised players
Buns 	Hand-sized, flat-bottomed, dome-shaped bakery products	Popular in Northern and Western India, used in dishes like pav bhaji and vada pav	Unorganised players
Other breads 	Includes gourmet breads, footlong breads, hot dogs, pizza bases etc.	Largely in urban areas	Organised players

Source: Company website, annual reports, secondary research

Types of bread and buns- based on ingredients

India has a variety of breads which provide a range of flavour, texture and health benefits, and use cases. This classification segments different kinds of bread based on their ingredients:

1. **White Bread:** Consists of traditional white bread, made from refined wheat flour. Other value-added variants to this include white breads with added vitamins for nutritional value, milk bread etc.

2. **Brown Bread:** Also contains added percentage of whole wheat flour along with refined flour, creating a denser, more nutritious bread as compared to white bread.

3. **Varieties of Wholewheat and Multigrain Bread**: These breads mainly focus on use of whole grains to offer a naturally nutrient-dense product that is rich in fibre and beneficial for health. For e.g. whole wheat

& atta breads i.e. without addition of refined flour, multigrain, honey & oats bread etc. These breads contain whole grains and additional nutrient-dense components, offering a nutritious and high-fibre choice.

- Whole Wheat Bread: made solely of whole wheat flour, including all components of the grain.
- Multigrain Bread: made using a mixture of whole wheat and additional grains such as oats, barley, millet, and rye.
- Honey & Oats Bread: contains honey and oats for sweetness, texture, and added nutrition.
- Atta Bread: made with whole wheat flour, commonly used in Indian dishes.

4. **Nutritional Breads** are specifically designed to increase dietary nutritional intake by having components such as millet, ragi, bran, protein, and extra vitamins, offering various health benefits.
   - Millet Bread: made from millet flour, typically gluten-free and high in fibre and key minerals.
   - Ragi Bread: made from ragi flour, which is high in calcium and nutrients, is commonly eaten in South India.
   - Bran Bread: contains additional bran to boost fibre content.
   - Protein Bread: created with a higher protein level, typically containing components such as whey protein or soy flour.
   - Bread with added vitamins contains extra nutrients for improved nutritional value.

   These breads are specially created to improve nutrition with extra vitamins, minerals, proteins, and other beneficial ingredients, providing specific health advantages beyond those found in whole grains by nature.

5. **Gourmet and Specialty Breads** have distinct flavours and ingredients like parmesan oregano, garlic oregano, and Italian varieties. This group also consists of flatbreads such as tortillas, pita, along with sourdough that provide unique flavours and consistencies.

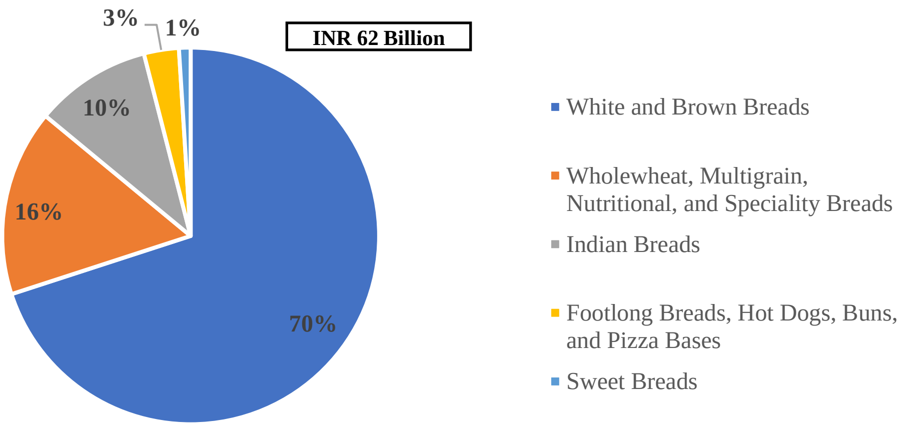
6. **Sweet Breads:** contain sweet ingredients such as sugar, chocolate, or fruit, making them different from gourmet or plain breads.

7. **Foot Long Breads and Hot Dogs** cater to specific recipes, such as sub sandwiches and hot dogs, with their elongated shapes designed for these purposes
   - Footlong bread: Thin loaves commonly utilized for creating sandwiches, such as subs.
   - Hot Dog Buns: Soft, long rolls made for holding fillings and their toppings

8. **Indian Breads**: consists of Indian region's classic varieties such as pav and kulcha.

9. **Buns and Pizza Base**: buns come in different forms and sizes, common types include burger buns, sweet buns, and savoury buns flavoured with spices and herbs. Pizza bases include traditional pizza bases made from refined or whole wheat flour, and new healthier varieties like millet pizza bases.

Exhibit 5.7: Market share of different types of breads and buns based on ingredients (FY 2024)



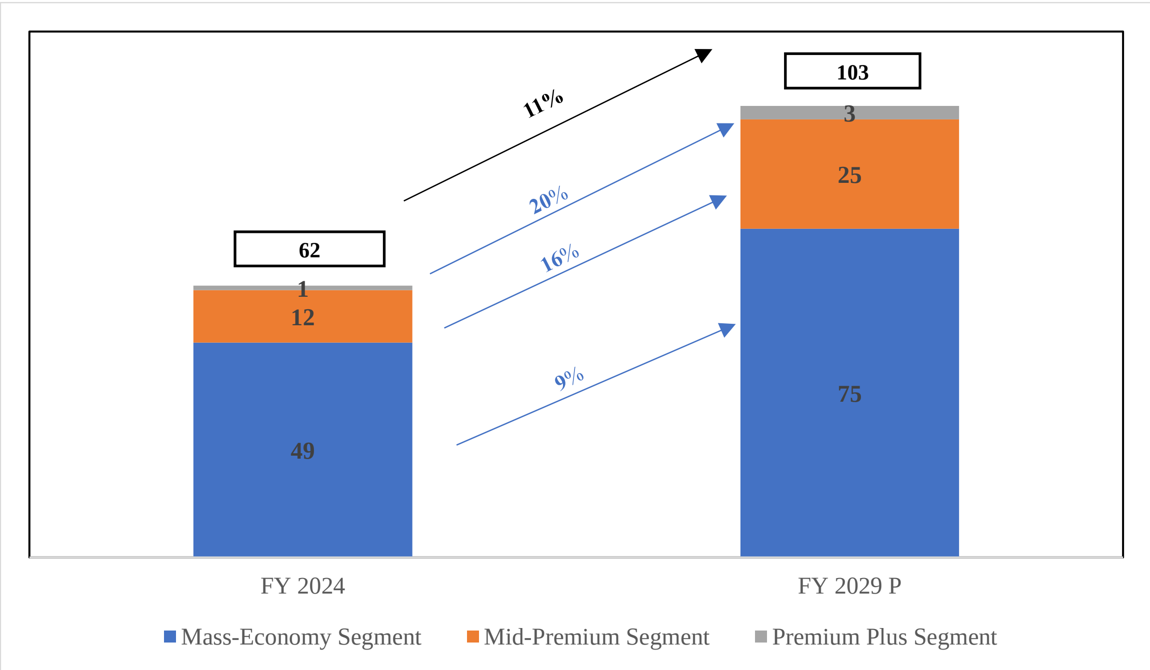
Source: Technopak Analysis

Price segmentation

Breads & buns are available across price ranges and are classified as mass-economy, mid-premium and premium plus depending on the bread type and cost. Breads are a common breakfast and snack ingredient and cuts through economic strata. Basic bread types like White & Brown mostly fall under the Mass-Economy segment with prices per kg below Rs 100. Premiumisation trend is visible in this product category as value-added, flavourful and artisanal breads are finding favour among the upwardly mobile, such as multigrain, sourdough, garlic, nutritional breads, etc.

- **Mass-Economy segment**: comprises of white and brown breads
- **Mid-Premium segment**: includes wholewheat, multigrain, sweet, and Indian breads. In addition to this, it also comprises certain nutritional and speciality breads. Buns, pizza base, and foot long breads also fall under this segment.
- **Premium Plus segment**: consists of gourmet and artisanal products like pita bread, sourdough, and certain nutritional breads to name a few.

Exhibit 5.8: Market share of different types of breads and buns based on price (FY 2024) (in INR Billion)



Source: Technopak Analysis

Mid-premium and premium plus segments are expected to grow at a CAGR of 16% and 20% respectively for the shown period. The segments are expected to grow faster than the overall market due to factors such as shift in customer preference for healthier and speciality options, higher disposable income, and propensity to spend.

The premium plus segment serves as a niche market in India with few prominent players such as English Oven, Bakers Dozen, The Health Factory etc. Certain speciality and nutritional breads in the Premium plus segment include footlong breads with flavours like cheese, roasted garlic, parmesan oregano and protein breads. Other gourmet breads in this segment include pita, panini, and ciabatta breads.

Exhibit 5.9: Price ranges in various segment of breads and buns market

Segment	Type of bread	Price range (INR/kg)
Mass- Economy segment	White bread	80-100
Mid-Premium segment	Brown bread	125-140
	Whole wheat bread	100-135
	Multigrain bread	135-160
	Indian breads- pav, kulcha, etc	115-225
	Nutritional bread	125-170

Segment	Type of bread	Price range (INR/kg)
	Sweet bread	100-175
	Foot long bread/hot dog	150-170
	Bun	125-200
	Pizza base	150-225
	Speciality bread- garlic bread	175-200
Premium Plus segment	Sourdough	375-650
	Focaccia	495-620
	Baguette	360-660
	Certain nutritional and speciality breads	330-1050
	Other gourmet breads	300-500

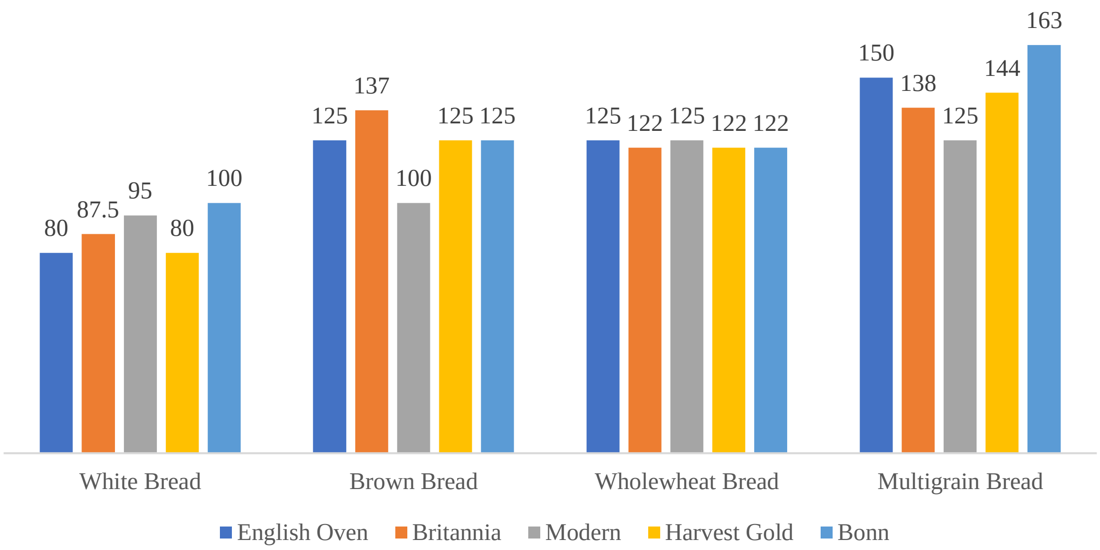
Source: Company website, quick commerce portals, secondary research; Players considered in the super premium segment include English Oven, Bakers Dozen, Fresho! Signature and the Health Factory

Exhibit 5.10: Price mapping of key players

Player	White bread	Brown bread	Wholewheat bread	Multigrain bread
English Oven	Rs 28 (350gm)	Rs 50 (400gm)	Rs 50 (400gm)	Rs 60 (400gm)
Britannia	Rs 35 (400gm)	Rs 55 (400gm)	Rs 55 (450gm)	Rs 55 (400gm)
Harvest Gold	Rs 28 (350gm)	Rs 50 (400gm)	Rs 55 (450gm)	Rs 65 (450gm)
Bonn	Rs 40 (400gm)	Rs 50 (400gm)	Rs 55 (450gm)	Rs 65 (400gm)
Modern Foods	Rs 38 (400gm)	Rs 40 (400gm)	Rs 50 (400gm)	Rs 50 (400gm)

Source: Company website, quick commerce portals, secondary research

Exhibit 5.11: Market price of bread and bun brands (In INR per Kg) (FY 2024)



Source: Company website, quick commerce portals, secondary research, Market prices mentioned above are MRPs converted to per kg price

Value chain: Breads and Buns industry

Bread is a perishable commodity with shelf life of 3-5 days, and it needs to be distributed within 40-50 hours of manufacturing. For a successful delivery to retailers, it is important to have a strong distribution network including middlemen and suppliers to reach the retail outlets serving the customers.

Manufacturing: Cost control is an important factor in the bread industry, as it is a capital intensive and low-margin business, to sustain profitability in the long run. Large players find it very difficult to expand to newer territories due to poor infrastructure and low-margin nature of business. Large players face tough competition from regional companies on pricing and distribution front. Distribution of product in local areas and customising it as per their consumer's choice is more convenient for regional players. Brands like English Oven and Harvest Gold which have significant presence in the north have inhouse manufacturing. English oven's manufacturing plants have a capacity of producing 1.3 million buns pieces a day and 11 million bread loafs a month and are near target markets in order to minimize freight and logistics costs.

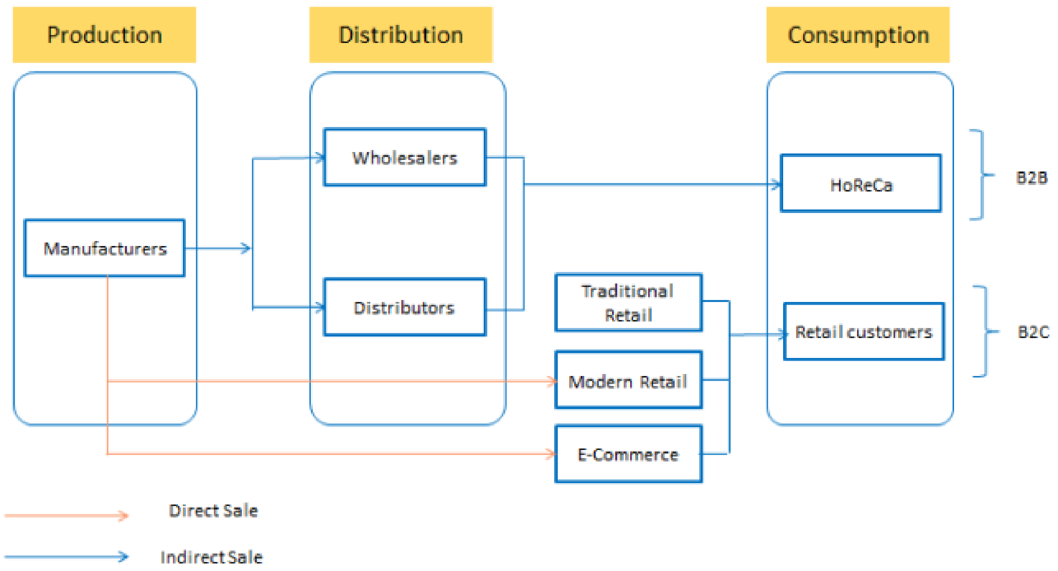
In-house capacity vs Outsourcing: Regional players generally go with in-house manufacturing of bread as it is convenient for them to monitor the quality of products to be supplied and maintain consistency of their offerings. This is particularly crucial for players who offer products of mid-premium premium plus categories that require specific expertise and processes. Regional players have the flexibility to supply breads as per the demand of customers. Players like Bonn and English Oven manufacture their products in-house. Whereas brands like Britannia and Modern also source from third party manufacturing units. In FY 2024, Britannia's own manufacturing stood at 65%. Players with in-house manufacturing have been able to fare well during the COVID-19 period as they their supply chains did not get largely disrupted. They were able to run operations with due permissions by adhering to the requisite measures.

Distribution: The marketing system in the bread industry is based on a strong retail-wholesale distribution network. As it is a highly price sensitive low margin food product with very short shelf life (about four days on an average), distribution and logistics play a very crucial role in the value chain of this industry. Proper logistic support allows producer to transport its products and make it available in the market at the right time. It is a duty of producer to check that all the packs are stacked in containers made up of steel or plastic crates to avoid compression of bread during transit. For bulk transport trucks are used whereas in case of smaller deliveries small trucks are used for transportation. Therefore, the type of vehicle too plays a crucial role, as it needs to be thermal proof so that the bread is maintained at a set temperature. Bread is mostly transported during night time to avoid the heat, humidity and traffic delays.

The industry is witnessing a very competitive environment due to the change in consumer's choice and preferences as it plays an important role in the sales pattern of different branded breads in the market. Different companies have different policies of giving incentives to its distributors and retailers. Under favourable circumstances, branded companies generally provide a 5-10% margin to their distributors and retailers.

Retail: Breads are largely retailed through traditional retail outlets. Share of brick-and-mortar (B&M) modern retail chains is gradually increasing. At retail outlets also, the product must be handled with care. It is to be kept away from sunlight to avoid reduction in weight due to loss of moisture and change in texture. As a response to COVID-19, a significant share of sales has shifted to online. The industry players have tied up with online grocers for the sale of their products. While the share of sale for key players through online channels remains comparatively lower, it is expected to increase further in next five years. Bread manufacturers are supplying towards either retail or HoReCa businesses. While they sell to organised retailers directly, there are distributors to supply the product to traditional retail. Given below figure depicts the typical supply chain of bread industry in Industry:

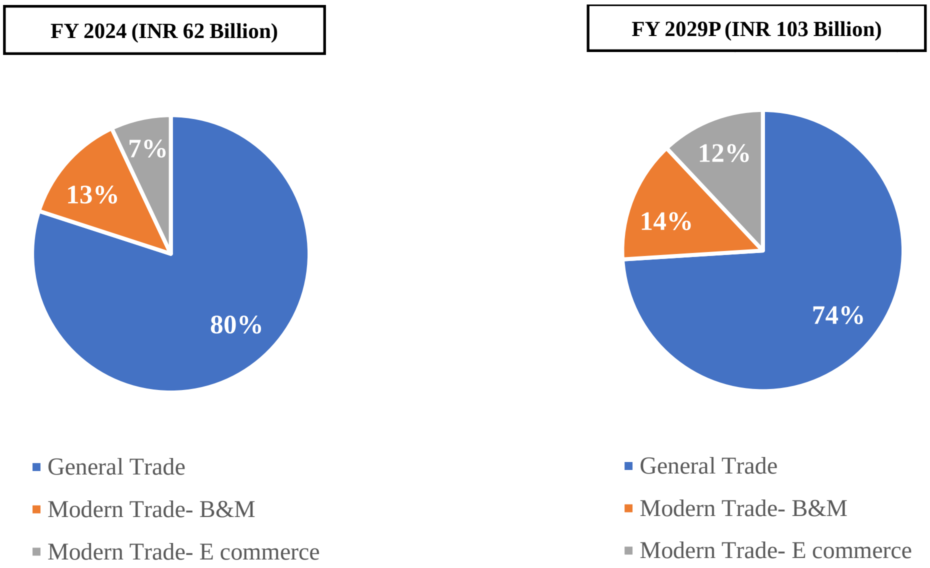
Exhibit 5.12: Value chain for Breads and Buns



Source: Technopak analysis, secondary research

Distribution channels

Exhibit 5.13: Channel wise split for the Breads and Buns retail market in India



Source: Technopak Analysis; General trade includes grocery stores, kirana stores etc. Modern trade comprises of Brick and Mortar- supermarkets, hypermarkets etc. and e-commerce entails quick commerce, vertical specialists etc

The growth of modern retail channels has been crucial in shaping the distribution and availability of bread products throughout India. The increase in the number of supermarkets, hypermarkets, convenience stores, and online grocery platforms has made various bread options more accessible to consumers, offering them more choices and convenience in one place. Organized retail spaces provide improved branding opportunities, enabling companies to increase product visibility and capture consumer attention. The contemporary retail environment has not just made bread more accessible but has also facilitated the introduction of innovative packaging formats, aiding the process of purchasing and storing bread items for customers.

Between FY 2024-29, the share of modern trade- e commerce is projected to expand 5 percentage points. Being a perishable commodity, quick commerce is the preferred channel of purchase in the online segment for breads and buns. In FY 2024, quick commerce holds a share of ~75% within the e commerce market.

Exhibit 5.14: Distribution of key players

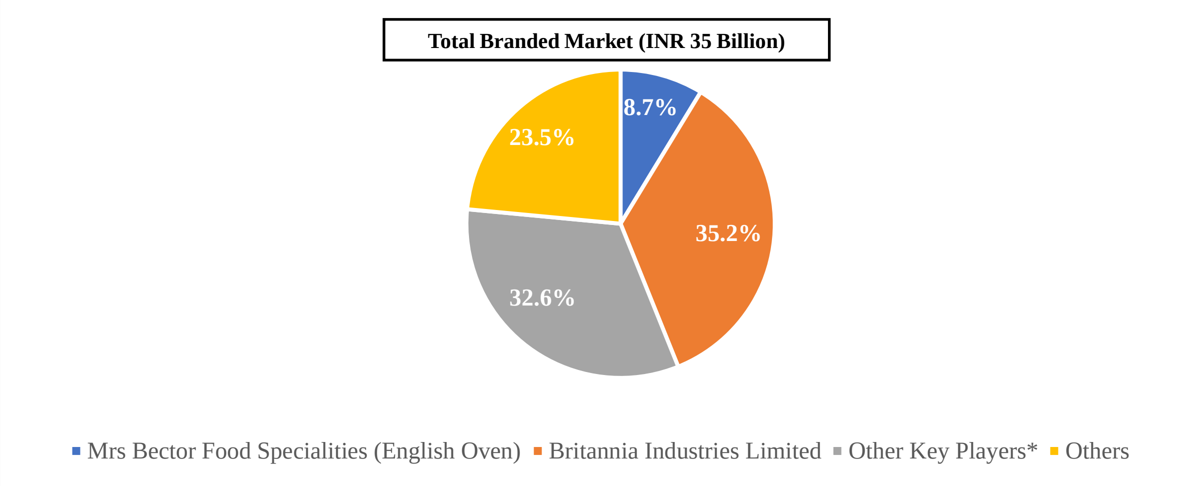
Player name	Distribution channels
Mrs Bector Food Specialities	Their fresh bakery is available to customers in Delhi NCR, Mumbai, Pune, Bangalore, and other North Indian cities. Their products are also available across India at leading retail outlets. Sells through quick commerce portals, marketplaces, and vertical specialists online Also serves HoReCa (Institutional)
Britannia Industries Limited	Available Pan India through 28 lakh outlets and 30,000 rural distributors offline Sells through quick commerce portals, marketplaces, and vertical specialists online
Modern Food Enterprises Private Limited	Operates through a network of 35 franchisees to reach 70,000+ retail outlets in India offline Sells through quick commerce portals, marketplaces, and vertical specialists online
Ready Roti India Private Limited	Sells through modern trade brick and mortar outlets, quick commerce portals, marketplaces, and vertical specialists online
Bonn Nutrients Private Limited	Sells through modern trade brick and mortar outlets, quick commerce portals, marketplaces, and vertical specialists online
Mimansa Industries Private Limited	Present in over 40 cities in India and 3,000+ touchpoints Operates through its own exclusive retail stores, modern trade outlets, and various e-commerce platforms, along with its own website
The Health Factory*	Available at more than 150 retail touchpoints Operates through own website, quick commerce portals, marketplaces, and vertical specialists Has also forayed into the HoReCa segment recently

*Source: Secondary research, * as of FY 2022*

Competitive Landscape

The branded market is dominated by players like Britannia, Mrs. Bector (English Oven), Modern, and others. For FY 2023, Britannia held ~35.2% of the market share and Mrs Bector's English Oven held a share of ~8.7%. Other Key Players include Modern, Bonn, Baker's Dozen and Harvest Gold, and held a share of ~32.6%. The remaining ~22.5% of the market share is occupied by players like The Health Factory and others. For FY 2024, English Oven held an estimated market share of ~9.1% in the branded market.

Exhibit 5.15: Key players market share (FY 2023)



*Source: Secondary research; *Other Key Players include Modern, Bonn, Baker's Dozen, and Harvest Gold*

Key players- Overview

The branded market is dominated by players like Britannia, English Oven, Harvest Gold etc., along with smaller players like Baker's Dozen, The Health Factory etc.

Exhibit 5.16: Key players profile overview

Player name	Inception year	Headquarters	Manufacturing capabilities	Revenue (INR Bn) (FY 2023)	Share of exports (FY 2023)	Revenue (INR Bn) (FY 2024)
Mrs Bector Food Specialities	1978	Phillaur, Punjab	3 facilities	12.6	Exported to over 70 countries across the world (as of 30 June 2024) Exports share: ~27% (FY 2023)	16.4
Britannia Industries Limited	1892	Bengaluru, Karnataka	44 facilities, own manufacturing stands at 65%	156.2	Exports to over 80 countries across the world; 5%	161.9
Modern Food Enterprises Private Limited	1965	Gurgaon, Haryana	6 own manufacturing units and 9 third party units	4.4	-	NA
Ready Roti India Private Limited	1993	Delhi, India	4 facilities	13.0	-	NA
Bonn Nutrients Private Limited	1985	Ludhiana, Punjab	11 manufacturing plants across North India	6.3	Exports to over 55 countries across 3 continents	NA

Player name	Inception year	Headquarters	Manufacturing capabilities	Revenue (INR Bn) (FY 2023)	Share of exports (FY 2023)	Revenue (INR Bn) (FY 2024)
Mimansa Industries Private Limited	2013	Mumbai, Maharashtra	30,000 sq ft. centralised manufacturing unit in Ahmedabad	0.4	NA	NA
The Health Factory	2018	Mumbai, Maharashtra	NA	NA	NA	NA

Source: Secondary research; Revenue from Operations, consolidated figures; NA- information not available

Product portfolio matrix

The key players in the Indian breads and buns market feature a wide range of products, catering to different consumer preferences. Economy and premium segment bread and buns are available in sizes such as 200gm, 350gm, 400gm, and 450gm. Economy segment breads are also available in larger sizes like 700gm and 800gm. English Oven's diversified portfolio for its bakery segment consists of over 150 SKUs focused on a wide array of popular breads and buns including gourmet breads, Indian breads, and multigrain breads, to name a few.

Exhibit 5.17: Category presence of key players

Name of player	White bread	Brown bread	Whole wheat & multigrain bread	Nutritional bread	Gourmet/speciality bread	Sweet bread	Footlong bread & hot dog	Indian bread	Buns	Pizza base
Mrs Bector Food Specialities (English Oven)	✓	✓	✓	-	✓	✓	✓	✓	✓	✓
Britannia Industries Limited (Britannia)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Modern Food Enterprises Private Limited (Modern)	✓	✓	✓	✓	-	✓	-	✓	✓	✓
Ready Roti India Private Limited (Harvest Gold)	✓	✓	✓	-	✓	-	✓	✓	✓	✓
Bonn Nutrients Private Limited (bonn)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mimansa Industries Private Limited (Baker's Dozen)	-	-	✓	✓	✓	-	-	✓	✓	✓
The Health Factory	✓	-	✓	✓	✓	-	-	✓	✓	✓

Source: Company website, quick commerce portals, secondary research
Note: (✓) Refers to presence in categories

Exhibit 5.18: Product portfolio matrix of key players

Player	Product category	Product sub-categories	Sizes available
Mrs Bector Food Specialities (English Oven)	White bread	Sandwich bread	200gm, 400gm
		Breakfast bread	150gm, 350gm, 600gm
		Sandwich plus bread	1000gm
		White bread	700gm
		Premium white bread	350gm, 700gm, 800gm
		Milk bread	400gm
	Brown bread	Brown bread	200gm, 400gm
		Brown bread plus	1000gm
	Wholewheat & Multigrain bread	100% atta bread	400gm
		100% whole wheat bread	400gm
		Atta bread	400gm
		100% whole wheat atta bread	350gm
		Multigrain bread	400gm
	Gourmet/Speciality bread	Parmesan oregano bread	150gm
		Garlic bread	200gm
		Classic sourdough bread	400gm
	Sweet bread	Sweet bread	400gm
		Fruit bread	150gm, 200gm
	Foot long bread & hot dog	Sub footlong roasted garlic	150gm
		Sub footlong parmesan oregano	150gm
		Sub footlong Italian	150gm
		Sub olive	200gm
		Sub multigrain	200gm
	Indian bread	Pav bread	300gm
		Kulcha bread	200gm
	Bun	Big seeded bun	300gm
		Burger bun	100gm, 200gm, 300gm
		Atta burger bun	200gm
		Wholewheat bun	200gm
		Sweet bun	200gm
		Fruit bun	100gm, 150gm
	Pizza base	Pizza base 6”	200gm
		Pizza base 8”	200gm
Britannia Industries Limited (Britannia)	White bread	White bread makkhan malai	250gm
		Breakfast slice bread	450gm
		Health slice sandwich white bread	400gm
		Sandwich white bread	600gm
		Vitarich bread	700gm
		Milk bread	400gm
	Brown bread	Brown bread	350gm, 400gm
	Wholewheat & Multigrain bread	100% wholewheat bread	400gm
		High fibre bread	300gm
		Atta bread	400gm
		Daily bread wholewheat	300gm
		Wholewheat sandwich bread	450gm
		Multigrain bread	400gm
		Honey and oats bread	200gm
	Nutritional bread	Millet bread	300gm
		Bread enriched with vitamins	400gm
	Gourmet/Speciality bread	Cheese garlic bread	300gm
	Sweet bread	Sweet bread	400gm

Player	Product category	Product sub-categories	Sizes available
		Choco bread	300gm
	Foot long bread & hot dog	Footlong multiseed bread	300gm
		Olive sub bread	200gm
		Daily bread- sub olive	200gm
		Hot dog bread	200gm
		Hot dog cheese bread	200gm
	Indian bread	Pav	400gm
		Atta kulcha bread	250gm
		Missi bread	250gm
		Maida kulcha	230gm
	Bun	Fruit bun	150gm
		Choco bun	-
		Burger bun	200gm
		Sweet bun	250gm
	Pizza base	Maida pizza bread	250gm
Modern Food Enterprises Private Limited (Modern)	White bread	Sandwich supreme bread	800gm
		Supreme white bread	400gm
		Milk plus bread	350gm, 450gm
	Brown bread	High fibre brown bread	400gm
	Wholewheat & Multigrain bread	100% wholewheat bread	400gm
		Multigrain bread	400gm
		Atta shakti zero maida wholewheat bread	400gm
	Nutritional	Family special bread- with added vitamins	400gm
		Sweet plus bread- with added vitamins	400gm
	Sweet	Fruit bread	200gm
	Indian bread	Wow pav	200gm, 280gm
		Kulcha bread	200gm
	Bun	Sweet bun	200gm
	Pizza base	Medium crust pizza base	150gm
Ready Roti India Private Limited (Harvest Gold)	White bread	White bread	350gm, 700gm
		Sandwich bread	450gm
		Bakers loaf premium	400gm
		Milk bread	300gm
	Brown bread	Brown bread	400gm
	Wholewheat & Multigrain bread	Wholewheat bread	400gm, 450gm
		Multigrain bread	450gm
	Gourmet/Speciality Bread	Garlic cheese bread	200gm
		Tortillinas	320gm
	Sweet bread	Fruit bread	150gm
	Foot long bread & hot dog	Subs cheese oregano	100gm
		Subs bread cheese	100gm
		Subs multigrain	100gm
		Subs cheese	150gm
	Indian bread	Bombay pav	250gm, 300gm
		Kulcha	250gm, 350gm
		Atta kulcha	250gm
		Atta pav premium	250gm
	Bun	Burger bun	300gm
		Atta burger	200gm
		Sweet bun	160gm
		Burger bun- sesame	300gm

Player	Product category	Product sub-categories	Sizes available
	Pizza base	Pizza base	250gm
Bonn Nutrients Private Limited (bonn)*	White bread	White bread	400gm, 700gm
		Royal bake bread	250gm
	Brown bread	Brown bread	400gm
		Wholewheat brown bread	450gm
		Hi fibre brown bread	400gm
	Wholewheat & Multigrain bread	Wholewheat bread	450gm
		Atta wholewheat bread	400gm
		Wholewheat multigrain bread	350gm
		Multigrain bread	400gm
	Nutritional bread	Hi fibre millet bread	300gm
		Wholewheat bran bread	NA
	Gourmet/Speciality bread	Garlic oregano bread	200gm
		Garlic bread	200gm
		Olive and oregano sourdough	350gm
		Kraft korn sourdough	350gm
		Jalapeno and cheese sourdough	NA
	Sweet bread	Fruity bread	200gm
	Foot long bread & hot dog	Garlic subroll	150gm
		Garlic footlong bread	150gm
	Indian bread	Wholewheat bran pav bread	200gm
		Wholewheat bran kulcha bread	200gm
		Wheat farm pav bread	200gm
		Kulcha bread	200gm
		Atta kulcha bread	250gm
		Premium kulcha bread	200gm
		Pav bread	250gm
		Milk pav	250gm
	Bun	Fruit bun	70gm, 200gm
		Burger bun	NA
		Sesame burger bun	225gm
		Atta burger	NA
		Wholewheat bran burger bun	150gm
	Pizza base	High fibre millet pizza base	200gm
		Pizza base	200gm
Mimansa Industries Private Limited (Baker's Dozen)	Wholewheat & Multigrain bread	Multigrain loaf	375gm
		Wholewheat loaf	400gm
	Nutritional bread	Ragi load	400gm
	Gourmet/Speciality	Fourgrain sourdough	380gm
		Country sourdough	330gm
		Pita bread	100gm
		Lavash crunchy flat bread	100gm
	Indian bread	Wholewheat pav	240gm
	Bun	Burger buns	200gm
	Pizza base	Pizza base	140gm
The Health Factory	White bread	Zero maida milk bread	100gm
	Wholewheat & Multigrain bread	Zero maida multigrain bread	250gm
		Zero maida- simple wholewheat bread	250gm
	Nutritional bread	Protein bread	100gm
		Protein bread vegan	100gm
	Gourmet/Speciality bread	Zero maida garlic bread	156gm

Player	Product category	Product sub-categories	Sizes available
	Indian bread	Zero maida Bombay pav	NA
		Bombay pav wholewheat	156gm
	Bun	Zero maida bun	NA
		Burger bun	120gm
	Pizza base	Zero maida pizza base	140gm

Source: Company website, quick commerce portals, secondary research
**Includes Bonn sub brands La Americana Gourmet, Nu Health, Royal Bake, and Wheat Farm*

Raw Material Pricing Trend

Increasing input cost have led to increase in operating costs for bread manufacturers in the past. Wheat is the primary ingredient for breads and buns. It provides the gluten necessary for the dough to rise and gives bread its structure. The wholesale wheat monthly price in India was INR 27,230.3 per metric ton in April 2024, rising 4.06% from last year price of INR 26,167.1 per metric ton in April 2023. Following the increasing price trend, the price further rose to INR 27,610.9 per metric ton in July 2024.

In May 2022, a ban was initiated on wheat exports to control prices of wheat and wheat flour (atta). Along the same lines, the Minimum Support Price (MSP) of wheat has been raised by Rs 150 to Rs 2,275 per cent quintal for 2024-25 from Rs 2,125 per quintal in 2023-24. The increase in the MSP of the crops is in line with the Union Budget 2018-19 announcement of fixing the MSP at a level of at least 1.5 times of the all-India weighted average cost of production. The current increase in wheat MSP is the highest since 2015-16. The previous increase was in the range of Rs 100-110 per quintal announced for four marketing seasons (for wheat, the marketing season typically starts after the harvest and continues until the next crop is ready for harvest): 2017-18, 2018-19, 2019-20 and 2023-24. The agriculture ministry has also kept a record wheat production target of 114 million tonnes for the 2023-24 crop year (July-June), higher than the actual output of 112.6 million tonne achieved in 2022-23.

After a period of varied fluctuation, wheat prices are forecasted to stable in 2024 and 2025.

Exhibit 5.19: World Wheat Prices

Year	Price (USD/MT)
2021	315
2022	430
2023	340
2024f	290
2025f	285

Source: World Bank Commodity Price Forecasts April 2024; 'f' stands for forecast

Outlook for the Breads and Buns market in India

Current trends

1. **Health and Wellness Focus**: There is an increasing demand for multigrain, whole grain, and nutritional breads as consumers are focusing on health and well-being. There is a notable shift towards breads that are enriched with additional nutrients such as vitamins and minerals, and those with different high fibre flours.
2. **Convenience and Value-added products**: Convenience is a growing trend in consumption, with increasing preference for easy snack and breakfast options such as ready-to-eat sandwiches, pre-sliced breads, and buns.
3. **Artisanal and Gourmet Breads**: In the urban areas, there is a surge in desire for artisanal and gourmet breads, including sourdough, pita, and other speciality variants. This is further amplified by the rise in bread manufacturers and bakeries offering a diverse range of premium and premium plus bread options and retailing through B2C channels like E-commerce & MT.
4. **Innovation and Product Differentiation**: Innovation and product differentiation with new flavours and varieties, such as herb-infused, spiced breads and flavoured buns by companies to appeal to broader segments of the society. In addition to this, there is also focus on innovating and developing local/ region-specific bread variants to cater to diverse consumer preferences.

Future outlook and growth drivers

1. **Market growth**: Urban and rural markets are forecasted to experience ongoing expansion, driven by the rising presence of organized retail and e-commerce platforms. An increase in product variety will accommodate different dietary preferences and health requirements, as well as a transition from unorganized to organized sectors driven by health and food safety considerations.
2. **Technology and innovation**: The adoption of advanced baking technologies will help improve the shelf-life of products and enhance the nutritional content of bread and bun items. The greater utilization of automation in the production of large quantities of bread improves productivity and ensures consistent product quality. To adapt to changing consumer tastes, there is also a shift towards ongoing development of tastes, components, and packaging.
3. **Growth of organised retail and e-commerce platforms:** The growth of organized retail stores and e-commerce platforms has led to increase in market reach and distribution for bread and bun products, fuelling overall market expansion. The increased popularity of online grocery shopping gives customers more convenient ways to purchase a diverse selection of bread and bun items. Moreover, consumer internet companies that focus on hyperlocal delivery are a perfect match for the fast-paced consumption habits of these products.
4. **Increased consumption of healthier options:** Heightened consumer awareness and preference for healthier bread options are expected to boost demand for multigrain, wholewheat, and nutritional breads, as consumers try to find more healthy and nutritional options for breads and buns.
5. **Urbanisation and lifestyle changes**: With increasing disposable incomes, there is a shift towards urbanisation and spiked demand for convenient and ready-to-eat food products. The easy accessibility and convenience of eating bread drive both single and multi-pack consumption. Rising disposable income, especially among the middle-class population, boosts the consumption of premium and premium plus bread varieties, further fuelling market growth.

Challenges

1. **Price Sensitivity:** The Indian market is highly price-sensitive, which can limit the growth for premium and super-premium bread segments. Indian consumers in lower SEC groups often put cost over quality, which can affect the adoption of higher-priced, premium products negatively. Companies need to balance affordability with quality to capture a larger market share.
2. **Competition from the Unorganized Sector:** The unorganized sector, including local manufacturers and vendors, dominate in certain regions. These small-scale operations often offer lower prices and cater to local tastes, putting up competition to organized players. This competition can limit the market penetration and profitability of larger, organized bread manufacturers.
3. **Supply Chain Management:** Maintaining a cold chain for the distribution of certain types of bread, especially in remote areas, presents significant challenges. Bread products often have a short shelf life and require proper storage conditions to remain fresh. Inadequate infrastructure and logistics can lead to spoilage and increased costs, impacting sales and profits.
4. **Ingredient Sourcing:** Sourcing high-quality and consistent ingredients for premium and nutritional breads can be challenging, especially for artisanal bakers. The availability of specific grains, seeds, and other ingredients may be limited or subject to price fluctuations. Ensuring a steady supply of quality ingredients is crucial for maintaining product consistency and meeting consumer expectations.
5. **Changing Consumer Preferences:** Consumer preferences and dietary trends are rapidly evolving, driven by increased health awareness and exposure to global food cultures. To stay relevant, bread manufacturers must constantly innovate and adapt their product offerings. This requires substantial investment in research and development, marketing, and consumer education.

Overview of Quick Service Restaurants in India

The Indian food services market has gained momentum in the last decade due to changing consumption patterns that have seen an increase in a tendency to eat out that had not traditionally been a feature of Indians' lifestyles. This has ensured a constant growth of the Indian food services market, which has evolved considerably since the 1980s, when the numbers of organized brands were negligible, and the market was widely dominated by unorganized players. A noticeable shift began in 1996 with the opening up of restaurants such as McDonald's, Pizza Hut and Domino's Pizza, followed by Subway, KFC, Burger King, Haldiram's, Moti Mahal and Taco Bell, amongst others.

Evolution of Indian Food Services Market

The Chain Food Services market in India has evolved and witnessed majority of changeover during the last three decades. The transition phase of the Food Services market can be divided into 3 stages.

Exhibit 6.1: Evolution of the Chain Food Services Market

Phase I (1991-2001)	Phase II (2001-2010)	Phase III (2010 Onwards)
High focus on Metro & Mini Metros	Thin Penetration in Tier I & II Cities	Penetration in newer segments (Travel, Education, Medical) and increased penetration in Tier I & II cities
Ownership/ Franchise Model & Management contracts	Continuation with franchisee model & JV's	Emphasis on contracts more centred around revenue sharing
Funded by personal capital & conventional means	Partnerships/ JVs with related business interest, Initiation of PE funding	Expansions under brands & emergence of new brands/concept. PE driving expansion
Customer acquisition, sustainable revenue growth	New Opportunity areas with Focus on CRM, Expansion & extended capacity building	Customer engagement, format diversification & Product enhancement

Food Services Market Structure

The food services market can be broken down into three broad segments: unorganized, organized standalone and chain. The three segments can be divided further as shown below

Exhibit 6.2: Structure of Indian Food Services Market

Key Segments in the Food Services Market		Average Price Point per person (INR)
Unorganized Formats	The unorganized segment dominates the Indian food service market and comprises of dhabas and roadside eateries that have been the most common options for eating out. The segment lacks standardization in terms of menu, operations and format. 1. Dhabas 2. Roadside Eateries (Street stalls, Hawkers, Trolleys, Standalone sweet shops)	10-100
Organized Formats*		
Fine Dining	A full-service restaurant with high quality interiors, specific cuisine speciality, high standard of service translating to high APC (Average per customer). Fine dining targets rich and upper middle-class consumer segments as it offers unique ambience and upscale service with highly trained staff . Example: Indian Accent, Indigo, Punjab Grill etc	Regular fine dine – 1,000-1,500 Premium fine dine - >1,500
Casual Dining	A restaurant serving moderately priced food in an ambience oriented towards affordable dining with table service. The offering bridges the gap between fast food establishments and fine dining restaurants . Example: Sagar Ratna, Farzi Café, Café Delhi Heights etc	Affordable casual dine - 250-500 Premium casual dine - 500-1,000
PBCL	These formats mainly serve alcohol and related beverages and include night clubs, sports bars, etc. Example: Beer Cafe, Shiros, Pint Room, Xtreme Sports Bar	750-1,500

Key Segments in the Food Services Market		Average Price Point per person (INR)
Quick Service Restaurants (QSR)	The formats focused on speed of service, affordability and convenience including the dine in/takeaway/delivery sub-formats. McDonald's, KFC, Domino's, Haldiram's, Subway and Bikanervala are some of the leading names in the category.	75-250
Cafes & Bakeries	Bakeries comprise of chain bakeries like Theobrama, Monginis, L'Opera etc, and also standalone and destination bakeries like Flurry's, Iyengar Bakery, Kayani Bakery etc. Cafes Comprise of coffee bars, chai bars (for example Café Coffee Day, Costa Coffee, Starbucks, and Barista).	50-200
Frozen Dessert	It comprises of small kiosk formats of ice cream brands and now extended dine-in concept of frozen yogurt and ice cream brands Example: Baskin Robins, Giani's, Naturals	50-150
*** Organized Formats- The organized formats comprise of Chained and Standalone formats. Chained formats are domestic and international formats with more than three outlets present across the country**		

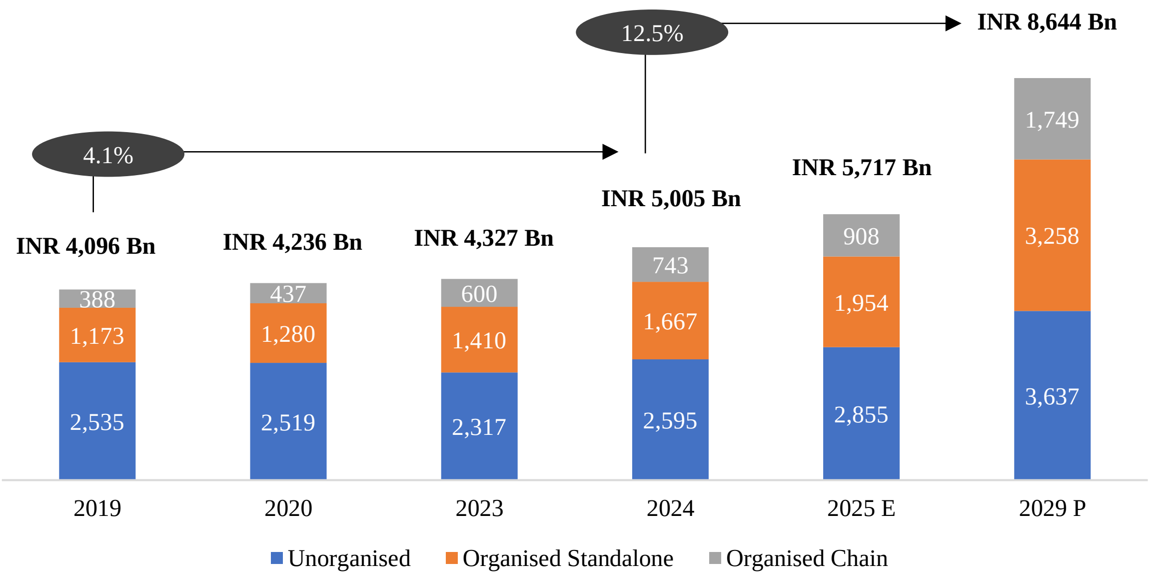
Source: Technopak Analysis

Food Services Market

Market Size & Growth

- The size of the food services market in India was valued at INR 5,005 billion in FY 2024 and is projected to grow at a CAGR of 12.5% over the next 5 years to reach INR 8,644 billion by FY 2029.
- The organized market (chain and organized standalone market) was valued at INR 2,410 billion in FY 2024 and is projected to grow, at a CAGR of nearly 15.7%, to reach INR 5,006 billion by FY 2029 gaining a share of 57.9% in FY 2029 from 48.1% in FY 2024.

Exhibit 6.3: Food Service Market Size (in INR Billion) (FY)



Source: Technopak Analysis

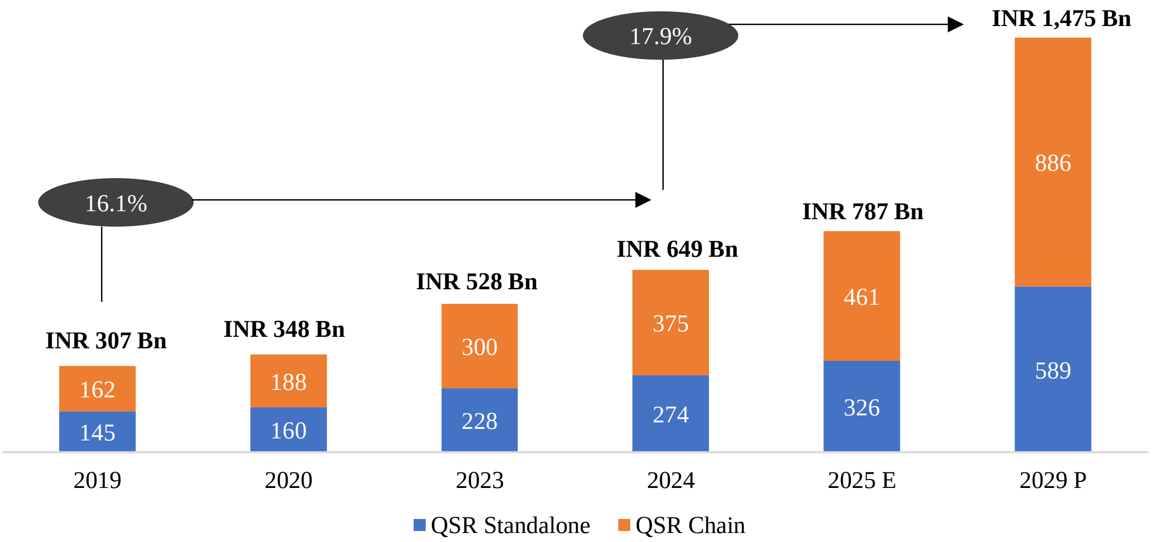
Year	CAGR FY 2019-24	CAGR FY 2024-29P	Market Share FY 2019	Market Share FY 2024	Market Share FY 2029 P
Unorganised Market	0.5%	7.0%	62%	52%	42%
Organised Standalone Market	7.3%	14.3%	29%	33%	38%
Organised Chain Market	13.9%	18.7%	9%	15%	20%

QSR – Standalone & Chain

The Quick Service Restaurant (QSR) industry in India has emerged as a dynamic and swiftly expanding sector within the broader foodservice landscape. This growth is indicative of the evolving dining habits and lifestyle changes among Indian consumers. QSRs have gained popularity due to their unique value proposition, which combines speed of service, cost-effectiveness, and uniform quality across outlets. These factors have positioned QSRs as a go-to option for consumers who prioritize quick, accessible, and reliable dining experiences.

- The size of the QSR market in India was valued at INR 633 billion in FY 2024 and is projected to grow at a CAGR of 17.9% over the next 5 years to reach INR 1,440 billion by FY 2029.
- In the QSR market, chain QSRs constituted 58% of the total QSR market in FY 2024 and their share is projected to grow to 60% by FY 2029 growing at a CAGR of 18.8%. This growth will be driven by the operating model, where centralised commissaries, support by processed food vendors and robust supply chain that will help in attaining deeper penetration in Tier 2 & Tier 3 cities.
- The market share of Standalone QSR is projected to reduce from 42% in FY 2024 to 40% in FY 2029.

Exhibit 6.4: QSR Market Size (in INR Billion) (FY)



Source: Technopak Analysis

Year	CAGR FY 2019-24	CAGR FY 2024-29P	Market Share FY 2019	Market Share FY 2024	Market Share FY 2029 P
QSR Standalone	13.5%	16.6%	47%	42%	40%
QSR Chain	18.3%	18.8%	53%	58%	60%

Key Players in the QSR segment

Exhibit 6.5: Key Players in QSR segment benchmarking

Name	Year of entry in India	Core Offering	Revenue for FY 2024	Store Count in FY 2024	Average Sales / Day (INR)
Domino’s	1996	Pizza	5,654	1995	78,000-81,000
McDonald’s	1996	Burger	2,392	397	1,72,603
KFC	2004	Chicken	3,759	1025	113,429
Burger King	2015	Burger	1,760	455	1,17,000
Pizza Hut	1996	Pizza	1,228	886	40,323

Source: Technopak Analysis and Secondary Research
KFC and Pizza Hut: Information given are combined for Devyani International and Sapphire Foods
McDonald's number are basis Westlife Foodworld only
Domino’s average sales/day is for mature stores only

Business models adopted by global brands

The QSR industry in India has witnessed the entry and growth of numerous global brands, each adopting different business models to navigate the unique challenges and opportunities of the Indian market. These models not only define how these brands operate but also significantly impact their value chain, growth strategies, and market positioning.

Building on this foundation, the table illustrates six primary business models employed by global QSR brands in India: Master Franchise, Company Owned and Franchising, 100% Company Owned, Joint Venture, Regional Franchise, and Micro Franchise. Each model presents a unique balance of control, expansion capability, and local market adaptation. For instance, the Master Franchise model, used by brands like Domino's and McDonald's, allows for rapid expansion and leverages local expertise but risks potential brand dilution. In contrast, the 100% Company Owned model, exemplified by Barbeque Nation, offers full control over operations and brand consistency but faces challenges in rapid expansion. This diverse array of strategies reflects the complex decision-making process global QSR brands undergo when entering and scaling in the Indian market, each weighing the trade-offs between growth speed, operational control, and market understanding.

Exhibit 6.6: Business Models Adopted by Global Brands

Business Model	Key Features	Value Chain Overview	Examples	Advantages	Challenges
Master Franchisee	▪ International retailer partners with Indian company as master franchisee ▪ Franchisee pays royalty/franchise fees ▪ Sub-franchising allowed	▪ International retailer provides brand knowhow ▪ Indian partner handles local operations, sub franchising ▪ Retail outlets operated by sub-franchisees	Domino's, McDonald's	▪ Rapid expansion ▪ Leverages local expertise ▪ Lower investment for global brand	▪ Heavy reliance on single partner ▪ Potential brand dilution ▪ Complex management of sub-franchisees
Company Owned and Franchising	▪ Mix of company-owned stores and franchised outlets ▪ Company has direct presence and franchising	▪ Global brand operates some stores directly ▪ Also grants franchises in different locations ▪ Maintains team to support franchisees	Pizza Hut, Jumbo King	▪ Balanced approach ▪ Direct market presence ▪ Flexibility in expansion	▪ Higher capital requirements ▪ Complex operations management ▪ Maintaining consistency across owned and franchised stores
100% Company Owned	▪ Brand fully owns and operates all outlets Complete control over operations	▪ Global or domestic brand handles entire value chain ▪ Direct investment in all aspects of business	Bikanervala, Barbeque Nation	▪ Full control over brand and operations ▪ Consistency in quality and service	▪ High capital investment ▪ Slower expansion Limited to select locations
Joint Venture	▪ Partnership between international brand and Indian company ▪ Shared equity and risk	▪ International brand provides expertise and brand value ▪ Indian partner contributes local knowledge and resources ▪ Joint entity acts as master franchisee	Starbucks (with Tata)	▪ Combines global expertise with local knowledge ▪ Shared investment and risk ▪ Easier navigation of local regulations	▪ Potential strategic disagreements ▪ Complex decision-making ▪ Profit sharing
Regional Franchisee	▪ Similar to master franchisee but for specific regions ▪ More common for large countries like India	▪ Global brand grants rights for specific regions ▪ Regional partner manages operations in designated area	Chilli's	▪ Allows tailored approach for different regions ▪ Spreads risk across multiple partners	▪ Coordination challenges ▪ Potential inconsistencies across regions
Micro Franchisee	▪ Individual store franchising ▪ Smaller scale operations	▪ Global brand provides detailed operational guidelines	Subway	▪ Rapid expansion ▪ Lower entry barrier for franchisees	▪ Higher management overhead

Business Model	Key Features	Value Chain Overview	Examples	Advantages	Challenges
		▪ Individual franchisees run single stores			▪ Maintaining consistency across numerous small operations

Growth Drivers and Trends in the Indian Food Services Market and QSR Sector

1. Increasing Quality Real Estate and New Options

The diversification of food service locations has emerged as a significant growth driver for the QSR and food service segment. Expanding beyond traditional malls, food service outlets are now establishing presence in diverse locations such as highways, airports, mixed-use developments, and metro stations. This trend is driven by several factors: mall developers are allocating 25-28% of space to food outlets due to their high footfalls and revenue generation potential; limited space and rising rents in prime locations are pushing brands to explore new areas; and the success of dedicated food spaces like Epicuria and Cyber Hub has demonstrated the viability of food-centric destinations. Furthermore, the growing weekend getaway culture among urban Indians has fuelled the growth of organized food and beverage ("F&B") outlets on highways, serving as gateways for brands to penetrate Tier II and III towns. The emergence of mixed-use developments combining offices, retail, and dining spaces has created additional opportunities for food service expansion. This diversification strategy allows QSRs and food service operators to tap into new customer bases, increase brand visibility, and drive growth by catering to evolving consumer lifestyles and preferences across various locations and demographics.

2. Rising Frequency of Dining Out

Urbanization and increasing disposable incomes have led to a growing willingness among consumers to spend on leisure activities, particularly dining out. This trend is especially prominent among urban consumers, where eating out is becoming the new normal. The shift is driving demand for diverse dining options and experiences.

City Type	Frequency of OOH Meals/ Household/ Month	Spend on OOH Meals/ Household/ Month
Mega Metros	7.5 - 8.5	INR 7,000-7,500 ($ 85-90)
Mini Metros	6.5 - 7.5	INR 5,000-5.500($ 60-67)
Tier 1 & 2	5.5 – 6.0	INR 3,250-3,750 ($ 40-46)

3. Changing Consumer Habits

A culture of takeaways, on-the-go food services, and home delivery is emerging. Consumers are showing increased interest in diverse food varieties and cuisines, with millennials exhibiting more adventurous eating habits. This change is motivating both domestic and international food establishments to expand their menu offerings and reach.

4. Time-pressed Schedules and Convenience

Fast-paced lifestyles, especially among urban professionals, have increased reliance on prepared food and dining-out options. Higher disposable incomes coupled with time scarcity are driving this trend, making convenience a key factor in food choices.

5. Technological Advancements and Online Ordering

Rising smartphone and internet penetration have made online food ordering more accessible. Mobile wallets and one-tap payments are playing a crucial role in simplifying order placements. The online food delivery market was valued at INR 77,225 Cr by FY 2024.

6. Emergence of New Business Models

The industry is seeing a surge in cloud kitchens and vertically integrated food companies (VIFCs). VIFCs refers to food companies that control multiple stages of the food production and distribution process, from ingredient sourcing to final delivery. Examples include Rebel Foods (operating multiple virtual brands like Faasos and Behrouz Biryani) and Curefoods (which operates EatFit and other brands), which manage their own supply chains, cloud kitchens, and delivery networks to offer a seamless food experience to consumers. These models offer lower initial investment, easier geographic expansion, and cater specifically to the growing delivery market. Brands are also adopting hybrid formats, combining dine-in options with strong delivery services.

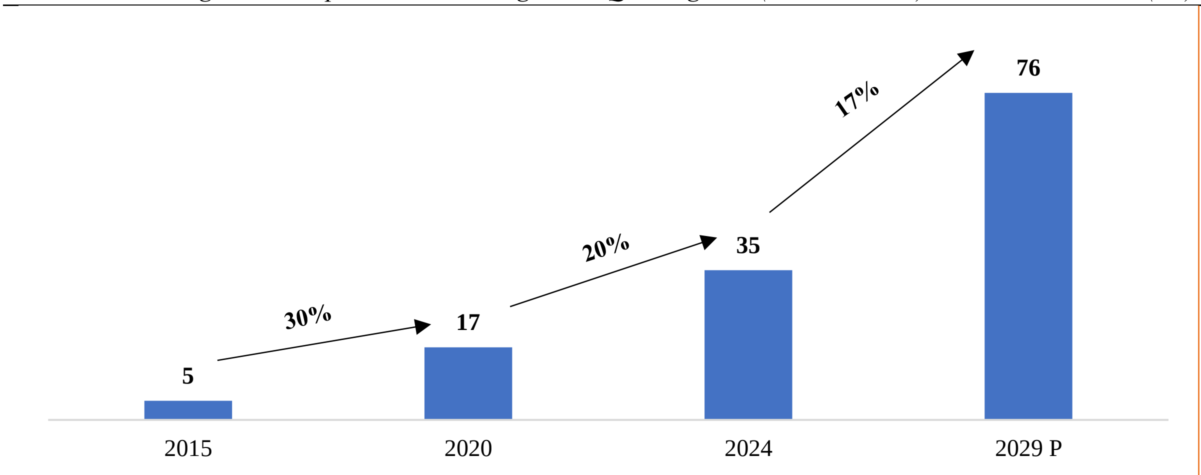
7. Rise of Food Aggregators and Delivery Ecosystems

The rapid expansion of online food delivery platforms and cloud kitchens has become a significant growth driver for the processed dough and frozen food market in India. Valued at INR 59,000 Cr. in FY 2023, the online food delivery market is projected to grow at a CAGR of ~36% between FY 2023-2028. This growth is fuelled by busy lifestyles, increasing smartphone penetration, rising disposable incomes, and the lasting impact of COVID-19 w.r.t online ordering. Major aggregators like Swiggy and Zomato have dominated the market, while Vertically Integrated Food Companies (VIFCs) or 'cloud kitchens' have emerged as key players. These delivery-only kitchens, such as Rebel Foods, Fresh Menu, and Biryani By Kilo, operate without dine-in facilities and often partner with aggregators for wider reach.

Processed Dough and Bread Market

The share of processed dough-based inputs in the food components for the organised QSR segment was valued at INR 35 billion in FY 2024 and is projected to grow at CAGR of 17% to reach INR 76 billion by FY 2029. It includes institutional business of fresh buns and frozen dough for players like Subway and burger breads buns and pizzas dough and bases for other players like Mc Donald's, Dominos etc.

Exhibit 6.7: Dough Based Inputs Market in Organized QSR Segment (in INR Billion) – Wholesale Prices (FY)



- *Source: Technopak Analysis*

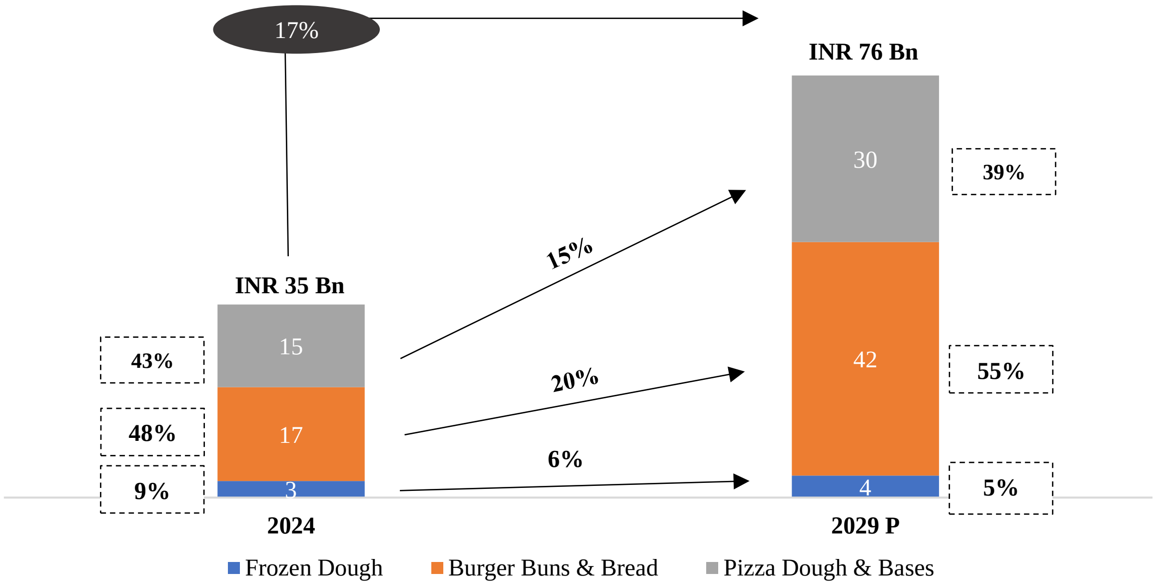
The dough-based inputs market for QSRs in India is experiencing significant growth across various segments. The frozen dough segment, which primarily serves QSR players such as Subway and similar establishments, represented 9% of the total dough-based inputs market. This segment was valued at INR 3 billion in FY 2024, reflecting the growing demand for ready-to-use dough products that offer consistency and operational efficiency.

Burger breads and buns, essential components for major QSR chains including McDonald's, Burger King, and KFC, constituted a substantial 49% of the market. This segment reached a market size of INR 17 billion in FY 2024. It is further projected to exhibit growth with a CAGR of 20% over the next five years. Consequently, the market size for burger breads and buns is projected to expand to INR 42 billion by FY 2029, underscoring the increasing popularity of burger-centric QSRs in India.

Pizza-related inputs, encompassing both pizza dough and ready-made bases, accounted for 43% of the total market. This category was valued at INR 15 billion in FY 2024. The pizza segment is poised for growth with projections indicating a CAGR of 15% over the five-year period. By FY 2029, the market for pizza inputs is projected to reach INR 30 billion, reflecting the rapid expansion of pizza chains and the growing consumer preference for pizza across India. These growth trajectories across different segments highlight the overall expansion of the QSR sector in India, evolving consumer tastes, and the increasing demand for convenience foods.

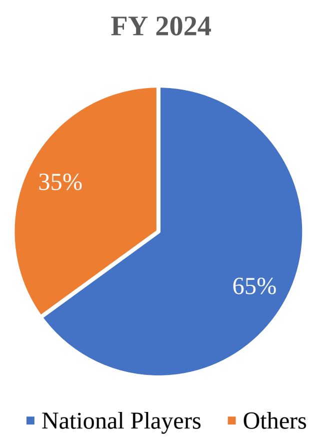
The robust growth in processed dough and bread products also signifies a shift towards more standardized and efficient food preparation methods within the QSR industry.

Exhibit 6.8: Share of Key Categories Under Dough Based Inputs Market in Organised QSR Segment (in INR Billion) - Wholesale Prices (FY)



Source: Technopak Analysis
Represents market share

Exhibit 6.9: Player Profile for Dough Based Inputs



Source: Technopak Analysis

National players such as Domino's, McDonald's, Subway, Burger King, KFC and Pizza Hut together contribute ~65% of the chain QSR market.

Baker's Circle and Mrs. Bector's are the key vendors supplying the processed and semi-processed dough-based offerings to these food services players and have a collective share of ~18%. The remaining 82% share is catered by the in-house commissaries and other smaller players. Mrs. Bector's is the largest supplier of buns to reputed multinational QSR chains such as McDonalds, KFC, Burger King, Carls Jr. and has established itself in the frozen dough segment, where Baker's Circle has the largest share and is currently working exclusively with players like Subway.

The processed dough and bread space is highly consolidated with handful of players operating at national level and supplying to key national and international brands in the food services in India. This is primarily due to the stringent selection process of vendors by these brands. The key QSR brands look for the following capabilities in the food processing vendors:

- Processing Capabilities in terms of Investment and Scale
- Strict compliance to international standards of Food Safety and Hygiene
- Supply reliabilities in terms of meeting demand
- Adherence to Standard Operating Processes
- Intellectual Property (IP) Protection

These QSR players partner with vendors for capacity development, technology transfer, machinery selection and training to produce products as per their standards e.g. Mrs. Bector's has been one of the leading suppliers of burger buns for Hardcastle Restaurants Private Limited and has been fulfilling 100% of the requirement of burger buns for one of the restaurants in Delhi. Mrs. Bector's is one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables them to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. These processed food solution providers leverage the know how obtained from these partnering brands to develop their capabilities in food processing to supply to other brands, without compromising on the IP of different brands.

Presently the players in the bread and dough-based products are focusing on producing products for the western cuisine e.g. burgers, pizza dough etc. Customization of such products for the local cuisine esp. for the Indian breads such as Naans, Parathas etc. will further open new fields for the players operating in the bread and dough segment.

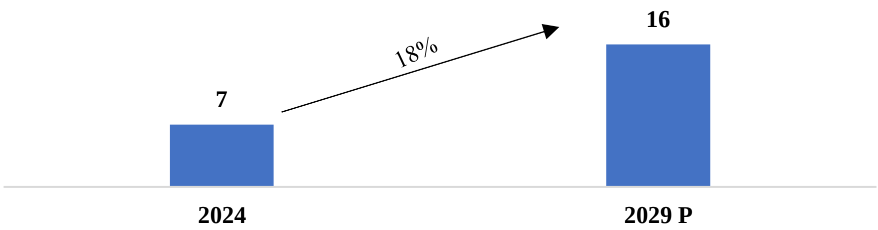
Exhibit 6.10: Key Attributes of Food Processing Players

Company	Players	Key Attributes
Large Players	Mrs. Bector's Baker's Circle General Mills	Large Scale and Investment Capabilities Strong Quality Compliance Broader Geographical Outreach Strong Processing Capabilities Multi Product Range
Small Players	Cranberry Foods Signature International Foods	Customised Offerings Strong reach in local area Ideal to cater to Small FS brands

Frozen Dessert (excluding Ice-creams) Market

The size of the frozen dessert market for the institutional QSR businesses in India is estimated at INR 3.8 billion in FY 2024 and is projected to grow at a CAGR of 18% over the next 5 years to reach INR 16 billion by FY 2029. Frozen desserts include frozen filled-in cakes, cheesecakes, tea cakes, mousse shots, brownies, pies, tarts, muffins and cookies etc. QSRs add these products to the menu without the need of additional staff and technology. The products, maintained frozen till needed, have to be thawed and microwaved to be served.

Exhibit 6.11: Frozen dessert market size for QSR segment (in INR Billion) (FY)



Source: Technopak Analysis

QSR chains such as Domino's, Subway and McDonalds's are an important format for the demand of frozen desserts as a range of desserts compliments their core menu. However, QSRs also have their own kitchens, and therefore sometimes procure standardised ingredients and carry out the last stage finishing process in their own kitchens. The frozen dessert segment is highly consolidated with only a few players dominating the pan India market. Companies like Baker's Circle, Tropilite, Cremica are supplying these products to QSRs.

Future Growth Drivers in Processed Dough Based Products and Frozen Desserts

1. **Rapid expansion of Quick Service Restaurants (QSRs):** The growth of vendors providing processed food solutions is directly dependent on the growth of QSRs. The QSR segment in India is projected to grow at a CAGR of 18% for the next five year, however, the chain QSRs are poised to grow at a CAGR of 19% and these vendors stand to benefit in the growth of the chain segment. These chain QSRs have expanded across the length and width of the country through well-organized supply chain and network of commissaries and are rapidly expanding their play in Tier III and sub urban towns. Some brands instrumental in the growth of food services in India are:

Exhibit 6.12: Outlet growth of key brands in QSR segment in India

Company/Brands	Number of Outlets				
	FY 2020	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
Domino's	1335	1360	1567	1816	1995
McDonald's	319	305	326	357	397
KFC	480	467	627	831	1025
Burger King	260	265	315	391	455
Pizza Hut	430	459	632	792	886

Source: Technopak Analysis & Secondary Research
KFC and Pizza Hut: Information given are combined for Devyani International and Sapphire Foods
McDonald's number are basis Westlife Foodworld only

2. **Standardization and consistency:** QSRs build their brand on consistency - a burger or pizza by a chain QSR tastes the same across the country. Processed dough products play a crucial role in maintaining this consistency. By using standardized, pre-prepared dough products, QSRs can ensure uniform taste, texture, and appearance across all outlets. This standardization is difficult to achieve with in-house preparations, especially when scaling operations across diverse geographical locations. Processed dough products also help in maintaining consistent portion sizes and nutritional content, which is crucial for QSRs in meeting regulatory requirements and customer expectations.

3. **Product innovation:** The processed dough industry is continuously innovating to meet the evolving demands of QSRs and changing consumer preferences. This includes:

   - Development of healthier options like whole grain, multi-grain, or gluten-free dough products
   - Creation of specialty items like stuffed crusts for pizzas or flavored burger buns
   - Innovation in packaging to extend shelf life and maintain freshness
   - Development of par-baked products that allow for quick final preparation in QSR kitchens
   - These innovations help QSRs to differentiate their offerings and cater to diverse consumer preferences, driving growth in both the QSR and processed dough sectors.

4. **Supply chain efficiencies:** Processed dough products offer significant operational efficiencies for Quick Service Restaurants (QSRs), streamlining their operations and improving overall performance. These pre-prepared products reduce the need for skilled labor in dough preparation, lower kitchen space requirements, and minimize food waste from ingredient spoilage. Inventory management becomes easier with longer shelf-life products, while equipment needs for dough preparation are reduced. Crucially, processed dough products enable faster preparation times, allowing for quicker service - a key competitive advantage in the fast-food industry. These efficiencies collectively translate to substantial cost savings and improved profitability for QSRs, driving the increased adoption of processed dough products across the industry. By optimizing resources and enhancing operational speed, QSRs can better meet customer demands and maintain a competitive edge in the market.

5. **Westernization of food habits:** India is experiencing a gradual shift towards Western-style fast foods, particularly among the younger population. This includes increased consumption of burgers, pizzas, sandwiches, and other bread-based products. As these food items become more mainstream, the demand for high-quality breads and doughs increases. Processed dough products allow QSRs to meet this demand while maintaining authenticity and quality. This trend is not limited to Western QSR chains but also influences local chains and standalone restaurants looking to diversify their menus.

6. **Seasonality in sales:** In the Indian QSR sector, seasonality plays a significant role in shaping sales patterns and operational strategies. The diverse climate across the country, coupled with cultural festivities, creates distinct seasonal trends in food consumption. During the hot summer months, typically

from April to June, there's a notable surge in demand for cold beverages, ice creams, and frozen desserts. QSRs like McDonald's, Keventers, and local chains often introduce special summer menus and promotions to capitalize on this trend. Festive seasons in India also significantly influence QSR sales patterns. During Diwali, Eid, and other major festivals, many QSRs introduce special festive menus or themed promotions. For instance, sweet shops and ethnic QSRs often see a spike in sales of traditional sweets and snacks during Diwali. To effectively manage these seasonal fluctuations, Indian QSRs employ various strategies such as introducing limited-time seasonal menus, adjusting marketing campaigns to align with seasonal themes, and optimizing their supply chain to handle demand spikes. This adaptability to seasonal trends is crucial for QSRs in India to maintain customer engagement and drive sales throughout the year.

OUR BUSINESS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with the sections titled "**Risk Factors**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 55, 147 and 104, respectively, as well as the financial information included in the section titled "**Financial Information**" on page 298. Unless otherwise stated, the financial information used in this section is derived from our Audited Consolidated Financial Statements. Our Financial Year ends on March 31 of each year, so all references to a particular fiscal or Financial Year are to the twelve-month period ended March 31 of that year. Our actual results of operations may differ materially from those expressed in or implied by these forward-looking statements.*

Unless the context otherwise requires, references to "our Company" are to Mrs Bectors Food Specialities Limited on a standalone basis, while references to "we", "us" or "our" (including in the context of any financial or operational information) are to Mrs Bectors Food Specialities Limited and its Subsidiaries on a consolidated basis

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Biscuit and Bakery Market" dated September 3, 2024, prepared and issued by Technopak ("**Technopak Report**") and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein and in the section "**Industry Overview**" includes excerpts from the Technopak Report and may have been reordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section "**Industry Overview**". Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. Also, see "**Industry Overview**" on page 147. For further information, see "**Risk Factors – This Preliminary Placement Document contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information**." and "**Industry and Market Data**" on pages 77 and 17, respectively.*

Overview

We are one of the leading companies in the branded biscuits segment and the premium bakery segment in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers, digestives and glucose under our flagship brand '*Mrs. Bector's Cremica*'. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, kulchas, rusk, pizza bases and cakes under our brand '*English Oven*'. We supply our products to retail consumers in 26 states and six union territories within India, as well as to reputed institutional customers with pan-India presence and export to over 70 countries across the world as of June 30, 2024. We are the largest supplier of buns in India to reputed QSR chains such as Hardcastle Restaurants Private Limited, Yum! Restaurants (India) Private Limited (*Source: Technopak Report*).

Our diversified product portfolio includes two main categories.

Biscuits – We manufacture and sell biscuits, primarily in the premium and mid-premium categories including a wide variety of cookies, creams, crackers, and digestives which accounted for ₹ 5,924.36 million, ₹ 8,073.93 million, ₹ 9,899.38 million, ₹ 2,225.83 million and ₹ 2,728.84 million of our revenue from sale of biscuits or 59.95%, 59.27%, 60.96%, 59.49% and 62.10% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively, and has grown by 22.61% from Fiscal 2023 to Fiscal 2024. Mrs. Bector's Cremica' is one of the leading players in the branded biscuit segment with presence across all major categories of the branded biscuit segment (*Source: Technopak Report*). In the recent past, we have launched new products such as 'Milkyz', 'Cremlo', 'Zero Maida Bread', 'Atta Kulcha', 'Millet Cookies' and as of June 30, 2024, our product portfolio for our biscuits category consists of 384 SKUs. We also manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited.

Bakery Products – We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Mumbai, and Bengaluru. The '*English Oven*' brand is one of the few prominent players in the premium plus and branded bakery segment in India with presence across various regions in India. (*Source: Technopak Report*). We also manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens, multiplexes, as well as certain hotels, restaurants and cafés. We are the largest supplier of buns to Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited.(*Source: Technopak Report*). Our diversified product portfolio for our bakery segment consists of over 150 SKUs. (*Source: Technopak Report*). Our revenue from the sale of bakery products accounted for ₹ 3,390.42 million, ₹ 4,873.20 million, ₹ 5,729.00 million, ₹ 1,354.99 million and ₹ 1,540.12 million or 34.31%, 35.78%, 35.28%, 36.21% and 35.05% of our revenue from operations for Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively.

A majority of our products are manufactured in-house at our seven manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan) which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. All our manufacturing facilities for '*English Oven*' products are strategically located near target markets to minimize freight and logistics related time and expenses. (*Source: Technopak Report*) We also outsource the manufacturing of certain of our products such as rusk and certain quantity of breads to third-party manufacturers. According to the Technopak Report, we are one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. The 'English Oven' brand has significant presence in North India and our manufacturing facilities have a capacity of producing 1.3 million pieces of buns each day and 11 million loafs a month. . (*Source: Technopak Report*). We have received several quality certifications and accreditations, including certification from the FSSC 22000, the U.S. Food and Drugs Administration, British Retail Consortium (BRC) and Sedex Members Ethical Trade Audit (SMETA).

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). We are one of the leading exporters of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to over 70 countries as of June 30, 2024, to reputed retail chains, distributors and buying houses.

Our Company was founded by Mrs. Rajni Bector, and our recipes are inspired by the original recipes created by her. Mrs. Rajni Bector has been awarded with the Padma Shri in 2021, the Outstanding Woman Entrepreneur by SIDBI in 2010, the Hall of Fame 2010 by the Human Factor, Woman of Excellence from FICCI, Lifetime Achievement Award by Global Achievers Forum in 2017 and felicitated by the State Bank of India in 2017 for her achievement as an entrepreneur and serving as a role model for the women fraternity. Our Company is promoted by Anoop Bector who has over 25 years of industry experience. He is also the Managing Director of our Company and in addition to his overall supervision of our business operations he also heads our business development and manages relationships with our key institutional customers, distributors and suppliers. Ishaan Bector, our whole time director, heads our breads business under our brand '*English Oven*' and is responsible for the overall supervision, development and expansion of our branded breads and bakery business. Suvir Bector, our whole time director, is responsible for exports business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

We attribute our growth in revenue and profitability in part to our operational efficiency, which we seek to achieve by streamlining our operational activities and through economies of scale. Set forth below are certain key financial information from our business as of and for the periods indicated below:

(₹ in million)

Sl No.		Three months ended June 30, 2024 (unaudited)	Three months ended June 30, 2023 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Revenue from operations	4,394.01	3,741.60	16,239.45	13,621.39	9,881.73
2	EBITDA	690.59	624.93	2,615.17	1,868.92	1,288.03
3	Net Profit	354.26	348.50	1,403.61	900.74	571.43

Notes: Net Profit means profit for the quarter/year

Our revenue from operations has grown by 19.22% from Fiscal 2023 to Fiscal 2024. Our EBITDA has grown by 39.93% from ₹ 1,868.92 million in Fiscal 2023 to ₹ 2,615.17 million in Fiscal 2024. Our Net Profit has grown by 55.83% from ₹ 900.74 million in Fiscal 2023 to ₹ 1,403.61 million in Fiscal 2024 respectively.

For details, see "***Presentation of Financial Information and Other Conventions – Non-GAAP Measures***" and "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on pages 14 and 104.

Our Strengths

We believe that we have the following competitive strengths.

One of the leading and prominent home grown brand in biscuits and bakery businesses in North India with an ability to establish brands

We are one of the leading companies in the branded biscuits segment and sell our products under our flagship brand '*Mrs. Bector's Cremica*', according to Technopak Report. In the Fiscal 2023, '*Mrs. Bector's Cremica*' had a market share of 1.4% of the branded biscuits market in India, according to Technopak Report. We believe our customers associate the brand '*Mrs. Bector's Cremica*' with high quality premium and mid-premium biscuits that incorporates quality, taste and value. Our brand recall is enhanced through our arrangements with certain preferred retail outlets, which enhance our brand visibility and presence in their shops by displaying our products prominently in their shelves. We focus more on digital marketing initiatives such as mass media, digital and content marketing that compliments our distribution business. We have also started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with various e- commerce platforms in India. We have also appointed Mrs. Kareena Kapoor as our brand ambassador for our brand promotions.

While '*Mrs. Bector's Cremica*' is a flagship and legacy brand for which we have the exclusive right to manufacture and supply biscuits, however, pursuant to a memorandum of understanding dated November 21, 2013, ("**Brand Separation MoU**") entered amongst our Company, Cremica Frozen Foods Limited, Mrs. Bector's Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Ajay Bector and certain members of his family, Akshay Bector and certain members of his family, and our Promoter and certain members of his family, pursuant to such Brand Separation MoU, our Company is also restricted from using the brand '*Mrs. Bector's Cremica*' for any other food business other than our biscuits business. We have developed the brand '*English Oven*' for our bakery products business. We focused on the '*English Oven*' brand for manufacturing and selling our bakery products in the year 2013, in Mumbai through our subsidiary Bakebest Foods Private Limited. We have developed and marketed various kinds of bakery products in savoury and sweet categories under the '*English Oven*' brand. According to Technopak Report, '*English Oven*' is currently one of the fastest growing largescale bakery brands in India and is one of the largest selling brands in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru.

We believe that a strong and recognisable brand is a key strength in our industry, which increases customer confidence and influences purchase decisions. We have developed our recipes and products based on extensive understanding of our key markets for our biscuits and bakery products with a focus on improving the quality standards. We believe that our focus on quality, our product range and effective pricing have enabled us to develop strong brand recognition and consumer loyalty in our key domestic and export markets.

A leading exporter of biscuits

According to the Technopak Report, we are one of the leading exporter of biscuits from India. During Fiscal 2024, we exported biscuits to over 70 countries, across Central America, Europe, North America, East and South Africa, Australasia, the MENA region and Asia to various retailers, distributors and buying houses such as, Atlas Global (HK) Limited, Omni Trade Services Limited, Cristosa S.A., and Shoprite Checkers (PTY) Ltd. We export various types of cookies such as danish cookies, choco chip cookies and centre filled cookies, creams, crackers and some glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*'. We also manufacture a wide range of biscuits for international retail chains under their private labels.

We continue to focus on sustainable growth in our export markets. In the Fiscal 2020, due to various reasons including the political unrest, worsening socio-economic conditions and foreign currency restrictions in certain African countries, we reduced exporting our products to these countries. We have moved our focus to developed and emerging markets such as Australasia, Europe, East and South Africa, the MENA region and North America by introducing a wide range of premium products focusing on generating higher margins and are in the process of discontinuing our business in certain African markets.

We have received several quality certifications from including certificate of registration from the U.S. Food and Drug Administration, the British Retail Consortium (BRC) food certification, Sedex Members Ethical Trade Audit (SMETA), Food Safety System certification 22000 and Halal certification for manufacturing biscuits, which helps in the acceptability of our products in developed and quality conscious export markets. We have also obtained certifications from controller of legal metrology for certain of our manufacturing facilities.

Our exports provide us with the flexibility to operate successfully across business cycles, mitigate seasonality risk in the domestic market, and help us in expanding our geographical footprint to global emerging markets. We believe that, our ability to modify the product specification and packaging based on consumer requirements, market trends and develop, produce and sell customised products for each export market has contributed to the growth of our exports. Towards this end, our manufacturing facilities are designed in a manner that they are capable of processing different types of products and packaging with variation in taste and flavors, aligned with the consumer preferences and trend in our target export markets. These factors have facilitated us to penetrate into newer territories such as Asia, Australasia, Europe, MENA region and North America by collaborating with established retailers and distributors.

Established presence in retail and institutional bakery business

'*English Oven*' brand is one of the few prominent players in the premium plus and branded bakery segment in India with presence across various regions in India. (*Source: Technopak Report*) We market and sell our premium bakery products in savoury and sweet categories such as breads, buns, pizza bases, and cakes to our retail customers under our brand '*English Oven*' which has a significant presence in North India with in-house manufacturing capabilities (*Source: Technopak Report*). We focus on manufacturing and offering a wide variety of premium breads and other bakery products in savoury and sweet categories to our customers based on our expansive understanding of the evolving market for bakery products in India. All our manufacturing facilities for '*English Oven*' products are strategically located near target markets to minimize freight and logistics related time and expenses. (*Source: Technopak Report*).

We are also the largest supplier of buns to reputed QSR chains (*Source: Technopak Report*) and we benefit from our strong association with these customers, including in terms of our adoption of stringent quality controls and industry best practices such as use of premium quality raw materials, which our customers expect of us. We are preferred supplier of burger buns and pan muffins to Hardcastle Restaurants Private Limited (*which owns and operates an established QSR chain in south and west India*). We have also been one of the main suppliers of burger buns to Restaurant Brands Asia Limited, and to Yum! Restaurants (India) Private Limited. According to the Technopak Report, we are one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. The 'English Oven' brand has significant presence in North India and our manufacturing facilities have a capacity of producing 1.3 million pieces of buns each day and 11 million loafs a month. (*Source: Technopak Report*). Our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility and Bengaluru Manufacturing Facility have dedicated lines for manufacturing buns to serve our QSR customers. We benefit by working closely with our institutional customers, as we are able to incorporate the stringent quality standards and industry best practices required by our customers in our overall manufacturing process, thereby further improving our operational standards and our products.

We constantly focus on increasing the variety of our products for our retail as well as our institutional customers. According to the Technopak Report, '*English Oven*' held a market share of approximately 8.7% in Fiscal 2023 and the revenue from sale of our bakery products to our retail customers under our brand name '*English Oven*' has grown from ₹1,260 million in Fiscal 2023 to ₹1,640 million in Fiscal 2024. We aim to cater to wide variety of retail customers by introducing new niche product variants, which are preferred amongst different age groups.

We believe that we are well positioned to capitalise the growth opportunity in the retail and institutional bakery business by leveraging our dedicated manufacturing facilities, our long-standing relationships with our key institutional customers and creating a variety of product options for our retail customers.

Modern and automated production processes with a focus on quality control

Our production facilities are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We currently manufacture biscuits in our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility. We currently manufacture our breads and other bakery products including buns and frozen products offered to retail consumers as well as our institutional clients, in our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility, Bengaluru Manufacturing Facility and Bhiwadi Manufacturing Facility. Further, we have also started construction for another plant at for manufacturing of biscuits at Dhar, Madhya Pradesh, we have started construction of a new bakery plant in Khopoli and we are endeavoring to set up a new bakery unit at Kolkata as well. In order to ensure that our products meet the desirable quality standards, we currently manufacture all our products at our own facilities. Our manufacturing facilities are equipped with advanced equipment, modern technology and automated systems. For example, for manufacturing buns and breads, we have imported automated bun and bread lines that help in maintaining superior quality, consistency, productivity and improving cost efficiency. For the bakery business, we have imported hybrid ovens, which provide uniform baking and reduce heat spotting, ensuring uniform quality of each batch of our products. According to the Technopak Report, we are one of the few bun suppliers in India equipped with dedicated modern manufacturing facilities enabling us to undertake large orders for our QSR customers.

We are a quality-focused company and are committed to maintaining stringent quality standards at all steps of the manufacturing cycle, from procurement of the raw material to dispatch of the finished product. We use premium quality raw materials and ingredients in our products. For instance, we have integrated modern technologies in our manufacturing process such as the 'Farinograph', which allows us to ensure using consistent quality of wheat during the manufacturing process. We believe that our focus on ensuring compliance with the stringent quality standards has helped us in establishing and maintaining long-standing relationships with some of our key institutional customers such as Restaurant Brands Asia Limited, Hardcastle Restaurants Private Limited, Yum! Restaurants (India) Private Limited, Mondelez India Foods Private Limited.

We have received several quality certifications for our products and production facilities, including certification from Food Safety System (FSSC 22000), Halal certification for manufacturing our biscuits, bread and bun products, certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits. Our Phillaur Manufacturing Facility and Tahliwal Manufacturing Facility have also been audited under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics.

Wide spread and established sales and distribution network

Our extensive sales and distribution network allows us to reach a wide range of consumers and ensures effective penetration of our products and marketing campaigns. Our sales and distribution network is strategically spread across different states in North India, and has an especially strong outreach in certain urban and semi urban markets, where we expect growth to be more significant.

We distribute our biscuits across 26 states and six union territories in India, through our widespread network of super-stockists and distributors. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). Our distribution channels include traditional retail, which we define as small, privately-owned independent stores, typically at a single location. Our distribution network is managed by our in- house sales team of over 576 personnel, as on June 30, 2024, who work closely with our super-stockists and distributors to understand consumer preferences, and to receive feedback on our products and that of our competition, which enables us to formulate an effective strategy for sales, marketing and pricing. We use SAS based "*Distribution Management* System" and Salesforce automation application to increase productivity of the super-stockists and distributors by enabling them with access to critical information of sales and products and strategic information about, stock visibility, secondary sales, sales trends at the retail outlet level and SKU level, on a real-time basis which is beneficial for our on ground sales teams.We believe that, our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. Additionally, most of our products are sold through modern trade channels. We also directly supply biscuits to institutional clients like CSDs, and stores in North India

We also exported our biscuits to over 70 countries as of June 30, 2024, through our strong global distribution network and our tie-ups with retailers, distributors and buying houses such as Atlas Global (HK) Limited, Omni Trade Services Limited, Cristosa S.A., and Shoprite Checkers (PTY) Ltd.

We sell our bakery products for retail customers under our brand the '*English Oven*' through modern trade, general trade channels and various e-commerce platforms. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*). Recently, we have also started selling our products through various e-commerce platforms in India, multiplexes, and cloud kitchens such as Rebel Foods Private Limited.

Experienced promoter and management team

We believe that, the experience and leadership of our Promoter, Anoop Bector, is a key factor in our growth and development. Anoop Bector has extensive experience of over 25 years and industry knowledge and understanding. We believe that Anoop Bector's experience has helped us develop relationships with our vendors for the procurement of raw materials, institutional customers and our dealers and distributors. He also provides strategic guidance to our Company, while also being involved in our day to day functioning of the business. Ishaan Bector, our whole time director, heads our breads business and is responsible for overall supervision, development and expansion of our breads business and has been instrumental in its growth.

Our Board and senior management have an extensive experience and an in-depth understanding of the retail business. Key members of our senior management team including Manu Talwar, Chief Executive Officer of our Company, who are dedicated to the growth of our business. We believe that, our management team of qualified and experienced professionals enables us to identify new avenues of growth, and help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. For further details, see "***Board of Directors and Senior Management***" on page 233.

Our Strategies

Focusing on growth in premium and branded biscuits and bakery segment to improve margin

Our strategy is to also expand into premium and branded products with higher margins. Currently, we offer various premium, mid-premium branded category of biscuits including cookies, creams, crackers and digestives. According to the Technopak Report, the branded biscuits market was valued at ₹ 526 billion in Fiscal 2024 and is expected to grow at a CAGR of approximately 10.5% to ₹ 867 billion in Fiscal 2029, respectively. We also offer premium category of bakery products, including whole wheat, multigrain and sandwich breads. According to the Technopak Report, the market for breads and buns in India is estimated to grow to ₹ 103 billion by Fiscal 2029 from ₹ 62 billion at Fiscal 2020, estimated to grow at a CAGR of 11% from Fiscal 2024 to Fiscal 2029.

We will continue to expand our product portfolio within the existing product segments, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to our consumers. We seek to leverage our extensive experience to strengthen our industry position, by developing new products to capitalise on emerging trends. To cater to the growing needs of our millennial customers, we intend to expand our product offerings to include niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, which, we believe, will help us realise higher margins. We have also commissioned two dedicated biscuit lines at our Rajpura (Punjab) Facility in Fiscal 2024 and are in the process of installing two more lines to cater to production of high margin premium products. We believe we can also expand our product portfolio in the biscuits segment, by offering a variety of biscuits, which we currently manufacture for the international market without significant additional investments in our existing manufacturing processes or product development processes.

We seek to increase our product margins by focusing on premium and mid premium category of biscuits and our bakery products and reducing the contribution of glucose biscuits in our product portfolio. Further, we seek to increase our margins from the sale of our biscuits in export markets by targeting developed and emerging markets.

For our bakery segment, we have introduced new premium products such as sub breads, frozen doughs, pizzas, garlic breads, cheese garlic bun fills, filled snacks, filled puff and frozen cookies. We are also installing a dedicated line at our Greater Noida Facility to cater to production of high margin products including desserts and frozen products such as frozen pizzas, sandwiches, and cakes, which we aim to cater to our institutional customers such as multiplexes, cloud kitchens, hotels restaurants, cafés as well as retail customers. We also intend to dedicate our

Khopoli Facility for manufacturing premium bakery products such as pizza puffs, sub breads, footlong breads, croissants and other premium breads with automated machinery. We believe that our focus on high margin products will provide higher returns and help us in increasing our profitability.

Focus on product development in biscuits and bakery segments

We believe that continuous product development and expansion of our product portfolio are integral to the growth of our business. We have an experienced in-house research and development team that works on our new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with our marketing and supply chain management teams. Our new product development process is reliant on feedback from our supply chain teams on emerging markets and ethnic taste preferences. We also reply on the understanding of the product preferences from the international markets to further enhance and introduce new products for our domestic customers. We also have an in-house dedicated internal quality control team, which is responsible for ensuring compliance with stringent quality standards prescribed by our institutional customers and ensuring that our products comply with the guidelines issued by governmental and regulatory authorities.

We also seek to increase the capacities of our manufacturing facilities by installing new, automated and product specific equipment such as installation of a cookies manufacturing line sourced from Denmark. We are looking to expand our premium biscuits production in our Rajpura (Punjab) Manufacturing Facility by adding two more dedicated lines for manufacturing biscuits. Further, we have also commissioned two dedicated biscuit lines in our Rajpura (Punjab) Manufacturing Facility and have also commissioned our plant at Bhiwadi, Rajasthan. We are currently in the process of constructing a plant for our biscuit business at Dhar, Madhya Pradesh and a new bakery plant at Khopoli, Maharashtra. We have also added large blast freezing, individual quick freezing and holding freezers and have increased our capacity by installing an automated bread and bun manufacturing line from Germany and United States of America respectively at our Greater Noida Manufacturing Facility. Through commissioning of new technologies, we intend to create a seamless capability to manufacture various bakery and frozen products at all our manufacturing facilities. We believe that the commissioning of such new technologies will also provide us with the opportunity to capitalise growth opportunities and allow us to serve customers in the casual dining restaurant business segment, the hotel, restaurant and café business segment and institutional customers such as multiplexes, cloud kitchens and retail customers across India.

Expand our product reach in India and globally

While historically we have had a strong presence in North India for our biscuits and bakery products, we intend to leverage our brands and expand our presence in the other regions of India. We seek to expand our product reach geographically by leveraging our already established institutional customer relationships. Our institutional customers include, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited. Over the years, through our consistent focus on maintaining stringent quality standards and expanding our manufacturing capabilities, we believe that, we have expanded our institutional business to become the preferred bun supplier to other reputed multinational QSR chains. We intend to leverage our institutional relationships to further increase our product offerings and sales volume to these institutional customers and their affiliates in India and globally.

We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as South, Central and North America, the MENA region and Australasia. We have also set-up a new office in Dubai.

We believe, we can expand our product reach by further enhancing our product portfolio in our existing markets and increasing our distribution network in new domestic as well as international markets.

Expansion of our distribution network through diversification and technology

While we have a strong distribution network in North India, our focus is to establish a pan India presence for our biscuits and bakery segments by diversifying our distribution network in other regions of India, where we are also setting up adequate infrastructure for such expansion. In North India, we are focusing on expanding our distribution network for increased penetration in metros and foraying into semi-urban and rural markets. We distribute our products through our depots to distributors and super-stockists who further supply our biscuits and bakery products to retailers, wholesalers and sub distributors respectively.

We have increased our distribution through the modern trade channels. We seek to increase our distribution through modern trade channels in other regions in India by introducing our premium products in biscuits and bakery segments in these regions. We believe we can establish our presence in other regions by leveraging our existing business in modern trade channels where we enjoy strong business relations and collaborating with certain regional players. Further, we target to increase sale of our biscuits and bakery products in the modern trade channels by introducing various offers, increasing visibility of our products, introducing larger and mid-sized packs of our existing high selling products based on buying patterns and regional preferences. We are also collaborating with various e-commerce platforms for sale of our biscuits and bakery products, multiplex chains and cloud kitchens such as Rebel Foods Private Limited to sell our bakery products on a pan India level.

We believe these initiatives will help us expand our distribution in modern trade and general trade channels that will help us grow our overall sales and market share.

Focus on increasing our brand awareness

We seek to continuously allocate significant resources to strengthen '*Mrs. Bector's Cremica*' and '*English Oven*' as one of India's leading biscuit and bakery brands, respectively. We believe that our ability to differentiate our brand and our products from our competitors through our marketing and brand awareness programs is an important factor in attracting consumers.

Our marketing plan comprises advertising in print media, digital, television. We focus on expanding the sales of our biscuits by emphasising on introducing and marketing our premium biscuits, increase our market share in our existing markets by increasing our brand awareness through digital channels and building our visibility in retail stores through in-store branding activities. We also participate in that provide us an opportunity to display our wide range of product portfolio and enhance our brand strength. For our bakery business, we focus on leveraging opportunities in newly launched cities such as Pune and expanding our product portfolio by introducing niche products to our retail customers such as sub breads, pizzas, garlic breads, cheese garlic bun fills, and frozen cookies. We plan to also focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with leading e-commerce platforms in India.

We believe that, the scale of our business provides us the ability to increasingly focus on branding and promotion to enhance our visibility, market share and growing needs and preferences of our customers across various channels.

Major Milestones

A snapshot of some of our major milestones is provided below:

Year	Milestone Achieved
2006	Investment from Jade Dragon (Mauritius) Limited
2007	Commenced Khopoli (West) bakery
2010	• Entered into an agreement with Cadbury India Limited for manufacturing Oreo biscuits • Acquisition of stake by IL&FS Trust Company Limited and India Business Excellence Fund-I
2013	• Brand Separation MOU – "Mrs. Bector's Cremica" brand for Biscuit's business & "English Oven" for bakery business are exclusive to MBFSL • Capacity expansion from the plan situated at Tahliwal, Himachal Pradesh with new imported line
2014	• Commenced Bangalore Facility (South)
2015	• Acquisition of stake by Linus, Mabel, GW Confectionary and GW Crown
2018	• Green field investment in the form of manufacturing facility at Rajpura and commissioned state of art facility for cookies and biscuits • Land acquired @Dhar, Madhya Pradesh for further expansion
2020	• Successful IPO listing
2022	• Entered South & West market *in domestic biscuits*
2023	Construction biscuit lines at the manufacturing facility situated at *Dhar*

Year	Milestone Achieved
	New Bakery p manufacturing facility situated at *Khopoli*
	Supply chain & manufacturing excellence through technology intervention

Our Product Portfolio

Our diversified product portfolio can be classified under two key categories - biscuits and bakery products.

Biscuits

We primarily manufacture premium and mid-premium category of biscuits including cookies, creams, crackers and digestives. We manufacture glucose biscuits catering to certain domestic as well as export customers. We manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited. We also manufacture and supply biscuits for some of our international customers under our brand '*Mrs. Bectors Cremica*' and under their private labels respectively.

In Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, the revenue from sale of our biscuits represented 59.95%, 59.27%, 60.96%, 59.49% and 62.10% respectively, of our revenue from operations for the respective periods.

The following table sets out certain details about our key biscuit products:

Products	Domestic /Exports	Variants	Stock Keeping Units
Cookies	Domestic	butter cookies	35.5gm,35gm,40.5gm,59gm,60gm,71gm,81gm,83gm,106gm,135gm, 137gm
		butter gold	135gm,137gm
		cashew cookies	35.5gm,35gm,40.5gm,71gm,81gm,83gm,106gm,
		choco bico	32.5gm,65gm
		chocochip cookies	75 gm
		coconut cookies	37gm, 74gm,75gm,100gm,185gm,400gm,900gm
		coconut crunchies	37gm, 74gm,
		kaju khazoor	100gm
		cashew cookies	35.5gm,35gm,40.5gm,71gm,81gm,83gm,106gm,
		golden bytes cashew	52.9gm,200gm,500gm
		golden bytes rich butter	68gm,200gm,500gm
		jeera lite	36.5 gm, 73 gm, 146 gm, 500gm
		lulu rich butter	83gm,664gm
		lulu rich cashew	83gm,664gm
		jeera lite	36.5 gm, 73 gm, 146 gm, 500gm
		trufill chocofill	12.5gm, 75gm,200gm,
		pista almond	75gm
		milkyz	33.5gm, 67gm, 335gm
		millets	75gm
	Exports	coconut	300gm,900gm
		trufills	160gm
		golden bts	608gm,664gm,83gm
		lulu rich butter cookies	454gm,664gm
		lulu rich cashew cookies	664gm
		chip of joy	100gm
		choco bico	65gm
		chocochip	163gm
Crackers	Domestic	ajwain	68 gm, 136gm
		butter king	68gm
		classsic crackers	120gm, 250gm
		krack bite	35gm,70gm,76gm,140gm,400gm
		kalonji	68gm
		krack bite	35gm,70gm,140gm,400gm
		lulu mini cracker	227gm
		marie classic	9.5 gm,36.4gm,39gm,58.5 gm,73gm,300gm,500gm
		non stop potato	25gm,75gm
		party crackers	35gm,60gm,70gm,76gm,400gm

Products	Domestic /Exports	Variants	Stock Keeping Units
		lullu mini	227gm
		sugar crackers	120gm, 250gm
	Exports	bledor	25gm
		breakfast crackers	175gm
		potato crackers	75gm
		bongu	24gm
		taits cracker	227gm
		big willy	48gm
		zips	24gm
		salted	255gm,85gm
		biskwi cracker	227gm
		taits round	33gm
		marie	100gm,300gm,9.5gm
Cream	Domestic	bourboun	20gm,60gm,70gm,100gm,110gm,120gm,150gm,500gm
		strawberry cream	100gm
		butter creamfill	100gm
		chocolate cream	50gm,60gm,100gm,150gm
		cremelo	50gm
		elaichi cream	60gm
		magi cream	37gm, 74gm
		melto cream	50gm,100gm,300gm
		vanilla cream	50gm, 100gm,150gm
		strawberry cream	50gm, 100gm,150gm
		orange cream	60gm
		twin cream	37gm, 74gm
	Exports	assorted	420gm
		cream	154gm,180gm,240gm, 27gm, 36.7gm, 414gm
		cremelo	22gm ,90gm
		jumbo	45gm
		melto	100gm
		trio4	28gm,336gm,672gm
		trio6	504gm
		twinnies	65gm,23gm
		biskwi van	300gm
		biskwi duo	300gm
		minute	23gm
		bourbon	120gm,200gm,320gm, 70gm
		biskwi bourbon	200gm
Digestive	Domestic	oatmeal	60gm,112.5gm,75gm,500gm
		cornflakes	112.5gm
		digestive	60gm,67.5,100gm,120gm,150gm,200gm,250gm,1kg
	Exports	cornflakes	1000gm,500gm
		digestive	100gm,200gm,250gm,400gm,500gm,67gm
		choco flakes	375gm,500gm
		oats	500gm
Glucose	Domestic	glucose	45gm
	Exports	glucose	27gm,35gm,41gm
		koko	27gm
		malt & milk	27gm,41gm
		nice	36gm,400gm,41gm
Miscellaneous	Domestic	gift pack	623 gm
		english oven rusk	71gm,142gm,213gm,307gm,410gm
	Exports	bruschette	70gm
		danish butter cookies tins	113gm,114gm,270gm, 340gm,400gm,454gm
		teddy	168gm,200gm,28gm
		biskwi teddy	200gm
		biskwi honey teddy	200gm
		petit	1000gm,400gm,600gm
		tea biscuit	345gm,400gm
		biskwi short bread	170gm

Products	Domestic /Exports	Variants	Stock Keeping Units
		short bread	136gm,170gm,272gm,85gm

Bakery Products

We primarily manufacture premium category of breads and other bakery products including multigrain bread, sandwich bread, jumbo bread, garlic breads, stuffed breads, panini breads, pav breads, kulchas, pizza base, buns, cakes, muffins and frozen products for our retail customers branded through '*English Oven*' and institutional clients. Our product portfolio comprises of Indian and western varieties of bakery products. These products are primarily classified under following categories: breads, other bakery products, buns and frozen products.

In the three months ended June 30, 2024 and June 30, 2023 and the Fiscals 2024, 2023, 2022, the sale from our bakery products represented 35.05%, 36.21%, 35.28%, 35.78% and 34.31%, respectively, of our revenue from operations for the respective periods. From Fiscal 2024 to Fiscal 2022, revenues generated by sale of our bakery products increased by 68.98% from ₹ 3,390.42 million in Fiscal 2022 to ₹ 5,729.00 million in Fiscal 2024.

The following table sets out certain details about our key bakery products offered to retail and institutional customers:

Retail- Fresh:

Products	Variant	Stock Keeping Units
Brown Breads	Atta Bread	400 gm
	Bread Brown	2 kg
	Brown Bread	400 gm
	Brown Bread	1 kg
Fruit / Sweet	Fruit Bread	150 gm
	Fruit Bun 2 pc	150 gm
	Sweet Bread	400 gm
	Sweet Bun	200 gm, 420 gm, 600 gm
Indian Indulgence	Kulcha Bread	200 gm
	100% Atta Kulcha Bread	250 gm
	Pav Bread 12PCS	350 gm
	Pav Bread	250 gm
Premium Health Breads	100% Atta Bread	400 gm
	100% Whole Wheat Bread	400 gm
	Milk Bread	400 gm
	Classic Sourdough Bread	400 gm
	Herb And Garlic Sourdough Bread	400 gm
	Whole Wheat Sourdough Bread	400 gm
	Multi Grain Bread	400 gm

Products	Variant	Stock Keeping Units
	Zero Maida Bread	350 gm
Western Treat	Atta Burger	200 gm
	Jumbo Burger Bun	300 gm
	Burger Bun 2 pcs	100 gm
	Parmesan Oregano Footlong Bread	150 gm
	Roasted Garlic Footlong Bread	150 gm
	Burger Bun 4 pcs	200 gm
	Burger Bun 6 pcs	300 gm
	Butter Croissant 2 Pcs	120 gm
	Almond Butter Croissant	60 gm
	Garlic Bread	200 gm
	Hot Dog Roll Bread	150 gm
	Pizza (6 inches)	150 gm
	Pizza Base (8 inches)	200 gm
White Breads	Bread White	2 kg
	Break Fast Bread	350 gm
	Daily White Bread 300 gm	300 gm
	Daily White Bread 600 gm	600 gm
	Break Fast Bread Twist & Tie	300 gm
	White Bread 800 gm	800 gm
	Sub Olive Bread	160 gm
	Sub Multigrain Bread	160 gm
	Club Sandwich Bread	1 kg
	Premium white bread	700 gm
	Premium white bread	350 gm
	Sandwich Bread	400 gm

Institutional- Fresh

Products	Variants	Stock Keeping Units
Buns	Seeded Bun 4”	50 gm
	Seeded Bun 4” (B&W)	50 gm
	Seeded Buns 5”	95 gm
	Corndusted Oval Bun 4”	58 gm
	Non-sesame Round Bun	50 gm
	Sesame Seed Bun 4.5”	90 gm
	4.5” (B&W) Seeded Bun	75 gm
	Premium Bun 4"	60 gm
	Value Bun	50gm
	Square Buns	73 gm
	Chilly Brioche Bun	50 gm
	Whole Wheat Bun	60 gm
	Peri Peri 4.5" Round Bun	75 gm
	Non Sesame Round Bun	50 gm
	Cornmeal Round Bun 4.5"	75 gm
	Longer Bun	50 gm
	Super Charger Bun	75 gm
	Maharaja Bun	75 gm
	Quarter Pounder Bun	58 gm
	Regular Bun	50 gm
	Glazed 5" Seeded Bun	90 gm
	Seeded Bun	58 gm
	Big Seeded Bun	75 gm

Institutional- Frozen

Products	Variants	Stock Keeping Units
Brown Breads	Bread Brown	1 kg
Indian Indulgence	Kulcha	50 gm
	Pav Bread	300 gm
Premium Health Breads	Classic Sourdough Bread 900Gm (F)	900 gm

Products	Variants	Stock Keeping Units
	Whole Wheat Sourdough Bread 900Gm (F)	900 gm
	Multigrain Panini Bread	90 gm
Western Treat	Chocolate Crunch Cookies 20G	20 gm
	Oatmeal & Raisin Cookies Frozen	50 gm
	Dark Choco Chips Cookies Frozen	50 gm
	Dough For Dark Chunk Cookie-Raw	50 gm
	Dough For Double Chunk Cookie-Raw	50 gm
	Dough For Oatmeal Raisin Chunk Cooki-Raw	50 gm
	Butter Croissant Frozen	60 gm
	Pizza Base 9" (Raw Frozen)	205 gm
	Cheese Chilli Sub-Pizza	60 gm
	Italian (Frozen Stick)	170 gm
	Multigrain Stick (Frozen)	180 gm
	Pizza Puff 85G	85 gm
	Mexican Sub-Pizza 6"	75 gm
	Gazed Panini Bread	80 gm
	Subway Multigrain Sticks 182G(Subway)	182 gm
	Subway Italian 172G(Subway)	172 gm
	Barrel Bread Frozen	250 gm
	Pizza Puff 40Gm	40 gm
	Thin Crust Pizza Base 10" Raw Frozen	150 gm
	Crisp Pizza Base 9"	200 gm
	Veg Pizza Puff 80Gm	80 gm
	Roasted Garlic Sub Pizza(Toasties) 65Gm	65 gm
	Dough Balls Frozen	190 gm
White Breads	Bread White	1 kg
Center Filled Buns	Red Valvet Bunfill 30G	30 gm
	Chocolate Bunfills	25 gm
Bun	Corn dusted Oval Bun 4”	60 gm
	Seeded Bun 5”	90 gm
	Cornmeal Round Bun	58 gm
	Premium Round Bun	75 gm
	Super Charger Bun	75 gm
	Whole Wheat Seeded Bun 4"	60 gm
	Whole Wheat Seeded Bun 4.5" (B&W)	75 gm
	Longer Bun	50 gm
	Premium Bun	60 gm
	Seeded Bun 4”	50 gm
	Maharaja Bun	75 gm
	Twin Seeded Atta Bun 4"	50 gm
	Square Buns	73 gm
	Plain Bun 4"	50 gm
	Cornmeal Round Bun 4.5”	75 gm
	Peri Peri 4.5" Round Bun	75 gm
	Sesame Seed Bun 4.5”	90 gm
	Non Sesame Seed Bun 4”	50 gm
	Glazed 5" Seeded Bun	90 gm
	Non Sesame Seed Bun 4”	60 gm
	Bun 3.5”	50 gm
	Cornmeal Oval Bun	60 gm

Institutional- Frozen Desserts/Cakes-

Products	Variants	Stock Keeping Units
Cakes	Chocolate Truffle Jar	100 gm
	Red Velvet Jar	100 gm
	Espresso cake 8”	1 kg
	Espresso cake 6”	500 gm
	Red velvet cake 8”	1 kg
	Red velvet cake 6”	500 gm
	Blueberry cheesecake 8”	1 kg

	Blueberry cheesecake 6”	500 gm
	Date and chocolate tea cake (sliced or unsliced)	100 gm
	Marble tea cake (sliced or unsliced)	100 gm
	Chocolate Chip Muffin	100 gm
	Chocolate Cake 500Gm	500 gm
	Blueberry Cheese Cake 500Gm	500 gm
	Baked Cheese Cake Plain	540 gm
	Strawberry Cheesecake	100 gm
	Plain Cheese Cake 850 Gm	850 gm
	Blueberry Muffin 100Gms	100 gm
	Chocolate Chocochips Muffin 100Gms	100 gm
	Chocolate Lava Cake 100Gm	100 gm
	Vanilla Chocochip Muffin 70Gm	70 gm
	Choco Filled Muffin 70Gm	70 gm
	Walnut Brownie Frozen 80Gm	80 gm
	Dark Chocolate muffin	100 gm
	Walnut Brownie	70 gm
	Cream Cheese Brownie	75 gm
	Chocolate Cherry Brownie	75 gm
	Choco Lava Cake	65 gm

Our Operations

Production Process

Biscuits

The primary ingredients used in the manufacture of biscuits are refined wheat flour, sugar, refined vegetable oil, cocoa powder, nuts, skimmed milk powder, butter, salt, chemicals such as sodium bi-carbonate, ammonium bi-carbonate, starch and flavouring agents. The manufacture of biscuits consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) sheeting, cutting and moulding; (iv) baking and cooling; (v) sandwiching of cream (only in case of cream filled biscuits) and (vi) packing.

Raw Material Preparation: The first step is sieving the flour in a flour sifter machine to remove extraneous materials. This also helps to blend and loosen the flour. At this stage, the sugar is also pulverised in a grinding machine to make it powdery. Oils/fats is taken to mix along with flavours, leavening agents, preservatives, salt (dissolved in water) into a homogeneous paste under the supervision of experienced personnel.

Dough mixing: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing.

Sheeting, cutting moulding and wirecut/depositing/ encrusting: The hard dough is fed into a laminator machine, which produces sheets that is gradually rolled through a set of gauge rollers to get a thin sheet of desired thickness. Then it is passed through a rotary cutter to acquire desired shape.

The short dough is directly fed into moulding machine to get desired shape, size and design.

The soft dough is fed directly into depositor head. In the depositing machines, dough is deposited / wire cut into the desired shape and size.

For encrusting cookies dough is fed into the one hopper and cream is fed into second hopper. In the encrusting machine dough and cream fed together into the desired shape and size.

Baking and Cooling: The wet dough pieces from the rotary moulder/cutter are then transferred through a metallic band/ conveyer to an oven where the biscuits are baked under a controlled temperature. Each biscuit variety has a standard heat profile setting. In some varieties, oil and/or other additives are sprayed immediately after baking. Baked biscuits are then naturally cooled on the cooling conveyors.

Sandwiching of cream: For cream filled biscuits, the baked biscuits are passed through a sandwiching machine, where the required cream is added between two biscuits and stacked in a stacker.

Packaging: After cooling, the biscuit is stacked in rows onto packing tables. Then the primary packaging of biscuits in laminates is done are packaged by automatic packing machines in different pack sizes. The primary packets are packed in corrugated carton boxes. Depending on market demand, different sizes of packets are packed.

Breads

The main ingredients used in manufacturing breads are refined wheat flour, water, sugar, yeast, salt, vegetable oil and natural additives to fortify and enhance the flour quality. The manufacture of bread consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) dough processing/proofing; and (iv) baking and cooling.

Raw Material Preparation: The first step is sifting the flour in a flour sifter machine to remove extraneous materials and ensure quality of the raw material.

*Dough mixin*g: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing in order to ensure a smooth, homogenous and consistent dough.

Dough processing: The dough is processed gently without hands by dividing, rounding and shaping it into desired shape. The dough is automatically placed into the baking tray/mould and transferred into the proofing chamber.

Proofing: The proofing chamber is a room of controlled, consistent temperature and humidity levels to ensure that the dough develops smooth and evenly reaching the desired volume ready for baking. The proofing takes approximately 60 to 75 minutes, where the yeast becomes active breaking down the sugar resulting that the dough expand in its volume.

Baking and Cooling: After proofing the dough is placed the baking tray/mould in the ovens for a period of 30 minutes during which the dough passes different temperature zones in order to ensure the bread is baked in a consistent manner.

Frozen desserts

The main ingredients used in manufacturing desserts are cream, butter, sugar, flour, oils & fruits. Some natural additives to extend shelf life. The manufacture of frozen desserts consists of the following stages namely: (i) raw material preparation; (ii) baking of the sponges and tea cakes (iii) preparation of the cream base, chocolate filling, fruit fillings (iv) assembly as per recipe with garnish (v) freezing.

Raw material preparation: Quality and temperature of the raw materials is checked, recipes are weighed out as per individual composition e.g. mousse, muffin, sponge, cheesecake etc.

Baking of the sponges and tea cakes: Sweet batters are prepared in a mixer to incorporate air in the batter and achieve a light texture. This smooth batter is portioned mechanically into moulds and baked golden brown in automated ovens. Thereafter fresh cakes are cooled and sliced mechanically. Frozen Brownies, muffins, baked cheesecakes and dry fruit cakes are frozen at this stage.

Preparation of the cream base and fruit fillings: As per recipe a whipped cream filling, chocolate and cream sauce, cheese filling or cooked fruit mixture is made in chilled environment following strict hygiene standards. This process involves amalgamation of a variety of ingredients in mixer to make a light filling. Chocolate is melted and added to cream to create a silky ganache, forms the basis of all chocolate desserts. Fruits are cooked with sugar to extract flavour and extend shelf life.

Assembly as per recipe with garnish: Filling are loaded into the automated lines with the corresponding sponges to compliment the flavour texture and taste. Desserts are assembled on an automated line to make a range of cup desserts and layered cakes. Finally garnished with cream or chocolate to make it look special.

Freezing: Immediately after assembly the cakes go for freezing and packing following regimental quality checks.

Raw Frozen Pizza /Foot Long

The main ingredients used in manufacturing Pizza or Foot Long Bread are flour, water, sugar, Special yeast, salt, vegetable oil and Special additives to fortify and enhance the flour quality. The manufacturing process consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) dough processing; and (iv) freezing.

Raw Material Preparation: The first step is sifting the flour in a flour sifter machine to remove extraneous materials and ensure quality of the raw material.

Dough mixing: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing in order to ensure a smooth, homogenous and consistent dough.

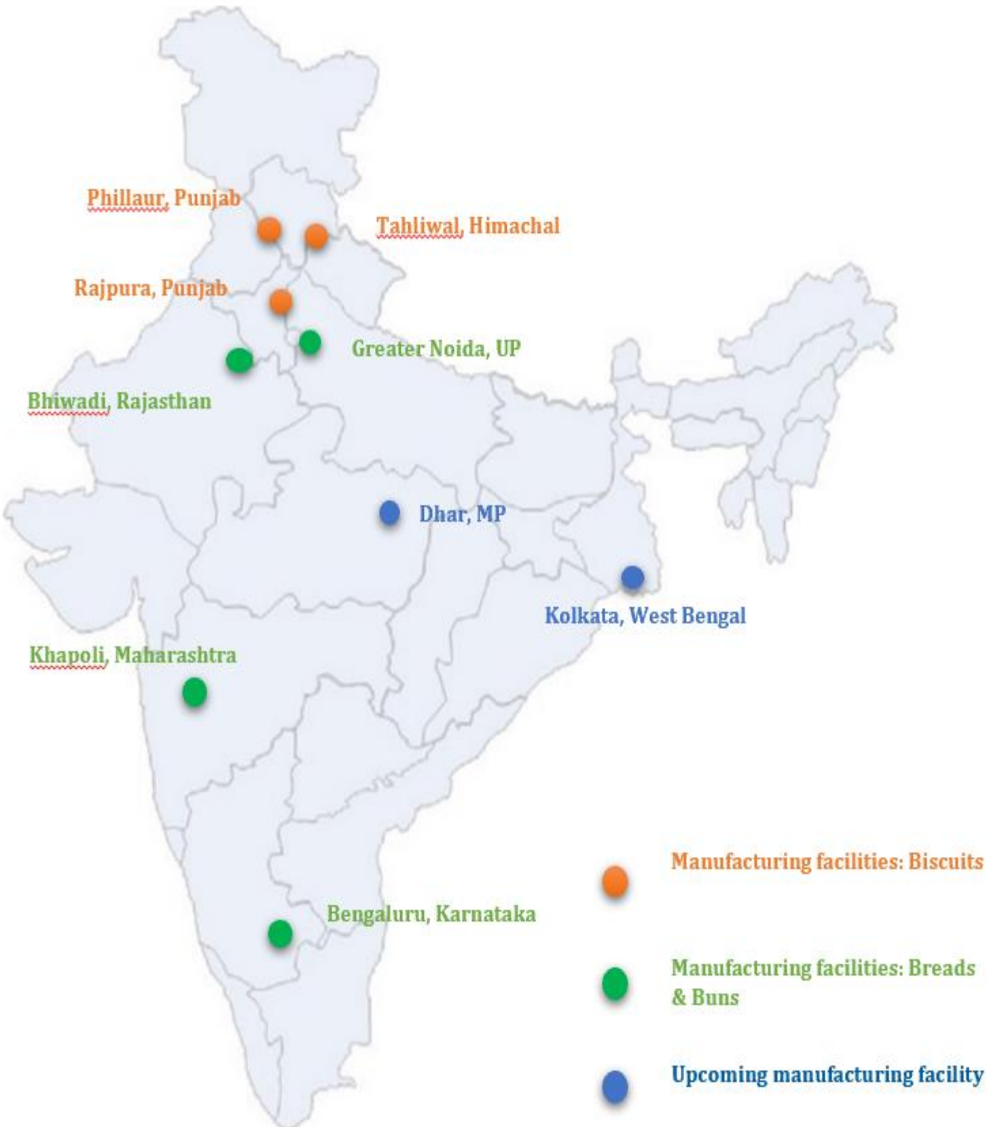
Dough processing: The dough is sheeted gently by passing through series of rollers to achieve desired sheet thickness and cut into desired shape of tooling. The dough is automatically transferred onto the belt of Individual Quick freezer maintained at -35 to -40 degree Celsius for 40min or so to product temp is at -18 degree Celsius.

Freezing: The product is packed, cartoned, stored at -20 degree Celsius in the holding freezer and then the product is loaded into a reefer vehicle maintained at -18 degree Celsius for delivery.

Our Manufacturing Facilities

We manufacture biscuits in our manufacturing facilities located in Phillaur and Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacture our bakery products including breads and buns in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khopoli (Maharashtra), Bengaluru (Karnataka) and Bhiwadi (Rajasthan).

Our manufacturing facilities are equipped with advanced equipment and modern technology. For manufacturing our products, we have imported automated machineries, which help in maintaining consistent quality, increasing productivity and improving cost efficiency. For the baking process, we have imported hybrid ovens, which provide uniform baking and reduce heat spotting, ensuring uniform quality of each batch of our products.


Phillaur, Punjab
Tahliwal, Himachal
Rajpura, Punjab
Greater Noida, UP
Bhiwadi, Rajasthan
Dhar, MP
Kolkata, West Bengal
Khapoli, Maharashtra
Bengaluru, Karnataka
Manufacturing facilities: Biscuits
Manufacturing facilities: Breads & Buns
Upcoming manufacturing facility

The following tables set forth the annual installed capacity of the manufacturing facilities of our Company and our Subsidiaries, for each product segment respective period mentioned below:

Company

Manufacturing Facility*	Unit for installed capacity	Installed capacity as of June 30, 2024	Production June 30	Capacity Utilization (%) as for June 30, 2024	Installed capacity Fiscal 2024	Production Fiscal 2024	Capacity Utilization (%) in Fiscal 2024	Installed capacity as of Fiscal 2023	Production fiscal 2023	Utilisation (%) fiscal 2023	Intalled capacity fiscal 2022	Production Fiscal 2022	Capacity utilization (%) Fiscal 2022
Company													
A. Phillaur (Punjab)													
Biscuits (Manufacturing Domestic & Exports)	MT	6,750	7,759	114.94%	27,000	29,294	108.50%	27000	28,039	103.85%	27,000	23,336	86.43%
Biscuit Manufacturing Contractual	MT	6,750	5,445	80.67%	27000	25,057	92.81%	27000	28710	106.33%	27,000	25,740	95.33%
B. Tahliwal (Himachal Pradesh)													
Biscuits (Manufacturing Domestic & Exports)	MT	8,550	7,820	91.46%	34,200	31,020	90.70%	34,200	28,118	82.22%	34,200	25,453	74.42%
C. Rajpura (Punjab)													
Biscuits (Manufacturing Domestic & Exports)	MT	1,3143	9,163	69.72%	41,457	28144	67.89%	2,1700	1,8549	84.48%	1,2840	10,434	81.26%
Biscuit Manufacturing Contractual	MT	1,140	383	33.60%	4,560	3,969	87,04%	4,560	3,175	69.63%	4,560	2,524	55.00%
D. Greater Noida													
Buns	MT	4,565	3,304	72.38%	18,058	12,564	69.58%	18,058	11,691	64.74%	13,543	8,847	65.33%
Bread and other Bakery Items	MT	10,227	6,904	67.51%	40,460	29,624	73.22%	40,450	27,048	66.87%	34,354	21,385	62.25%
E. Bhiwadi													
Buns	MT	4565	10,208	69.01%	5,8518	4,2189	72,10%	5,8508	3,8740	66.21%	4,7897	30,232	63.12%

Bread and other Bakery Items	MT	3,804	1,187	31.21%	5100	1789	35.08%						
F. Bangalore													
Buns	MT	1,421	1,445	101.68%	5,684	5,020	88.32%	5,718	4,475	77.41%	5,814	3,006	51.71%
Bread and other Bakery Items	MT	1,052	571	54.29%	4,098	2,241	54.70%	4,000	1,819	45.47%	3,967	1,631	41.12%
Subsidiary													
A. Khapoli													
Buns	MT	2,386	2,189	91.75%	9,542	8,348	87.48%	9,542	7,371	77.25%	9,542	5,829	61.09%
Bread and other Bakery Items	MT	1,574	974	50.43%	6,296	2,900	46.06%	6,296	4,165	66.15%	6,296	3,032	48.17%
	MT	3,960	2,983	75.33%	15,838	11,248	71.02%	15,838	11,537	72.84%	15,838	8,862	55.95%

Raw Materials

The primary raw materials required to manufacture our products are refined wheat flour, oil and fats, sugar, packaging material and others. The raw materials constituted 55.77%, 55.36%, 53.33%, 53.06% and 52.01%, respectively, as a percentage of our revenue from operations in Fiscals 2022, 2023, 2024 and three months ended June 30, 2023 and June 30, 2024, respectively.

Further, we also require ingredients such edible common salt, sodium bi-carbonate, ammonium bi-carbonate, starch, flavoring agents and permitted food colors. Besides this, we also need, syrup, liquid glucose, dough conditioners, permitted emulsifiers, yeast, protease and amylase enzymes and desiccated coconut powder.

We presently procure all these raw materials from the local market based on our requirements on an on-going basis. We have long-standing relationships with certain of our suppliers, although we do not have any long term contracts with such third parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products. All our raw materials used in our biscuit and bakery products are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets and other factors. **,**

Packaging

The primary packaging material used by us are mono films like polypropylene or low or high density polyethylene or cast Poly propylene for our breads, and Laminate of bi-axially oriented poly proplyne /bi-axially oriented poly propylene or bi-axially oriented poly proplyne /bi-axially oriented poly propylene (Transparent & metallised)/ cast poly proplyne for our biscuits. This enables the product to have the shelf life of nine months in case of biscuits and six days in case of breads and other bakery products. These laminates are procured from established suppliers through purchase orders on a monthly basis. We use automated packaging machines to pack our products in different pack sizes.

For secondary and Tertiary packaging, we use duplex boxes or air tight cartons and corrugated carton boxes respectively to protect the primary or secondary packs in different stages of sales and distribution.

Quality Control

We place great emphasis on quality assurance and product safety at each stage of the manufacturing and packing process, right from the stage of procurement of raw materials and packing materials until the final product is packaged and ready for distribution. We have a dedicated quality assurance team comprising 107 personnel as on June 30, 2024, who ensure that adequate training is imparted to employees working in the supply chain departments from procurement to sales and marketing on quality assurance aspects. To ensure compliance with our quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standards and the standards prescribed by our institutional customers.

We have also implemented stringent quality control standards for raw material and packing material suppliers and vendors. On-site inspections and routine audits are conducted for our vendors and suppliers to ensure constant supply of quality products. We also conduct on site sampling for independent tests of all materials including our primary and secondary packaging materials, to ensure that the standards and specifications in terms of colour, odour, taste, appearance and nutrients of the raw materials comply with our requirements. Further, we maintain our facilities and machinery and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies.

Certain of our key QSR customers have periodically audited and approved our facilities and manufacturing processes, which we believe helps us to establish long-term relationships with our key QSR customers. Once qualified, our products are customised to meet our customers' requirements.

Our manufacturing facilities and processes have been granted quality certifications including:

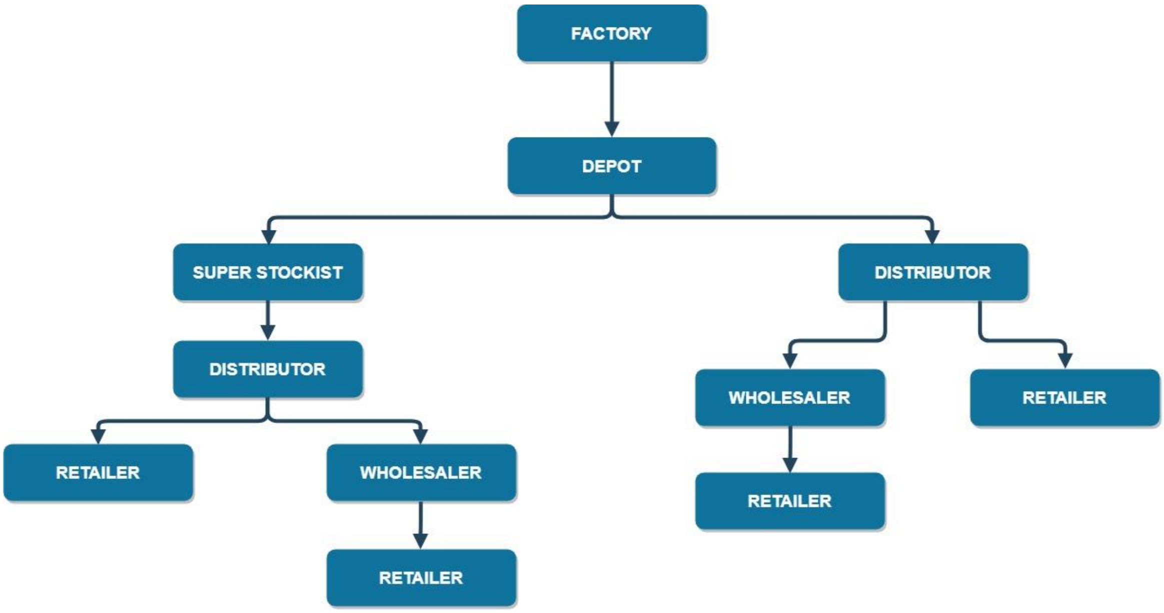
- Manufacturing license from the Food Safety and Standards Authority of India for bread and bun products;
- Food Safety System Certification (FSSC) 2200 for manufacturing of buns and breads from UKAS Management Systems by SGS under UKAS Management Systems

- Food Safety System Certification (FSSC) 2200 for manufacturing of Biscuits, Cookies and Crackers by SGS & DNV under UKAS and RVAC Management Systems respectively
- certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits;
- certificate of registration with the United States Food and Drug Administration for our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility;
- "Halal" certification; and
- audit under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics for our Phillaur Manufacturing Facility.
- Food Safety and Standard Authority of India (FSSAI) License under FSS Act, 2006 for general manufacturing and manufacturing of proprietary food for our Bangalore Manufacturing Facility, Phillaur Manufacturing Facility and Tahliwal Manufacturing Facility.
- Legal metrological certification from the Legal Metrology Division for our Rajpura and Tahliwal Manufacturing Facility for manufacture/packer of biscuits and cookies.

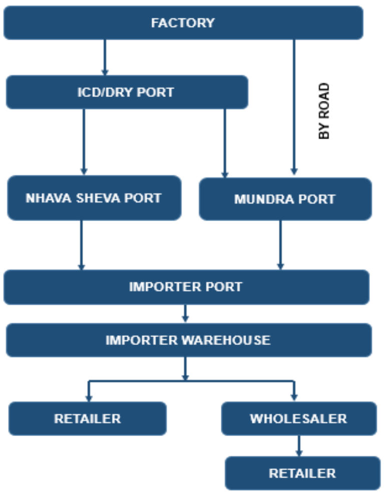
Distribution and Sales Network

For the distribution and sale of our products, we rely on our extensive distribution network, which enables us to effectively respond to market demand, evolving consumer preferences in our territories, and competitive pressures. We typically enter into a standard form distribution agreement with distributors for the distribution of biscuits, and bakery products in various territories. Under the terms of such distribution agreements, the distributor is responsible securing and executing orders of our products and for arranging for adequate warehousing and storage facilities for the products. Upon receipt of order from our distributors, we deliver our products to the warehouse of the distributor and the title of our inventory is transferred to such distributor. We also monitor our distribution network for our biscuits and bakery business through our in-house developed automation tool 'Peri', which enables us to track real-time coverage, sales, efficiencies and commercial hygiene by introducing 'KYC' procedure for all our outlets that helps us maintain detailed database and track future expansion.

Domestic distribution network



Exports distribution network



Biscuits

Domestic sales distribution network

Our principal markets in India for our biscuits include the states of Punjab, Himachal Pradesh, Haryana and Rajasthan. We sell our products to retail customers through our widespread network of super-stockists, distributors and general trade channels, which include smaller stores. Our biscuits are sold through our extensive network of distributors. As of June 30, 2024, our distribution network for our biscuit products included over 400 super stockists and over 900 distributors, supplying to wide range of customers. Our Company through our biscuits brand '*Mrs Bectors Cremica'* has presence over 550,000 retail outlets. (*Source: Technopak Report*).and ensures effective penetration of our products in our key markets. . Our modern trade channels include large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India. We also distribute our biscuits to CSDs.

Export sales distribution network

We have exported biscuits to across Central America, East and South Africa, the MENA region, North America, Australasia, Europe, Asia and Caribbean. We undertake export sales on (a) FOB basis (free on board); (b) cost and freight basis and (c) cost insurance freight basis. Our export products are manufactured at our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility. Once manufactured, our products are transported from the manufacturing facilities to the inland container depot situated in Ludhiana or directly to the Mundra port as the case may be. Our products are shipped from the aforesaid ports to our buyers which include reputed retail chains, distributors and buying houses situated in various countries, such as Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited and World Wide Imports (2008) Ltd.

Bakery Products

Our principal markets for our bakery products for retail customers includes Delhi NCR, Mumbai, Pune and Bengaluru. Our bakery products have a short shelf life and are primarily sold in proximity of our manufacturing facilities. We sell our bakery products to retail customers through various modern trade channels and including smaller general stores.

We manufacture and supply bakery products such as buns, kulchas, cakes and frozen products in accordance with the specifications provided by our Institutional customers. Once the products are manufactured, we typically engage third party transportation service providers for the transportation of the products to the distribution centers or directly to the outlets of our QSR customers and other Institutional customers.

Marketing and brand building initiatives

We believe that developing and maintaining our brands '*Mrs. Bector's Cremica*' and '*English Oven*' critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers. Creating and maintaining public awareness of our brand is crucial to our business and accordingly we invest in various marketing and advertising campaigns. As a part of our marketing strategy, we have launched commercials across various advertising mediums, including television and newspapers, predominantly focused on northern states of India. Our marketing plan comprises advertising in print media, digital, television . We have also undertaken various outdoor promotional campaigns, whereby we provide incentives to our distributors to promote our brands. We are also leveraging digital channels to promote our premium products. We focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have started our brand promotions in various e-commerce channels for our bakery products and are listed with leading e-commerce platforms in India. In our export markets as well, we invest in various marking activities such as advertisements through posters, bill boards, in retail stores.

We believe that, the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility, market share and growing needs and preferences of our customers across various channels in domestic as well as export market.

Exports

As of June 30, 2024, our biscuits were exported over 70 countries.

Competition

Biscuits

The Indian premium and mid-premium biscuits and premium bakery products market is highly competitive and fragmented with numerous international and local companies competing for the market share. According to the Technopak Report, the premium and mid premium biscuit market is ₹ 453 billion (*Source: Technopak Report*). Branded biscuit market comprises of all the major players of biscuits, which serves both in rural, semi-urban and urban area. We face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. Our competitors include national players such as Britannia Industries Limited, Parle Biscuits Private Limited, ITC Limited and Anmol Industries Limited (*Source: Technopak Report*). We also face competition from certain regional players such as Surya Agro Food Limited. We also compete on a broader scale with regional bakeries in the unbranded biscuit sector.

Bakery

The Indian premium bakery market is highly fragmented, which the unbranded players contributing to about 45% of value share in the overall Indian bakery market. According to the Technopak Report, large players find it very difficult to expand to newer territories due to poor infrastructure and low-margin nature of business. Large players face tough competition from regional companies on pricing and distribution front. Distribution of product in local areas and customising it as per their consumer's choice is more convenient for regional players (*Source: Technopak Report*). Within the branded bakery market, we face competition from Harvest Gold Foods India Private Limited, Britannia Industries Limited, Modern Food Industries (India) Limited and Bonn Nutrients Private Limited which currently have larger manufacturing capacity and have larger market presence.

The market for supply of bakery products to QSR customers is currently under-penetrated and according to the Technopak Report, we are the largest supplier of buns to QSR chains. According to the Technopak Report, we and Baker's Circle are the key vendors for supply of processed and semi- processed dough-based offerings. In this segment, we face competition from in-house commissaries and other smaller players.

Intellectual Property

We have registered or have applied for registration for several trademarks in connection with our business, in India as well as globally. Our logo 'Mrs. Bector's Cremica', and 'English Oven' are ed under class 30 of the Trademarks Act and both of them are currently operational. We also have copyrights and designs registered in connection with our business. For further information on the intellectual property of our Company. In addition, we are also aware that the use of our brands or similar trade names by third parties may result in confusion among consumers and loss of business. For further information, see "***Risk Factors - While certain of our trademarks and copyright used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.*** on page 76.

Employees

As of June 30, 2024, we had 2,789 permanent employees. The following table sets forth information on the number of employees in various departments of our business as of June 30, 2024.

Department	Number of Employees
Sales	576
Marketing	7
Research and Development	108
Manufacturing	1,512
Human resources	43
Others	543
Total	**2,789**

In addition, we have entered into arrangements with third party personnel companies for the supply of contract labour at our manufacturing facilities.

We conduct training workshops for our employees to develop a variety of skill sets and organise modules at regular intervals to promote teamwork and personal growth of employees. Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner.

Insurance

Our operations are subject to various risks inherent in the manufacturing industry. We maintain insurance policies for our manufacturing facilities, offices, buildings, machinery, equipment, products, marine cargo or transport, interruption and damage due to fire as well personal accident coverage and mediclaim policies for our employees. We also have a director's and officer's liability insurance, public liability industrial and storage policy for our Company.

Property

We own the land upon which our registered office is located, as well as certain land at Phillaur, (Punjab), Ludhiana (Punjab), Rajpura (Punjab) and Raigad (Maharashtra).

We have also obtained leasehold rights over our Corporate Office located at Gurugram, Haryana, over property at Greater Noida in Uttar Pradesh (where our registered office is also located), Tahliwal in Himachal Pradesh, Dhar in Madhya Pradesh and Bhiwadi in Rajasthan. With respect to our Corporate Office located at Gurugram, we have entered into a lease deed for a period of nine years commencing from July 31, 2021 with Bikman Consulting Private Limited for 0.52 million consideration. With respect to property at Ceramics Agro Foods Ltd in Uttar Pradesh, we have entered into a lease deed for a period of 77 years commencing from January 13, 2014 with Greater Noida Industrial Development Authority for a one time consideration. With respect to property at Tahliwal (Himachal Pradesh), we have entered into a lease deed with the Governor of Himachal Pradesh for a period of 95 years commencing from February 6, 2010 for a one time consideration. With respect to property at Bengaluru (Karnataka), we have entered into a lease deed with an individual party for a period of three years commencing from December 1, 2023, for consideration to be paid on a monthly basis. With respect to property at Dhar (Madhya Pradesh), we have entered into a lease deed for a period of 99 years commencing from February 12, 2018, with the Governor of Madhya Pradesh for a one-time consideration, an annual lease rent, development charges and annual maintenance charges. With respect to property at Bhiwadi (Rajasthan), we have entered into a lease deed for a period of 10 years commencing from November 30, 2022 with consideration to be paid on a monthly basis.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

Under the Articles of Association, our Company is authorised to have a minimum of three directors and a maximum of up to 12 Directors. As on the date of this Preliminary Placement Document, we have seven Directors on our Board, comprising one Managing Director, three Whole-time Directors and three Independent Directors. The Chairman of our Board, Ashish Agarwal is an Independent Director. Further, we have one woman director on our Board. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding our Board of Directors as on the date of this Preliminary Placement Document:

Name, Address, Occupation, Term, Nationality and DIN	Age	Designation
Ashish Agarwal *Address:* H.No. 400/1, Rani Jhansi, Civil Lines, Ludhiana 14100, Punjab, India *Occupation*: Professional *Nationality:* Indian *Term:* Five years with effect from February 10, 2023 *DIN:* 00775296	56 years	Chairman and Independent Director
Anoop Bector *Address:* House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Business *Nationality:* Indian *Term:* Five years with effect from October 1, 2020 *DIN:* 00108589	62 years	Managing Director
Ishaan Bector *Address:* House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation for a period of five years with effect from October 1, 2020 *DIN:* 02906180	35 years	Whole-time Director
Suvir Bector *Address:* 1 A JP Farms, Near South City Sidhwan Canal Road Janpath Estate, Ayali Kalan, Ludhiana 142 027, Punjab, India *Occupation*: Service *Nationality:* Indian *Term:* Five years with effect from April 1, 2021 *DIN:* 08713694	29 years	Whole-time Director

Name, Address, Occupation, Term, Nationality and DIN	Age	Designation
Parveen Kumar Goel *Address:* House No. 230-A, Near Kali Mata Mandir, Rishi Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Service *Nationality:* Indian *Term:* Five years with effect from October 1, 2020 *DIN:* 00007297	61 years	Whole-time Director
Rajiv Dewan *Address:* 96 F Rishi Nagar, Ludhiana 141 001 Punjab, India *Occupation*: Professional *Nationality:* Indian *Term:* Five years with effect from July 10, 2023 *DIN:* 00007988	63 years	Independent Director
Pooja Luthra *Address:* I-1626, 2nd Floor Chittaranjan Park, New Delhi 110 019, Delhi, India *Occupation*: Consultant *Nationality:* Indian *Term:* Five Years with effect from September 19, 2022 *DIN:* 03413062	35 years	Independent Director

Relationship with other Directors

Apart from Anoop Bector, who is the father of Ishaan Bector and Suvir Bector, who are brothers, none of our Directors are related to each other.

Profiles of our Directors

Anoop Bector is the Managing Director and Promoter of our Company. He has been on our Board since the incorporation of our Company. He is responsible for management performance, and strategic direction of our Company. In addition to this, he holds directorship in Mrs Bector's English Oven Limited, Bakebest Foods Private Limited.

Ishaan Bector is the Whole-time Director of our Company. He has been on our Board since February 15, 2016. He is responsible for our bakery division and is involved in strategy and operations including managing manufacturing, business development, market expansion and the new product development and innovation pipeline for our bakery vertical.

Parveen Kumar Goel is a Whole-time Director of our Company. He has been on our Board since May 1, 2008. He is responsible for management of our Company's operations and plays a role in regulatory compliance for our Company. In addition to this, he holds directorship in Mrs Bector's English Oven Limited.

Ashish Agarwal is the Chairman and Independent Director of our Company. He has been associated with our Company since June 12, 2023. In addition to this, he holds directorship in Tan Advisors Private Limited, Bakebest Foods Private Limited.

Rajiv Dewan is an Independent Director of our Company. He has been on our Board since July 10, 2018. In addition to this, he holds directorship in Trident Limited.

Pooja Luthra is Independent Director of our Company. She has been on our Board since September 19, 2020. In addition to this, she holds directorship in Humane Intel Foundation, Humane Insights Consultation LLB.

Suvir Bector is a Whole-time Director of our Company. He has been on our Board since April 1, 2021. He is responsible for managing and growing our international business and is involved in strategy and operations including representing our Company for business development, market expansion and driving the new product development and innovation pipeline in the biscuits and managing growth of our international business vertical. In addition to this, he holds directorship in Mrs. Bectors English Oven Limited.

Borrowing powers of our Board

Pursuant to our Articles of Association, subject to the provisions of the Companies Act, 2013 and other applicable laws and pursuant to the resolution passed by the shareholders of our Company on August 1, 2018, our Board has been authorised to borrow from time to time any sum or sums of money (inclusive of interest) on such terms and conditions as may be determined, which, together with the monies already borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the sum of ₹ 3,500 million over and above the aggregate of the paid-up share capital and free reserves of our Company.

Interest of our Directors

Our Directors may be deemed to be interested to the extent of their remuneration, sitting fees and commission, if any, payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them, and the Managing Director of our Company may be deemed to be interested to the extent of remuneration paid to him for services rendered as an officer or employee of our Company. Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them.

Our Company has not availed any loans from any of our Directors.

Except as provided in "***Related Party Transactions***" on page 54, our Company has not entered into any contract, agreement or arrangement during the three Fiscals and threemonths ended June 30 2024 immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Except Anoop Bector who is the Promoter of our Company, our Directors have no interest in the promotion of our Company, as on the date of this Preliminary Placement Document.

Shareholding of Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

As on the date of this Preliminary Placement Document, our Directors hold the following number of the Equity Shares:

Names of Directors	Number of Equity Shares	Percentage of shareholding (%)
Equity Shares		
Anoop Bector	12,561,900*	21.36
Ishan Bector	5,100**	Negligible
Suvir Bector	5,100***	Negligible
Parveen Kumar Goel	14,730	Negligible
Pooja Luthra	2,995	Negligible
Ashish Agarwal	15	Negligible

*Also includes (i) *5,999,662 Equity Shares held in AB Family Trust, (ii) **4,763,111 Equity Shares held in IB Family Trust and (iii) * 4,763,111 Equity Shares held in SB Family Trust*

Remuneration of Directors

The Compensation, Nomination and Remuneration Committee determines and recommends to our Board the compensation payable to our Directors. Our Board and/or the shareholders, as the case may be, approves such compensation to Directors.

Pursuant to a resolution passed by our Board of Directors dated February 8, 2024 our Company is required to pay to each of our Non- Executive Directors and Independent Directors, ₹ 0.05 million for attending each meeting of our Board.

The table below sets forth the remuneration paid to our existing Managing Director, and Whole Time Directors for the three months period ended June 30, 2024 and the last three Fiscals:

Name	Designation	Three months period ended June 30, 2024 (in ₹ million)	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Anoop Bector	Managing Director	16.09	64.73	55.29	38.37
Ishan Bector	Whole-time Director	6.38	25.45	24.16	17.83
Suvir Bector	Whole--time Director	6.41	25.62	24.95	17.44
Parveen Kumar Goel	Whole-time Director	1.78	7.59	7.45	6.88

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our existing Non-Executive Directors, including our Independent Directors for the three months period ended June 30, 2024 and the last three Fiscals:

Name	Designation	Three months period ended June 30, 2024 (in ₹ million)	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Ashish Agarwal	Chairman and Independent Director	0.05	0.13	0.03	Nil
Rajiv Dewan	Independent Director	0.05	0.13	0.15	0.13
Pooja Luthra	Independent Director	0.05	0.13	0.15	0.13

Terms and conditions of employment of our Managing Director and Whole-time Directors

Terms of Appointment of our Managing Director

Anoop Bector:

Anoop Bector has been re-appointed as the Managing Director of our Company, pursuant to the resolution passed by our Board and Shareholders dated September 19, 2020 and October 16, 2020 with effect from October 01, 2020 till September 30, 2025. Pursuant to the resolution of the Board dated May 28, 2022 and shareholders dated September 30, 2022, he is entitled to remuneration subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act and his basic salary is also subject to increase with a ceiling of annual increment up to 20% of basic salary. His remuneration was most recently revised pursuant to the resolution of the Board dated May 25, 2023 as set out below.

Particulars	Amount (in ₹)
Basic salary	₹ 3,206,500 per month plus 5% variable on basic salary, the variable salary will be based on company performance and the same may go upto 150% with authority to Board of Directors (which expression shall include a committee thereof) to revise the basic salary from time to time considering the performance of the Company, subject however to a ceiling of annual increment upto 20% of basic salary.
Perquisites and allowances	Perquisites and other allowances in addition to salary shall be upto 50% of the basic salary
Leave encashment	Leave encashment shall be up to 1 month salary per annum
Other benefits	All other benefits, facilities, schemes, reimbursements, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of our Company as per rules/policies of our Company, from time to time.

Terms of Appointment of our Whole-time Directors

Ishaan Bector:

Ishaan Bector has been re-appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Board dated September 19, 2020 and Shareholders dated October 16, 2020, with effect from October 01, 2020 till September 30, 2025. Pursuant to the resolution of the Board dated May 28, 2022 and shareholders dated September 30, 2022, he is entitled to remuneration subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act and his basic salary is also subject to increase with a ceiling of annual increment up to 20% of basic salary. His remuneration was most recently revised pursuant to the resolution of the Board dated May 25, 2023 as set out below.

Particulars	Amount (in ₹)
Basic salary	₹ 1,320,000 per month plus 5% variable on basic salary, the variable salary will be based on company performance and the same may go upto 150% with authority to Board of Directors (which expression shall include a committee thereof) to revise the basic salary from time to time considering the performance of the Company, subject however to a ceiling of annual increment upto 20% of basic salary.
Perquisites and allowances	Perquisites and other allowances in addition to salary shall be upto 50% of the basic salary
Leave encashment	Leave encashment shall be up to 1 month salary per annum
Other benefits	All other benefits, facilities, schemes, reimbursements, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of our Company as per rules/policies of our Company, from time to time.

Parveen Kumar Goel:

Parveen Kumar Goel was re-appointed as a Whole-time Director of our Company pursuant to the resolution passed by our Board and Shareholders on September 19, 2020 and October 16, 2020 with effect from October 1, 2020 till September 30, 2025 and accordingly, entitled to remuneration as set out below, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	Up to ₹ 1,000,000.00 per month
Provident Fund and Superannuation Fund	Contribution to the extent of these singly or put together are not taxable under the Income Tax Act, 1961
Gratuity	Not exceeding half month's salary for each completed year of service
Business Expenses	Reimbursement of entertainment and all other expenses actually and properly incurred by him in course of legitimate business of the Company.
Leave Encashment	As per leave policy of the Company

Suvir Bector:

Suvir Bector has been appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Board dated March 30, 2021 and Shareholders dated August 5, 2021, with effect from April 1, 2021 till March 31, 2026. He is entitled to remuneration as set out below, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act. His remuneration was most recently revised pursuant to the resolution of the Board dated May 25, 2023 as set out below.

Particulars	Amount (in ₹)
Basic salary	₹ 1,320,000 per month plus 5% variable on basic salary, the variable salary will be based on company performance and the same may go upto 150% with authority to Board of Directors (which expression shall include a committee thereof) to revise the basic salary from time to time considering the performance of the Company, subject however to a ceiling of annual increment upto 20% of basic salary.
Perquisites and allowances	Perquisites and other allowances in addition to salary shall be upto 50% of the

Particulars	Amount (in ₹)
	basic salary
Leave encashment	Leave encashment shall be up to 1 month salary per annum
Other benefits	All other benefits, facilities, schemes, reimbursements, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of our Company as per rules/policies of our Company, from time to time.

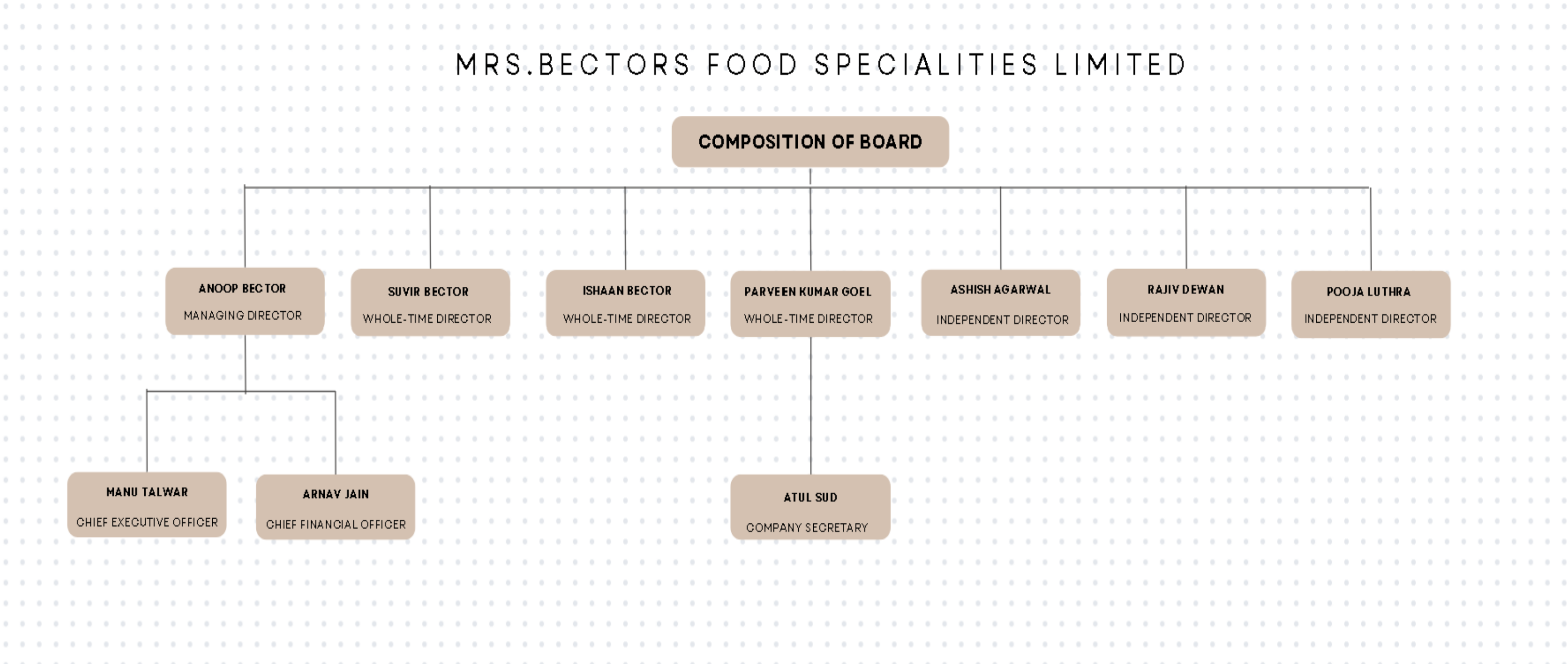
Bonus or profit-sharing plan of the Directors

Except as stated in "– ***Terms and conditions of employment of our Managing Director and Whole-time Directors***" above, our Company does not have any bonus or profit-sharing plan with our Directors.

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Board of directors of our Company



Corporate Governance

As on the date of this Preliminary Placement Document, we have eight Directors on our Board, comprising one Managing Director, three Whole-time Directors and three Independent Directors. The Chairman of our Board, Ashish Agarwal is an Independent Director. Further, we have one woman director on our Board. Our Company is in compliance with the requirements of applicable law, including the Companies Act, 2013 and the SEBI Listing Regulations in respect of corporate governance, including constitution of our Board and committees thereof. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The statutory committees of our Board are: (i) Audit Committee; (ii) Compensation, Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility and ESG Committee; (v) Risk Management Committee; and Fund Raise Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Committee	Name and Designation of the Members
Audit Committee	Rajiv Dewan (Chairperson)
	Ashish Agarwal (Member)
	Parveen Kumar Goel (Member)
Compensation, Nomination and Remuneration Committee	Rajiv Dewan (Chairperson)
	Pooja Luthra (Member)
	Ashish Agarwal (Member)
Stakeholders' Relationship Committee	Rajiv Dewan (Chairperson)
	Pooja Luthra (Member)
	Ashish Agarwal (Member)
Risk Management Committee	Parveen Kumar Goel (Chairperson)
	Rajiv Dewan (Member)
	Ashish Agarwal (Member)
Corporate Social Responsibility and ESG Committee	Parveen Kumar Goel (Chairperson)
	Ashish Agarwal (Member)
	Pooja Luthra (Member)
Fund Raise Committee	Parveen Kumar Goel (Chairperson)
	Anoop Bector (Member)
	Ashish Agarwal (Member)

Key Managerial Personnel

Other than our Whole-time Directors and Managing director, all our Key Managerial Personnel are permanent employees of our Company. The details of our Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document, are set out below:

Sr No.	Name	Designation
1.	Manu Talwar	Chief Executive Officer
2.	Arnav Jain	Chief Financial Officer
3.	Atul Sud	Company Secretary and Compliance Officer

Profiles of our Key Managerial Personnel

Manu Talwar is the Chief Executive Officer of our Company. He is responsible for He is responsible for management, strategic direction, and performance of our Company. He is responsible for development and implementing strategies and is involved in decision making activities regrading investments, mergers, acquisitions, and divestitures. He has been associated with our Company since May 2, 2022.

Arnav Jain is the Chief Financial Officer of our Company. He is responsible for managing the finance strategy and operations including compliances. He has been associated with our Company since August 11, 2023.

Atul Sud is the Company Secretary of our Company. He is responsible for He is responsible for compliance with legal, regulatory, and governance requirements. He is involved in administrative, compliance, and advisory functions. He has been associated with our Company since August 13, 2016.

Members of the Senior Management

All our members of Senior Management are permanent employees of our Company. In addition to Arnav Jain, our Chief Financial Officer and Atul Sud, our Company Secretary and Compliance Officer, who are also our Key Managerial Personnel and whose details have been disclosed above, the details of the members of the Senior Management of our Company as on the date of this Preliminary Placement Document, are set out below:

Sr No.	Name	Designation
1.	Apoorva Bais	Head - Marketing
2.	Brijesh Solanki	Chief Projects Officer – Vice President
3.	Kumar Gaurav	Head - Information Technology
4.	Nitesh Kotian	Chief Business Officer
5.	Prem Vishwanathan	Chief People Officer -Vice President
6.	Seeraj Beri	Senior Manager
7.	SS Chaudhari	Director - Manufacturing
8.	Rajeev Dubey	Director - Bread Sales
9.	Lokendra Chauhan	Director-Manufacturing Operations

Shareholding of our Key Managerial Personnel and Senior Management

Except as disclosed below and above in "– ***Shareholding of Directors***" on page 235 as on the date of this Preliminary Placement Document, the Key Managerial Personnel and members of the Senior Management do not hold any Equity Shares in our Company:

Name	Number of Equity Shares	Percentage shareholding (%)
Key Managerial Personnel		
Manu Talwar	Nil	Nil
Arnav Jain	Nil	Nil
Atul Sud	Nil	Nil
Senior Management		
Apoorva Bais	240	Nil
Brijesh Solanki	Nil	Nil
Kumar Gaurav	Nil	Nil
Nitesh Kotian	7	Nil
Prem Vishwanathan	Nil	Nil
Rajeev Dubey	590	Nil
Lokendra Chauhan	Nil	Nil
Seeraj Beri	Nil	Nil
SS Chaudhari	5,398	Nil

Relationship amongst our Key Managerial Personnel and Senior Management and Directors

Except as disclosed in *"–* ***Relationship with other Directors****"* on page 234, none of our Key Managerial Personnel or members of the Senior Management are related to each other or to the Directors.

Interest of Key Managerial Personnel and Senior Management

Other than as disclosed in the *"***– Interest of our Directors****"* on page 235, our Key Managerial Personnel and members of the Senior Management do not have any interest in our Company other than to the extent of the remuneration, benefits or employee stock options to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependents in our Company, if any. The Key Managerial Personnel and members of the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as a key managerial personnel or member of senior management.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscals and the three months period ended June 30, 2024, as per the requirements under Ind AS 24 – Related Party Transactions, see "***Related Party Transactions***" on page 54.

Other confirmations

Except as stated "-***Interest of Key Managerial Personnel and Senior Management***" on page 241, none of the Directors, Promoters or Key Managerial Personnel or members of Senior Management of our Company has any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Our Promoters, Directors, Key Managerial Personnel and members of Senior Management do not intend to subscribe to and will not participate in the Issue.

Neither our Company, nor any of our Directors or Promoters have been declared as a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the Reserve Bank of India as defined under SEBI ICDR Regulations.

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI.

None of our Directors or Promoters have been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct namely the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons" for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Atul Sud, our Company Secretary and Compliance Officer, acts as the 'compliance officer' of our Company under the aforesaid code of conduct for the prevention of insider trading.

ORGANIZATIONAL STRUCTURE

Corporate History

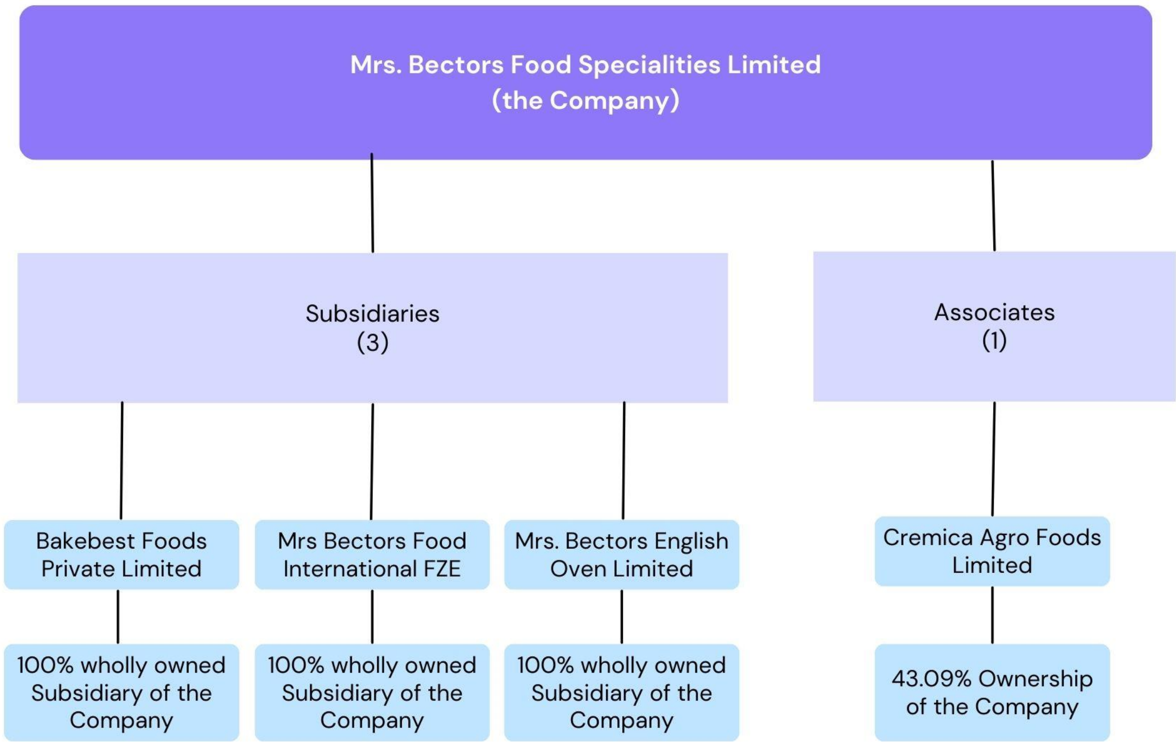
Our Company was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Limited pursuant to a resolution of the shareholders dated December 7, 2001 and a fresh certificate of incorporation dated December 10, 2001 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana.

The Equity Shares are listed on BSE and NSE since December 24, 2020.

Our Company's CIN is L74899PB1995PLC033417.

Organizational Structure

The organizational structure of our Company as on the date of this Preliminary Placement Document is as follows:



Subsidiaries

As on the date of this Preliminary Placement Document, our Company has three Subsidiaries as set forth below:

1. Bakebest Foods Private Limited

Bakebest Foods Private Limited was incorporated under the Companies Act, 1956 on December 17, 2009, as a private limited company. Its corporate identification number is U15412PB2009PTC033442 and its registered office is located in the State of Punjab.

2. Mrs. Bectors Foods International FZE

Mrs. Bectors Foods International FZE was incorporated on September 14, 2021, as a private company as per the Emeree Decree No. 2 of 1995 and in accordance with the implementation procedures of the free zone establishment. Its registered office is located at SAIF-Zone, Sharjah, U.A.E.

3. Mrs. Bector's English Oven Limited

Mrs. Bector's English Oven Limited was originally incorporated on September 18, 2013 as 'Mrs. Bector's English Oven Limited' under the Companies Act, 1956. It's corporate identification number is U15412PB2013PLC037958 and its registered office is located in the State of Punjab.

Joint venture

As on the date of this Preliminary Placement Document, our Company has no joint venture.

Associate

Cremica Agro Foods Limited was incorporated on September 6, 1989 under the Companies Act, 1956. It's corporate identification number is L15146PB1989PLC009676 and its registered office is located in the State of Punjab.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on June 30, 2024 is set forth below:

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights Class eg: X	Class eg: y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
(I)	**(II)**	**(III)**	**(IV)**	**(V)**	**(VI)**	**(VII) = (IV)+(V) + (VI)**	**(VIII) As a % of (A+B+C2)**	**(IX)**				**(X)**	**(XI)= (VII)+(X) As a % of (A+B+C2)**	**(XII)**		**(XIII)**		**(XIV)**
(A)	Promoter & Promoter Group	9	30104454	0	0	30104454	51.1828	30104454	0	30104454	51.1828	0	51.1828	0	0.0000	0	0.0000	30104454
(B)	Public	95293	28713020	0	0	28713020	48.8172	28713020	0	28713020	48.8172	0	48.8172	0	0.0000	NA	NA	28713020
(C)	Non Promoter - Non Public				0				0			0			0.0000	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	Total	95302	58817474	0	0	58817474	100.0000	58817474	0	58817474	100.0000	0	100.0000	0	0.0000	0	0.0000	58817474

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders	Entity Type	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
										No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
										Class eg: X	Class eg: y	Total								
	(I)		(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	**Indian**																			
(a)	**Individuals / Hindu Undivided Family**			**6**	**14578570**	**0**	**0**	**14578570**	**24.7861**	**14578570**	**0**	**14578570**	**24.7861**	**0**	**24.7861**	**0**	**0.0000**	**0**	**0.0000**	**14578570**
	Anoop Bector	Promoters	ABJPB4770G	1	12561900	0	0	12561900	21.3574	12561900	0	12561900	21.3574	0	21.3574	0	0.0000	0	0.0000	12561900
	Anoop Bector Huf	Promoter Group	AABHA1050M	1	2005970	0	0	2005970	3.4105	2005970	0	2005970	3.4105	0	3.4105	0	0.0000	0	0.0000	2005970
	Ishaan Bector	Promoter Group	ASBPB7947E	1	5100	0	0	5100	0.0087	5100	0	5100	0.0087	0	0.0087	0	0.0000	0	0.0000	5100
	Suvir Bector	Promoter Group	BUHPB7170G	1	5100	0	0	5100	0.0087	5100	0	5100	0.0087	0	0.0087	0	0.0000	0	0.0000	5100
	Uday Rameshkumar Aggarwal	Promoter Group	AAAPA7908B	1	400	0	0	400	0.0007	400	0	400	0.0007	0	0.0007	0	0.0000	0	0.0000	400
	Rashmi Bector	Promoter Group	ABVPB3165F	1	100	0	0	100	0.0002	100	0	100	0.0002	0	0.0002	0	0.0000	0	0.0000	100
(b)	**Central Government / State Government(s)**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(c)	**Financial Institutions / Banks**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(d)	**Any Other (Specify)**			**3**	**15525884**	**0**	**0**	**15525884**	**26.3967**	**15525884**	**0**	**15525884**	**26.3967**	**0**	**26.3967**	**0**	**0.0000**	**0**	**0.0000**	**15525884**
	Promoter Trust			**3**	**15525884**	**0**	**0**	**15525884**	**26.3967**	**15525884**	**0**	**15525884**	**26.3967**	**0**	**26.3967**	**0**	**0.0000**	**0**	**0.0000**	**15525884**
	Anoop Bector	Promoter Group	AAITA1758R	1	5999662	0	0	5999662	10.2005	5999662	0	5999662	10.2005	0	10.2005	0	0.0000	0	0.0000	5999662
	Ishaan Bector	Promoter Group	AABTI8637E	1	4763111	0	0	4763111	8.0981	4763111	0	4763111	8.0981	0	8.0981	0	0.0000	0	0.0000	4763111
	Suvir Bector	Promoter Group	ABATS5492B	1	4763111	0	0	4763111	8.0981	4763111	0	4763111	8.0981	0	8.0981	0	0.0000	0	0.0000	4763111
	Sub Total (A)(1)			**9**	**30104454**	**0**	**0**	**30104454**	**51.1828**	**30104454**	**0**	**30104454**	**51.1828**	**0**	**51.1828**	**0**	**0.0000**	**0**	**0.0000**	**30104454**
2	**Foreign**																			
(a)	**Individuals (Non-Resident Individuals / Foreign Individuals)**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(b)	**Government**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(c)	**Institutions**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(d)	**Foreign Portfolio Investor**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(e)	**Any Other (Specify)**			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**

Category & Name of the shareholders	Entity Type	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
(I)		(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
Sub Total (A)(2)			**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)			**9**	**30104454**	**0**	**0**	**30104454**	**51.1828**	**30104454**	**0**	**30104454**	**51.1828**	**0**	**51.1828**	**0**	**0.0000**	**0**	**0.0000**	**30104454**

Table III - Statement showing shareholding pattern of the public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	Sub-categorization of shares		
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		Shareholding(No. of shares) under		
									Class eg: X	Class eg: y	Total									Sub-category (i)	Sub-category (ii)	Sub-category(iii)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
1	**Institutions (Domestic)**																					
(a)	**Mutual Fund**		**17**	**11895634**	**0**	**0**	**11895634**	**20.2247**	**11895634**	**0**	**11895634**	**20.2247**	**0**	**20.2247**	**0**	**0.0000**	**NA**	**NA**	**11895634**	**0**	**0**	**0**
	Sbi Multicap Fund	AABTS6407Q	1	3410614	0	0	3410614	5.7986	3410614	0	3410614	5.7986	0	5.7986	0	0.0000	NA	NA	3410614	0	0	0
	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Small Cap Fund	AACTA5925A	1	2878106	0	0	2878106	4.8933	2878106	0	2878106	4.8933	0	4.8933	0	0.0000	NA	NA	2878106	0	0	0
	Invesco India Flexi Cap Fund	AAATL5351M	1	1361563	0	0	1361563	2.3149	1361563	0	1361563	2.3149	0	2.3149	0	0.0000	NA	NA	1361563	0	0	0
	Franklin India Smaller Companies Fund	AAATT4931H	1	1020093	0	0	1020093	1.7343	1020093	0	1020093	1.7343	0	1.7343	0	0.0000	NA	NA	1020093			
	Baroda Bnp Paribas Multi Cap Fund	AAATB0509R	1	1010558	0	0	1010558	1.7181	1010558	0	1010558	1.7181	0	1.7181	0	0.0000	NA	NA	1010558	0	0	0
(b)	**Venture Capital Funds**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(c)	**Alternate Investment Funds**		**4**	**162541**	**0**	**0**	**162541**	**0.2763**	**162541**	**0**	**162541**	**0.2763**	**0**	**0.2763**	**0**	**0.0000**	**NA**	**NA**	**162541**	**0**	**0**	**0**
(d)	**Banks**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(e)	**Insurance Companies**		**3**	**156506**	**0**	**0**	**156506**	**0.2661**	**156506**	**0**	**156506**	**0.2661**	**0**	**0.2661**	**0**	**0.0000**	**NA**	**NA**	**156506**	**0**	**0**	**0**
(f)	**Provident Funds/ Pension Funds**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(G)	**Asset Reconstruction Companies**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(h)	**Sovereign Wealth Funds**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(i)	**NBFCs registered with RBI**		**2**	**20020**	**0**	**0**	**20020**	**0.0340**	**20020**	**0**	**20020**	**0.0340**	**0**	**0.0340**	**0**	**0.0000**	**NA**	**NA**	**20020**	**0**	**0**	**0**
(j)	**Other Financial Institutions**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(k)	**Any Other (Specify)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
	Sub Total (B)(1)		**26**	**12234701**	**0**	**0**	**12234701**	**20.8011**	**12234701**	**0**	**12234701**	**20.8011**	**0**	**20.8011**	**0**	**0.0000**	**NA**	**NA**	**12234701**	**0**	**0**	**0**
2	**Institutions (Foreign)**																					
(a)	**Foreign Direct Investment**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	Sub-categorization of shares		
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		Shareholding(No. of shares) under		
									Class eg: X	Class eg: y	Total									Sub-category (i)	Sub-category (ii)	Sub-category(iii)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(b)	**Foreign Venture Capital Investors**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(c)	**Sovereign Wealth Funds**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(d)	**Foreign Portfolio Investors Category I**		**97**	**4224681**	**0**	**0**	**4224681**	**7.1827**	**4224681**	**0**	**4224681**	**7.1827**	**0**	**7.1827**	**0**	**0.0000**	**NA**	**NA**	**4224681**	**0**	**0**	**0**
	Invesco India Equity Fund	AABAI1205M	1	605000	0	0	605000	1.0286	605000	0	605000	1.0286	0	1.0286	0	0.0000	NA	NA	605000			
(e)	**Foreign Portfolio Investors Category II**		**16**	**610458**	**0**	**0**	**610458**	**1.0379**	**610458**	**0**	**610458**	**1.0379**	**0**	**1.0379**	**0**	**0.0000**	**NA**	**NA**	**610458**	**0**	**0**	**0**
(f)	**Overseas Depositories(holding DRs) (balancing figure)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(g)	**Any Other (Specify)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
	Sub Total (B)(2)		**113**	**4835139**	**0**	**0**	**4835139**	**8.2206**	**4835139**	**0**	**4835139**	**8.2206**	**0**	**8.2206**	**0**	**0.0000**	**NA**	**NA**	**4835139**	**0**	**0**	**0**
3	**Central Government/ State Government(s)**																					
(a)	**Central Government / President of India**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(b)	**State Government / Governor**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(C)	**Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
	Sub Total (B)(3)		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
4	**Non-Institutions**			**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(a)	**Associate companies / Subsidiaries**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(b)	**Directors and their relatives (excluding Independent Directors and nominee Directors)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(C)	**Key Managerial Personnel**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(D)	**Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(E)	**Trusts where any person belonging to 'Promoter and Promoter Group'**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	Sub-categorization of shares		
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		Shareholding(No. of shares) under		
									Class eg: X	Class eg: y	Total									Sub-category (i)	Sub-category (ii)	Sub-category(iii)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
	category is 'trustee','beneficiary', or 'author of the trust''																					
(f)	Investor Education and Protection Fund (IEPF)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(g)	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.		90948	7671437	0	0	7671437	13.0428	7671437	0	7671437	13.0428	0	13.0428	0	0.0000	NA	NA	7671437	0	0	0
(h)	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.		22	2221926	0	0	2221926	3.7777	2221926	0	2221926	3.7777	0	3.7777	0	0.0000	NA	NA	2221926	0	0	0
	Kamal Shyamsunder Kabra	AAJPK7840D	1	711000	0	0	711000	1.2088	711000	0	711000	1.2088	0	1.2088	0	0.0000	NA	NA	711000			
(i)	Non Resident Indians (NRIs)		2278	613743	0	0	613743	1.0435	613743	0	613743	1.0435	0	1.0435	0	0.0000	NA	NA	613743	0	0	0
(j)	Foreign Nationals		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(k)	Foreign Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(l)	Bodies Corporate		507	837657	0	0	837657	1.4242	837657	0	837657	1.4242	0	1.4242	0	0.0000	NA	NA	837657	0	0	0
(m)	Any Other (Specify)		1399	298417	0	0	298417	0.5074	298417	0	298417	0.5074	0	0.5074	0	0.0000	NA	NA	298417	0	0	0
	Trusts		6	7969	0	0	7969	0.0135	7969	0	7969	0.0135	0	0.0135	0	0.0000	NA	NA	7969	0	0	0
	Body Corp-Ltd Liability Partnership		43	60126	0	0	60126	0.1022	60126	0	60126	0.1022	0	0.1022	0	0.0000	NA	NA	60126	0	0	0
	Hindu Undivided Family		1346	228237	0	0	228237	0.3880	228237	0	228237	0.3880	0	0.3880	0	0.0000	NA	NA	228237	0	0	0
	Clearing Member		4	2085	0	0	2085	0.0035	2085	0	2085	0.0035	0	0.0035	0	0.0000	NA	NA	2085	0	0	0
	Sub Total (B)(4)		95154	11643180	0	0	11643180	19.7954	11643180	0	11643180	19.7954	0	19.7954	0	0.0000	NA	NA	11643180	0	0	0
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4)		95293	28713020	0	0	28713020	48.8172	28713020	0	28713020	48.8172	0	48.8172	0	0.0000	NA	NA	28713020	0	0	0

Table IV - Statement showing shareholding pattern of the Non-Promoter -Non Public Shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	**Custodian/DR Holder**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**
2	**Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 268 and 276, respectively.*

Our Company, the Book Running Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutional Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs provided that certain conditions are met by such company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of Equity Shares is proposed to be made pursuant to the QIP; and (b) the Relevant Date for the QIP;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of the Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on Stock Exchanges for a period of at least one year prior to the date of issuance of notice to its Shareholders for convening the meeting to seek approval of the Shareholders for the above-mentioned special resolution. This is not applicable to such companies who propose to undertake a QIP for complying with the minimum public shareholding requirements specified in the SCRR;

- The "Equity Shares of the same class" shall mean Equity Shares which rank *pari passu* in relation to rights as to the dividend, voting otherwise of our Company.

- invitation to apply in the Issue must be made through a private placement offer-cum-application form (i.e., this Preliminary Placement Document and an Application Form) serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- the Issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer, made by the Issuer, except as permitted under the Companies Act, 2013. However, subject to the limits prescribed under the applicable law, the Issuer may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document and Application Form), the Issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;

- the Promoters and Directors of the Issuer are not Fugitive Economic Offenders and have not been declared as Wilful Defaulters;

- the Equity Shares issued through the QIP shall be listed on the Stock Exchanges where the Equity Shares of our Company are listed and our Company shall seek approval under rule 19(7) of the SCRR, if applicable; and

- the Directors of the Issuer are not declared as ‘Fraudulent Borrower’ by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the Issuer’s equity shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the Floor Price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated June 21, 2024 and our Shareholders through a special resolution on July 26, 2024, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price. The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as per the provisions under Regulation 176(4) of the SEBI ICDR Regulations.

The “Relevant Date” mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the Board or the committee of Directors duly authorised by the board of the Issuer decides to open the Issue and “Stock Exchange” means any of the recognised stock exchanges in India on which the Equity Shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares must be Allotted within 365 days from the date of passing of the Shareholders’ resolution approving the Issue, being July 26, 2024 and also within 60 days from the date of receipt of Application Amount from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with applicable laws.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information required under applicable laws including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for the QIP shall at least be:

- two, where the issue size is less than or equal to ₹ 25,000 lakhs; and
- five, where the issue size is greater than ₹ 25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Bid Process – Application Form***" on page 259.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges on September 5, 2024. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

The Issue has been authorised and approved by our Board on June 21, 2024 and our Shareholders by way of a special resolution through postal ballot on July 26, 2024.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulations S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company in consultation with the LMs, shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain

complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with the RoC within the stipulated time period as required under the Companies Act,2013 and the PAS Rules.

2. **The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by our Company in consultation with the BRLMs, at their sole discretion. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer or to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.**

3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the LMs.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;
   - number of Equity Shares Bid for;
   - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
   - details of the depositary/ beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
   - Equity Shares held by the Bidder in our Company prior to the Issue; and
   - it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document.
   - a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, and it has agreed to certain other representations set forth in this Preliminary Placement Document and in the Application Form.

   NOTE**:** *Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Each Bidder shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "Mrs Bectors Food Specialities Limited QIP Escrow Account" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. On receipt of final listing and trading approvals from the Stock Exchanges, the Gross Proceeds deposited in the Escrow Account, shall be transferred to a separate bank account with a scheduled bank as agreed between our Company and the Monitoring Agency. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***– Refunds***" on page 264.

6. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and any other regulatory filing and consents to such disclosure, if any Equity Shares are allocated to it.

8. Upon receipt of the duly completed Application Form, whether signed or not and the Bid Amount in the Escrow Account on or after the Issue Closing Date, our Company shall, in consultation with LMs determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. Upon such determination, the LMs, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLMs.**

9. Upon determination of the Issue Price and the issuance of the CAN and before Allotment of Equity Shares to the Successful Bidders, the LMs, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository

Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Successful QIBs to whom the Equity Shares have been Allotted. Our Company and the LMs shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

16. Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, will be considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- Eligible FPIs;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India.
- multilateral and bilateral development financial institutions eligible to invest in India;
- Mutual Funds, VCFs, AIFs, each registered with SEBI;
- pension funds with minimum corpus of ₹ 2,500 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 2,500 million;
- public financial institutions as defined under Section 2(72) of the Companies Act, 2013;
- scheduled commercial banks;
- state industrial development corporations;
- systemically important non-banking financial companies;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCI'S ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company on a fully diluted basis, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share capital of our Company on a fully diluted basis. With effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Company i.e. 100% on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post -Issue paid-up capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or I public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;

- veto rights; or

- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company, the LMs and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document.

A minimum of 10.00% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the LMs who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

BID PROCESS

Application Form

Bidders shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the LMs in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Bidder will be deemed to have made all the representations, warranties, acknowledgments and agreements set forth in "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 4, 268 and 276, respectively, including without limitation:

- The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

- The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group or persons related to the Promoters;

- The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter(s) or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

- The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the

FEMA Rules, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

- The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

- The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchange;

- The Eligible QIB confirms that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;

- The Bidder confirms that in the event it is resident outside India, it is not an FVCI;

- The Eligible QIB confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;

- The Eligible QIB agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

- The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the LMs. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

- The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names as “proposed Allottees” and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees that, disclosure of such details as “proposed Allottees” in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the LMs;

- The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

  (a) QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary or holding company and any other Bidder; and

  (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- The Eligible QIB acknowledges that no Allocation shall be made to it if the price at which it has Bid for in the Issue is lower than the Issue Price.

- The Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

- Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

- The Bidder is either (i) a U.S. QIB purchasing the Equity Shares pursuant to Section 4(a)(2) of the U.S. Securities Act or (ii) located outside the United States and purchasing Equity Shares in an offshore transaction as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are made and is not an affiliate of our Company or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE LMs, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE LMs TO EVIDENCE THEIR STATUS AS A "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE LMs, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form whether signed or not, and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the LMs) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLMs either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Website and e-mail	Phone (Telephone)
ICICI Securities Limited	ICICI Venture House Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India	Gaurav Mittal/ Sohail Puri	www.icicisecurities.com, projectgrow@icicisecurities.com	+91 22 6807 7100
SBI Capital Markets Limited	Unit No. 1501, 15th Floor, A& B Wing Parinee Crescenzo Building G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India	Raghavendra Bhat	www.sbicaps.com, bectorfood.qip@sbicaps.com	+91 22 4196 8540

The LMs shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms shall be duly completed, and Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "Mrs Bectors Food Specialities Limited QIP Escrow Account" with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "**– *Refunds***" on page 264.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders by way of a special resolution dated July 26, 2024 and in terms of the SEBI ICDR Regulations.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the LMs. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLMs.

Method of Allocation

Our Company shall determine the Allocation in consultation with the LMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with LMs, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LMs IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE LMs AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE LMs ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the LMs, in their sole and absolute discretion, shall decide the Successful Bidders. Our Company will dispatch a serially numbered CAN to all such Successful Bidders pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board/its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the LMs.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the

respective CANs.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion (in consultation with the LMs), reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act, 2013.

7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form, in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN. In the event we are unable to issue and Allot the Equity Shares offered in the Issue or within 60 days from the date of receipt of Bid Amount, our Company shall repay the Bid Amount within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. form the expiry of the sixtieth day and in such manner as prescribed under the Companies Act, 2013. The Bid Amount to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion (in consultation with the LMs), reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the Equity Shares offered pursuant to this Issue are received by our Company and our Company files the return of Allotment under Form PAS-3 in connection with the Issue with the RoC, whichever is later.

Provided that upon receipt of the listing and trading approval from Stock Exchanges, our Company files the return of Allotment in connection with the Issue with the RoC, upon which, the Gross Proceeds deposited in the Escrow Bank Account, shall be transferred to a separate bank account with a scheduled bank or any other account as may be mutually agreed between our Company and the Monitoring Agency.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with our Company/ LMs as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the LMs, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the LMs in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see "***- Bid Process***" and "***- Refunds***" on pages 259 and 264, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the LMs shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK-UP

Placement Agreement

The Lead Manager and our Company have entered into the Placement Agreement dated September 5, 2024 ("**Placement Agreement**"), pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Book Running Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein. Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares. This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company outside the United States, in offshore transactions, in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 268 and 276, respectively.

Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers (or their affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See "***Representations by Investors***" and "***Offshore Derivative Instruments***" on pages 4 and 11 respectively. From time to time, the Book Running Lead Managers and their respective affiliates, associates, etc. may engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-Up

Under the Placement Agreement, Our Company, its Promoter and members of the Promoter Group undertakes that it/ they will not for a period of 180 days from the date of Allotment under the Issue, without the prior written consent of the BRLMs, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document, the Placement Document or any offering material and the offering, sale or delivery of Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document, the Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction.

General

No action has been taken or will be taken by our Company or the LMs that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document and the Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required (including filing of prospectus in India with SEBI or any other authority in connection with the Issue). Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Preliminary Placement Document and the Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "***Notice to Investors***", "***Representations by Investors***" and "***Transfer Restrictions***".

Australia

This Preliminary Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("Australian Corporations Act") and does not purport to include the information required of a prospectus or disclosure document under the Australian Corporations Act. This Preliminary Placement Document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it with ASIC. No offer will be made under this Preliminary Placement Document to any person to whom disclosure is required to be made under Chapter 6D of the Australian Corporations Act. Any offer in Australia of the Equity Shares under this Preliminary Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act which permit the offer of the Equity Shares without disclosure under Part 6D.2 of the Australian Corporations Act.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to the Company that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Preliminary Placement Document and the Equity Shares that shall be offered pursuant to this Preliminary Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Preliminary Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Preliminary Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Member State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Lead Managers for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Lead Managers of such fact in writing and has received the consent of the Lead Managers in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This document and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. the interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. no regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Lead Managers are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Lead Managers are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(b) where no consideration is or will be given for the transfer;
(c) where the transfer is by operation of law;
(d) as specified in Section 276(7) of the SFA; or
(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Managers for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Preliminary Placement Document is directed only at relevant persons. Other persons should not act on the Preliminary Placement Document or any of its contents. The Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States of America

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in '*offshore transactions*', as defined in and in reliance on Regulations S and the applicable laws of the jurisdiction where such offers and sales are made. For further information, see "***Transfer Restrictions***" on page 276.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented, agreed and acknowledged as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and each of the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the Book Running Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

It acknowledges that the Company and the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLM. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the **SCR (SECC) Regulations**, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "Delisting Regulations") to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time, such company shall increase its public shareholding to at least 25%, within a period of twelve months from the date of such fall, respectively, in the manner specified by SEBI. Further, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform (**"BOLT+"**) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, 2013, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the PAS Rules and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013, also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, 2013, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**"), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of ₹ 1 lakhs over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

Settlement

Pursuant to a circular dated September 7, 2021, SEBI provided flexibility to the stock exchanges to offer either T+1, or T+2 rolling settlement system cycle. Thereafter, the Stock Exchanges transitioned into T+1 rolling settlement cycle with effect from January 27, 2023, and all trades executed in any securities in the equity segment are to be settled on a T+1 basis. Further, pursuant to a circular dated March 21, 2024, SEBI issued the framework for implementing the beta version of the T+0 rolling settlement cycle on optional basis in addition to the existing T+1 settlement cycle for certain stocks with a limited number of brokers.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorized share capital of our Company as of the date of this Preliminary Placement Document ₹650,000,000 divided into 65,000,000 Equity Shares of ₹10 each. Our issued, subscribed and paid-up share capital as of the date of this Preliminary Placement Document is ₹ 588,174,740.00. For further details please see "***Capital Structure***" on page 100.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. The dividend on equity shares can be declared/paid only after declaration/payment of applicable dividend on preference shares. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the applicable provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of our Company. Our Board may, before recommending any dividend, set aside out of the profits of our Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of our Board, be applicable for any purpose to which the profits of our Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of our Company or be invested in such investments (other than Equity Shares of our Company) as our Board may, from time to time, think fit. Our Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

Issue of Bonus Shares and Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Pre-Emptive Rights and Alteration of Share Capital

Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Our Articles of Association provide that our Company may, from time to time, by ordinary resolution in its general meetings, undertake any of the following:

- increase the share capital by such amount, as it thinks expedient;
- sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of share capital;
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

General meetings of Shareholders

There are two types of general meetings of the Shareholders:

(i) Annual General Meeting, and

(ii) Extraordinary General Meeting.

As per the provisions of our Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving at least 21 days' written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of our Company.

Voting rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of our Company.

Save as provided in the Articles of Association, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Act. Any Person entitled to transfer any shares of our Company may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.

The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll. Our Company shall also provide e-voting facility to the Shareholders of our Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Regulations or any other Law, if applicable to our Company.

Transfer and Transmission of Equity Shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognised by our Company as having any title to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the Equity Share himself, he shall deliver or send to our Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, 2013, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Acquisition by our Company of its own Equity Shares

The Company is permitted to buy-back its securities including shares in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with the prevailing regulatory provisions and guidelines.

Winding up

As per the provisions of our Articles of Association, if our Company shall be wound up, the liquidator may with the sanction of special resolution of our Company and any other sanctions as required by the Companies Act, 2013 divide amongst the shareholders, in specie or kind the whole or any part of the assets of our Company.

TAXATION

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Mrs. Bectors Food Specialities Limited
Theing Road, Phillaur
Punjab-144410

Date: 05 September 2024

Subject: Statement of possible special tax benefits ("the Statement") available to Mrs. Bectors Food Specialities Limited ("the Company"), its shareholders and its Material Subsidiary prepared in connection with the proposed Qualified Institutions Placement ('QIP') of equity shares of face value of Rs. 10 each of the company (the 'Proposed Issue')

This report is issued in accordance with the Engagement Letter dated 04 September 2024 and subsequent addendum dated 04 September 2024.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary, which is defined in Annexure I, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiary. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i. the Company, its shareholders and its Material Subsidiary will continue to obtain these possible special tax benefits in future; or

ii. the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiary, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the Preliminary Placement Document ("PPD") and the Placement Document ("PD") in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857
UDIN: 24507857BKFUQX3943

Place: New Delhi
Date: 05 September 2024

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
	Direct Tax Laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962, each as amended and read with respective circulars and notifications made thereunder
	Indirect Tax Laws
2.	Central Goods and Services Tax ('CGST') Act, 2017 and CSGT Rules 2017, each as amended and read with respective circulars and notifications made thereunder
3.	Integrated Goods and Services Tax ('IGST') Act, 2017 and IGST Rules 2017, each as amended and read with respective circulars and notifications made thereunder
4.	State Goods and Services Tax ('SGST') Act, 2017 and SGST Rules 2017, each as amended and read with respective circulars and notifications made thereunder
5.	Customs Act, 1962 and Customs tariff Act, 1975 (hereinafter referred as 'Custom Laws'), each as amended and read with respective circulars and notifications made thereunder
6.	Foreign Trade Policy ('FTP') read with handbook of procedures
7.	Industrial and Business Development Policy, 2022 (notified by government of Punjab)

LIST OF MATERIAL SUBSIDIARY CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Bakebest Foods Private Limited ('Material Subsidiary')

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding year (i.e.31 March 2024) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediate preceding year.

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO **Mrs. Bectors Food Specialities Limited** ("THE COMPANY") AND ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiary under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. ***Special tax benefits available to the Company***

Direct Tax Laws

The Company is entitled to claim a deduction under section 80JJAA in respect of the additional wages paid to new employees for three consecutive assessment years, starting from the year in which the new employee is first employed, subject to fulfillment of the conditions specified therein.

Indirect Tax Laws

The company imports Duty Free Inputs against Advance Authorisation which are consumed / utilized in the process of production of export product, subject to fulfillment of conditions mentioned in the Chapter 4 of FTP and Hand book of Procedures

The Company imports Capital Goods under Export Promotion Capital Goods (EPCG) scheme wherein concessional rate of customs duty is available subject to fulfilment of export obligations and other conditions as prescribed in the relevant Customs and FTP policy/notifications

The Company is availing benefit of fixed capital investment in the state of Punjab for Rajpura manufacturing facility under the Industrial and Business Development Policy, 2022 (notified by government of Punjab) ("Policy") laid down by the State Government of Punjab. The incentive is available in the form of an investment subsidy by way of reimbursement of Punjab Goods and Services tax paid by the Company in cash subject to fulfilment of certain conditions as prescribed in the Policy subject to availability of funds in the Punjab State Government's exchequer.

The Company is availing benefit under Manufacturing and other Operations in Warehouse Regulations, 2019 (MOOWR) as per Customs Law wherein the Company is allowed to import capital goods without payment of duty (including IGST) for manufacturing and other operations in a bonded manufacturing facility subject to fulfillment of certain conditions. The Custom Duty on Capital goods used in Manufacturing or other operations is deferred until their clearance for home consumption from the bonded facility.

B. ***Special tax benefits available to Shareholders***

There are no special tax benefits available to the Shareholders under the Tax Laws.

C. ***Special tax benefits available to Material Subsidiary***

Direct Tax Laws

The Company is entitled to claim a deduction under section 80JJAA in respect of the additional wages paid to new employees for three consecutive assessment years, starting from the year in which the new employee is first employed, subject to fulfillment of the conditions specified therein.

NOTES:

The above is as per the current Tax Laws.

1. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

2. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For Mrs. Bectors Food Specialities Limited

Parveen Goel
Director
Place: Phillaur
Date: 05 September 2024

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes, criminal proceedings, regulatory actions and civil proceedings, which are pending before various adjudicating forums.

As on the date of this Preliminary Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations. For the purpose of identification of material litigation, pursuant to the terms of the approach approved by the Fund Raise Committee in its meeting held on September 5, 2024, solely for the purpose of the Issue, our Company has disclosed in this section, to the extent applicable: (i) any outstanding actions (including notices received) by any regulatory and/or statutory authorities involving the Company and/or our Subsidiaries; (ii) criminal proceedings filed by and against our Company and / or its Subsidiaries and consolidated disclosure of all matters under Section 138 of the Negotiable Instruments Act, 1881; (iii) consolidated disclosure of all claims related to direct and indirect taxes involving our Company and its Subsidiaries; (iv) all outstanding civil proceedings, which includes cases filed by and against our Company and its Subsidiaries, where the amount involved exceeds the Materiality Threshold; and (v) any other outstanding litigation involving our Company, and its Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company .

Further, we have also disclosed:(i) details of any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013, as amended, or any previous companies law, in the last three years immediately preceding the year of issue of the Placement Documents (i.e. Fiscals 2022, 2023, 2024 and till the date of Placement Documents), against the Company and its Subsidiaries; (ii) details of material frauds committed against the Company in the last three years, (i.e. Fiscals 2022, 2023, 2024 and till the date of the Preliminary Placement Documents) and if so, the action taken by our Company; (iii) details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations ; (iv) details of default, if any, by our Company (on a consolidated basis) and its Subsidiaries, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) details of default in annual filing of our Company under the Companies Act, 2013, as amended or the rules made thereunder; (vi) all litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of issue of the preliminary placement document (i.e. Fiscals 2022, 2023, 2024 and till the date of Preliminary Placement Documents) and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any; and (vii) reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of this issue (i.e. Fiscals 2020, 2021, 2022, 2023 and 2024) and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, its Subsidiaries (excluding those notices issued by statutory/regulatory authorities) shall, unless otherwise decided by the Board, not be considered as material until such time that the parties, as applicable, is impleaded as defendant or respondent in litigation proceedings before any judicial or quasi-judicial forum including court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Litigation involving our Company

A. Litigation against our Company

(i) Criminal proceedings against our Company

Angle Marketing filed a criminal complaint dated May 16, 2023 against our Company before the Additional District and Sessions Judge alleging inter alia that our Company had forged and fabricated a cheque from Angel Marketing and presented the same to the bank without their consent. The matter is currently pending.

(ii) *Material Civil Proceedings against our Company*

A notice dated February 21, 2024 was issued against our Company by the District Consumer Disputes Redressal Commission ("**DCDRC**") directing our Company to appear before the DCDRC in relation to a complaint filed by Smt Savita. Our Company is yet to file a reply. The matter is currently pending.

(iii) *Actions by statutory or regulatory authorities involving our Company*

(a) The Food Safety Officer, Barabanki ("**Complainant**") filed a complaint in the Court of the Upper District Magistrate/Judicial Officer, Barabanki ("**Court**") against our Company and others ("**Respondents**") alleging that the sample of 'Cremica Branded Cashew Biscuit' ("**Sample**") acquired from a retailer namely Mohd. Naseer was irregular in nature and therefore sent the sample to the Food Analyst, Gorakhpur ("**Analyst**") for examination. The Analyst after testing the sample issued his report and found no irregularity in the ingredients and contents, however, specified in his report that the label of the sample was misleading. Basis this analysis, the Court passed an order dated February 8, 2016 ("**Order**") imposing fine of ₹ 5,000 on Mohd. Naseer and ₹ 100,000 on the Respondent. An appeal was filed by the Respondents against the Order on the grounds that the penalty imposed by the Court was, *inter alia*, illegal and arbitrary. The matter is currently pending.

(b) A sample of 'Cremica Cashew Cookies' ("**Sample**") was collected by the Food Safety Officer, Sangrur, Punjab and sent to the Food Analyst, for the local area of Punjab and Union Territory Chandigarh ("**Food Analyst**") to analyse and give a report under the provisions of Food Safety and Standards (Packaging and Labelling) Regulations, 2011 ("**Regulations**"). The Food Analyst vide report dated August 5, 2016 ("**Report**") opined that the said Sample did not conform with the provisions of the Regulations as the name of the vegetable oil used in the product was not mentioned on the label and hence the Sample was treated as misbranded. An appeal was filed by our Company before the Designated Officer, Sangrur challenging the Report on the ground that the time period for compliance under the said Regulations was extended up to six months vide a notification dated July 30, 2016 passed by the Ministry of Health and Welfare and the date of manufacture of sample was prior the date of the notification came in force. The matter is currently pending.

(c) A sample of certain products were collected from different trader's shop by food safety officers in Indore, Gwalior, Pilibhit on the alleged grounds that such products were 'misbranded'. Subsequently samples of these products were sent for examination. The respective food safety officers of Indore, Gwalior and Philbit, in three cases reported that the products were 'misbranded' under the provisions of FSS Act. On the basis of the examination report notices were issued by the food safety officer against our Company and others. Since, the products which are subject matter of the aforementioned notices belong to our erstwhile customer, the legal proceedings with respect to the aforementioned notices are being pursued by our customer and we do not have any further details in relation to the current status of these matters. The matters are currently pending.

(d) Our Company was served a summon notice dated March 4, 2024 ("**Notice**") by the Superintendent, Custom House Mundra, Special Intelligence and Investigation Branch for inquiry in connection with import of wheat gluten by our Company. The Superintendent, Custom House Mundra, Special Intelligence and Investigation Branch has directed our Company to represent and/or submit a response along with relevant documents. Our Company by a response letter dated May 16, 2024 responded to such notice stating inter alia that our Company has obtained DFIA license and therefore proceedings against our Company should not be carried out. The matter is currently pending.

(e) A complaint was filed by the Provident Fund Inspector/Enforcement Officer, Parwanoo, District Solan (Himachal Pradesh) before the court of Chief Judicial Magistrate, Una, Himachal Pradesh against our Company, managing director and general manager of our Company ("**Respondents**") alleging, *inter alia*, certain non-compliance of instructions in relation to the submission of bank account details of employees by the Respondents. The matter is currently pending.

B. ***Material Tax proceedings against our Company***

(a) Pursuant to an assessment order dated December 29, 2011 **("Order 1")** passed by the Joint Commissioner of Income Tax, Range III Ludhiana under Section 143 (3) of the Income Tax Act, 1961 ("**IT Act**") for the assessment year 2009-2010 deductions under section 80 IC of the IT Act was disallowed. Thereafter, our Company, filed an appeal before the Commissioner of Income Tax (Appeals) ("**CIT(A)**") challenging Order 1. The Income Tax Appellate Tribunal ("**ITAT**") by way of an order dated December 20, 2019 partly allowed the appeal made by our Company and set aside the matter and remanded the issue back to the CIT(A) for fresh proceedings. The disputed amount in the matter is approximately ₹ 6.1 million. The matter is currently pending.

(b) Pursuant to an assessment order dated December 30, 2019 **("Order 1")** passed by the Joint Commissioner of Income Tax Circle 3 Ludhiana under Section 143 (3) of the Income Tax Act, 1961 ("**IT Act**") for the assessment year 2017-2018 deductions under section 80 IC of the IT Act was disallowed. Thereafter, our Company, filed an appeal before the Commissioner of Income Tax (Appeals) ("**CIT**(**A**)") challenging Order 1. The Income Tax Appellate Tribunal ("**ITAT**") by way of an order dated December 20, 2019 partly allowed the appeal made by our Company and set aside the matter and remanded the issue back to the CIT(A) for fresh proceedings. The disputed amount in the matter is approximately ₹ 6.1 million. The matter is currently pending.

(c) Pursuant to assessment order dated March 19, 2018 for the assessment year 2006-07 passed by Assistant Excise & Taxation Commissioner under the Himachal Pradesh VAT Act 2005 and CST Act 1956, the Assistant Commissioner disallowed the Input Tax Credit and exemption on CST. Our Company filed an appeal before the VAT Tribunal of Himachal Pradesh under the Himachal Pradesh VAT Act 2005. The Tribunal vide order dated 28 January 2023 rejected the appeal of the Company. Further the Company filed appeal before Hon'ble High Court of Himachal Pradesh, Shimla. The disputed amount in the matter is approximately ₹ 4.8 million. The matter is currently pending before Hon'ble High Court.

C. Litigation by our Company

(i) Criminal proceedings by our Company

As on date of this Preliminary Placement Document, our Company has filed sixty-three complaints against certain of our traders under Section 138 of the Negotiable Instruments Act 1881, read with 420 of the IPC alleging dishonour of cheques issued by our traders in relation to goods sold on credit by our company. These matters are currently at different stages of adjudication before various courts and judicial fora. The aggregate amount involved in these matters as on date of this Preliminary Placement Document is ₹ 20 million.

(ii) Material Civil Proceedings initiated by our Company

A writ petition was filed by CAFL ("**Petitioner**") before the High Court of Judicature, Allahabad ("**Court**") against the State of Uttar Pradesh and others ("**Respondents**") challenging an order dated July 20, 2015 of the District Magistrate/Collector, Uttar Pradesh by which stamp duty of ₹ 7.28 million along with penalty of ₹ 1.82 million was imposed on the Petitioner alleging, inter alia, non-payment of the stamp duty in a correction deed of a lease deed dated December 30, 1999 executed amongst the Petitioner and the Grater Noida Development Authority ("**Deed**"). The petition was filed on the ground that the Petitioner had already paid appropriate stamp duty on the Deed and the correction deed cannot be considered as a fresh deed under any of the provision of the Indian Stamp Act, 1899. While the property in relation to which the stamp duty has been levied by the Respondents, has been transferred from the Petitioner to our Company pursuant to the business transfer agreement dated October 11, 2006, the petition has been continued in the name of the Petitioner. The case is currently pending.

D. *Litigation by our Subsidiaries*

(i) Criminal proceedings by our Subsidiaries

Nil

(ii) Material Civil Proceedings by our Subsidiaries

Nil

E. **Litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoters during the last three years**

Nil

F. **Inquiries, inspections, or investigations initiated or conducted under the Companies Act initiated or conducted in the last three years against our Company and its Subsidiaries**

Nil

G. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

Nil

H. Details of default, if any, by our Company and its Subsidiaries including therein the amount involved, duration of default and present status, in repayment of: (a)statutory dues; (b) debentures and interests thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon

Nil

I. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

Nil

J. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

Nil

K. **Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.**

Except as disclosed below, there are no reservations, qualifications or adverse remarks of our Auditors in last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document:

Financial Year/ Period Ended	Reservations, Qualifications, Adverse Remarks and Emphasis of Matters	Impact on the financial statements and financial position of our Company	Steps taken by our Company to address the Reservations, Qualifications Adverse Remarks and Emphasis Matters
Fiscal 2024	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, the below is the auditor's comment at paragraph 2(B)(f) under 'Report on Other Legal and Regulatory Requirements' paragraph of the audit report in reference to reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014: "*In respect of Holding Company and one subsidiary company, they used accounting softwares' for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The feature of recording audit trail (edit log) facility for the said accounting software's has not operated throughout the year except for certain tables relating to financial reporting and property, plant & equipment. During the course of our audit where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with for one of the accounting software and are unable to test the same for the other accounting software due to certain system inherent limitations. In the absence of sufficient and appropriate reporting on compliance with audit trail requirements in the independent auditor's report of a service organization for the database layer of the accounting softwares' used for maintaining the books of account, we are unable to comment whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the software*." 2. Further, in relation to above comment, reference has been drawn at paragraph 2(A)(b) and 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' paragraph of the audit report in respect of the reporting requirements of section 143(3) of the Companies Act, 2013 which has been reproduced as below: (i) At Para 2(A)(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) except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014*." (ii) At para 2(A)(f)	NA	

<table>
<tr><th>Financial Year/ Period Ended</th><th>Reservations, Qualifications, Adverse Remarks and Emphasis of Matters</th><th>Impact on the financial statements and financial position of our Company</th><th>Steps taken by our Company to address the Reservations, Qualifications Adverse Remarks and Emphasis Matters</th></tr>
<tr><td></td><td>"The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014."</td><td></td><td></td></tr>
<tr><td></td><td>"In our opinion and according to the information and explanations given to us, the followings companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO)
<table>
<tr><th>SNo</th><th>Name of the entities</th><th>CIN</th><th>Holding Company/ Subsidiary/ JV/ Associate</th><th>Clause number of the CARO report which is unfavourable or qualified or adverse</th></tr>
<tr><td>1</td><td>Mrs. Bectors English Oven Limited</td><td>U15412PB2013PLC037958</td><td>Subsidiary Company</td><td>(xvii)</td></tr>
</table></td><td>NA</td><td>This was the first year of newly set up business of running of Kiosk for our Subsidiary Mrs. Bectors English Oven Limited.

Our Company is in process of improving business strategies and financial performance of this newly set up business.</td></tr>
<tr><td>Financial year ended 2023</td><td>"In our opinion and according to the information and explanations given to us, the followings companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO)
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<tr><th>SNo</th><th>Name of the entities</th><th>CIN</th><th>Holding Company/ Subsidiary/ JV/ Associate</th><th>Clause number of the CARO report which is unfavourable or qualified or adverse</th></tr>
<tr><td>1</td><td>Mrs. Bectors Food Specialities Limited</td><td>L74899PB1995PLC033417</td><td>Holding Company</td><td>ii(b), (iii)(a), (iii)(c),(iii)(d), (vii)(b), (x)a</td></tr>
<tr><td>2</td><td>Bakebest Foods Private Limited</td><td>U15412PB2009PTC033442</td><td>Subsidiary Company</td><td>(iii)(a), (iii)(c), (iii)(d)</td></tr>
</table></td><td>NA</td><td>We have structured approach to monitor and manage the loan to employees as per policy of the Company and which is reviewed at periodical intervals.</td></tr>
</table>

L. Tax Claims

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company and its Subsidiaries.

Nature of case	Number of cases	Amount involved (in ₹ million)*
Company		
Direct Tax	8	32.23
Indirect Tax	13	45.39
Sub total (A)	**21**	**77.62**
Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Sub total (B)	Nil	Nil
Total (A+B)	Nil	Nil

* *To the extent quantifiable*

OUR STATUTORY AUDITORS

In accordance with Section 139 of the Companies Act, 2013, BSR & Co. LLP, Chartered Accountants, has been appointed as our Statutory Auditors, pursuant to the Company's AGM held on September 20, 2019, for a period of five years to conduct statutory audit for the Fiscal 2019 to Fiscal 2024.

BSR & Co. LLP, Chartered Accountants, have performed review of the Condensed Consolidated Interim Financial Statements June 2024 and Condensed Consolidated Interim Financial Statements June 2023 and have issued review reports dated August 2, 2024 thereon, and have also audited the Audited Consolidated Financial Statements and have issued their audit reports which are included in this Preliminary Placement Document in the "***Financial Information***" on page 298.

The peer review certificate of our Statutory Auditors is valid as of the date of this Preliminary Placement Document.

FINANCIAL INFORMATION

B S R & Co. LLP
Chartered Accountants

Unit No. A505A
5th Floor, Elante Offices
Plot No. 178-178A, Industrial Area
Phase - 1, Chandigarh - 160002
Tel: +91 172 672 3400

Independent Auditors' Report on review of Condensed Consolidated Interim Financial Statements

To the Board of Directors of Mrs. Bectors Food Specialities Limited

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Mrs. Bectors Food Specialities Limited (hereinafter referred to as the 'Holding Company' / the 'Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as 'the Group') and its associate, which comprise the condensed consolidated interim balance sheet as at 30 June 2023 and the condensed consolidated interim statement of profit and loss (including other comprehensive income), condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the three months period then ended, including material accounting policies and other explanatory notes (hereinafter referred to as "the condensed consolidated interim financial statements").

The Company's Management and Board of Directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 ("Act"). Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" specified under Section 133 of the Act.

Other Matter

- The condensed consolidated interim financial statements includes the condensed interim financial information of two subsidiaries which have not been reviewed either by us or by any other auditor, whose condensed interim financial information reflects total assets (before consolidation adjustments) of Rs. 12.33 million, total revenue (before consolidation adjustments) of Rs. 2.23 million and net cash outflows

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center, Western Express
Highway, Goregaon (East), Mumbai - 400063

(before consolidation adjustments) of Rs. 1.69 million, for the quarter ended 30 June 2023, as considered in these condensed consolidated interim financial statements. The condensed consolidated interim financial statements also includes the Group's share of net profit after tax of Rs. 0.01 million and total comprehensive income of Rs. 0.01 million, for the quarter ended 30 June 2023 as considered in the condensed consolidated interim financial statements, in respect of associate, whose condensed interim financial information has not been reviewed either by us or by any other auditor. According to the information and explanations given to us by the Company's management, these interim financial information are not material to the Group and its associate.

Our conclusion is not modified with respect to this matter.

- Corresponding figures for the three months period ended 30 June 2022 as included in these condensed consolidated interim financial statements have not been audited or reviewed.

  Our conclusion is not modified with respect to this matter.

For **B S R** & **Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Gaurav Mahajan
Partner

Place: Gurugram
Date: 2 August 2024

Membership No.: 507857
ICAI UDIN: 24507857BKFUQR6244

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Balance Sheet as at 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,981.63	4,075.70
Capital work-in-progress	4	734.61	487.05
Right-of-use assets	5	177.94	182.00
Goodwill	6	3.95	3.95
Other intangible assets	7	1.08	1.16
Equity accounted investment		36.28	36.27
Financial assets			
(i) Other investments		4.80	4.80
(ii) Other financial assets	8	248.54	359.07
Non-current tax assets (net)		40.53	40.53
Other non-current assets	9	216.88	182.19
Total non-current assets		**5,446.24**	**5,372.72**
Current assets			
Inventories		938.79	814.46
Financial assets			
(i) Investments		70.22	68.95
(ii) Trade receivables	10	942.49	903.34
(iii) Cash and cash equivalents		115.16	89.90
(iv) Bank balances other than (iii) above		933.92	658.61
(v) Loans		4.27	4.71
(vi) Other financial assets	11	143.22	140.87
Other current assets	12	261.48	259.97
Total current assets		**3,409.55**	**2,940.81**
Total assets		**8,855.79**	**8,313.53**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	588.17	588.17
Other equity	14	5,203.36	4,855.01
Total equity		**5,791.53**	**5,443.18**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	971.72	939.91
(ii) Lease liabilities	5	49.95	51.39
Provisions		61.49	52.80
Deferred tax liabilities (net)		96.78	98.15
Other non-current liabilities		73.53	81.42
Total non-current liabilities		**1,253.47**	**1,223.67**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Balance Sheet as at 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Current liabilities			
Financial liabilities			
(i) Borrowings	16	261.41	266.99
(ii) Lease liabilities	5	9.79	11.72
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		149.92	103.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		751.86	671.23
(iv) Other financial liabilities	17	160.78	121.63
Other current liabilities		355.60	402.55
Provisions		60.28	59.79
Current tax liabilities (net)		61.15	9.23
Total current liabilities		**1,810.79**	**1,646.68**
Total liabilities		**3,064.26**	**2,870.35**
Total equity and liabilities		**8,855.79**	**8,313.53**
Material accounting policies	2		
Notes to the condensed consolidated interim financial statements	3-28		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Profit and Loss for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
Income			
Revenue from operations	18	3,741.60	3,007.71
Other income		45.44	18.64
Total income		**3,787.04**	**3,026.35**
Expenses			
Cost of materials consumed		1,993.61	1,667.60
Purchase of stock-in-trade		77.47	36.39
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(85.60)	(13.47)
Employee benefits expense		492.70	368.55
Finance costs	19	18.33	32.10
Depreciation and amortisation expense	20	138.94	125.87
Other expenses		683.94	635.80
Total expenses		**3,319.39**	**2,852.84**
Profit before share of equity accounted investees and tax		**467.65**	**173.51**
Share of net profit/ (loss) of associate accounted for using the equity method (net of tax)		0.01	(1.82)
Profit before tax		**467.66**	**171.69**
Tax expense			
Current tax		120.48	45.82
Deferred tax		(1.32)	(1.45)
Total tax expense		**119.16**	**44.37**
Profit for the quarter (A)		**348.50**	**127.32**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(0.20)	2.71
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		0.05	(0.68)
Total other comprehensive (loss)/ income for the quarter (B)		**(0.15)**	**2.03**
Total comprehensive income for the quarter (A + B)		**348.35**	**129.35**
Earnings per equity share	21		
[nominal value of Rs. 10 (previous year Rs.10)]			
Basic (not annualised)		5.93	2.16
Diluted (not annualised)		5.93	2.16
Material accounting policies	2		
Notes to the condensed consolidated interim financial statements	3-28		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Changes in Equity for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

(a) Equity share capital

Particulars	As at 30 June 2023		As at 30 June 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the quarter	5,88,17,474	588.17	5,88,15,325	588.15
Balance at the end of the quarter	**5,88,17,474**	**588.17**	**5,88,15,325**	**588.15**

(b) Other equity

Particulars	Note	Reserves & surplus					Total
		Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance at 1 April 2023		**-**	**13.17**	**645.26**	**18.88**	**4,177.70**	**4,855.01**
Profit for the quarter		-	-	-	-	348.50	348.50
Other comprehensive (loss)	14 c						
Remeasurement of defined benefit plans		-	-	-	-	(0.15)	(0.15)
Total comprehensive income for the quarter		**-**	**-**	**-**	**-**	**348.35**	**348.35**
Transactions with owners of the Group							
Contributions and distributions							
Share based expense	14 d	-	-	-	-	-	-
Total contributions and distributions for the quarter		**-**	**-**	**-**	**-**	**-**	**-**
Balance at 30 June 2023		**-**	**13.17**	**645.26**	**18.88**	**4,526.05**	**5,203.36**
Balance at 1 April 2022		**0.30**	**13.17**	**644.72**	**18.88**	**3,424.55**	**4,101.62**
Profit for the quarter		-	-	-	-	127.32	127.32
Other comprehensive income	14 c						
Remeasurement of defined benefit plans		-	-	-	-	2.03	2.03
Total comprehensive income for the quarter		**-**	**-**	**-**	**-**	**129.35**	**129.35**
Transactions with owners of the Group							
Contributions and distributions							
Share based expense	14 d	0.03	-	-	-	-	0.03
Total contributions and distributions for the quarter		**0.03**	**-**	**-**	**-**	**-**	**0.03**
Balance at 30 June 2022		**0.33**	**13.17**	**644.72**	**18.88**	**3,553.90**	**4,231.00**

Material accounting policies	2
Notes to the condensed consolidated interim financial statements	3-28

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

	For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	467.66	171.69
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	138.94	125.87
Allowances on trade receivable and other advances	2.84	4.47
Amortisation of government grants	(4.99)	(5.19)
Change in fair value of derivative contracts	(3.42)	24.11
Net unrealized foreign exchange gain	(0.95)	(10.00)
Net profit on sale/write off of property, plant and equipment	(2.21)	(0.29)
Share based payment to employees	-	0.03
Finance costs	18.33	32.10
Interest income	(18.33)	(7.40)
Share of (profit)/ loss of equity accounted investment	(0.01)	1.82
Operating profit before working capital changes	**597.86**	**337.21**
Movement in working capital:		
Decrease in current loans	0.44	0.22
Decrease in other financial assets	1.07	40.11
(Increase) in other non-current assets	(1.00)	-
(Increase) in other current assets	(1.51)	(258.74)
(Increase)/ decrease in inventories	(124.33)	53.03
(Increase) in trade receivables	(41.26)	(149.37)
Increase in non current provisions	8.49	3.63
Increase in current provisions	0.49	0.27
(Decrease)/ increase in other liabilities	(49.86)	20.16
Increase in trade payables	127.01	213.72
Increase in other financial liabilities	3.72	2.04
Cash generated from operations	**521.12**	**262.28**
Income tax paid (net of refund)	(68.56)	(39.16)
Net cash from operating activities (A)	**452.56**	**223.12**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(291.42)	(116.66)
Proceeds from sale of property, plant and equipment	2.55	1.11
Purchase of investments	(1.27)	-
Proceeds from maturity of bank deposits	103.81	52.83
Investments in bank deposits (having original maturity of more than three months)	(263.99)	(15.34)
Interest received	18.33	6.22
Net cash used in investing activities (B)	**(431.99)**	**(71.84)**
C. Cash flows from financing activities		
Proceeds from non-current borrowings	87.07	7.19
Repayments of non-current borrowings	(154.35)	(149.46)
Proceeds of current borrowings (net)	93.51	119.04
Principal payment of lease liabilities	(3.37)	(2.71)
Interest on lease liabilities	(0.97)	(1.07)
Finance costs paid	(17.20)	(31.15)
Net cash generated from/ (used in) financing activities (C)	**4.69**	**(58.16)**
Net increase in cash and cash equivalents (A+B+C)	**25.26**	**93.12**
Cash and cash equivalents at the beginning of the quarter	89.90	324.73
Cash and cash equivalents at the end of the quarter	**115.16**	**417.85**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

	For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
Notes:-		
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	113.66	179.58
- deposits with original maturity of less than three months	-	235.42
Cash on hand	1.50	2.85
	115.16	**417.85**

2. The above Statement of Cash Flow 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.

3. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 30 June 2023 (Unaudited)	As at 30 June 2022 (Unaudited)
Borrowings at the beginning of the quarter	1,209.86	1,287.87
Proceeds from non-current borrowings (including current maturities)	87.07	7.19
Repayments of non-current borrowings (including current maturities)	(154.35)	(149.46)
Proceeds of current borrowings (net)	93.51	119.04
Interest expense for the quarter	13.02	19.09
Interest paid	(12.86)	(19.21)
Borrowings at the end of the quarter	**1,236.25**	**1,264.52**

4. Reconciliation of movement in Lease liabilities	As at 30 June 2023 (Unaudited)	As at 30 June 2022 (Unaudited)
Balance at the beginning of the quarter	63.11	69.95
Accredition of interest	0.97	1.07
Payment of lease liabilities	(4.34)	(3.78)
Balance at the end of the quarter	**59.74**	**67.24**

Material accounting policies 2

Notes to the condensed consolidated interim financial statements 3-28

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, 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 Condensed Consolidated Interim 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.

The Condensed Consolidated Interim 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 30 June 2023	As at 31 March 2023	As at 30 June 2022
Holding Company				
Mrs. Bectors Food Specialities Limited	India			
Subsidiaries				
Bakebest Foods Private Limited	India	100	100	100
Mrs. Bectors English Oven Limited	India	100	100	100
Mrs. Bectors Food International (FZE)	UAE	100	100	100
Associate				
Cremica Agro Foods Limited	India	43.09	43.09	43.09

2. Material Accounting Policies

Basis and purpose of preparation and presentation

These Condensed Consolidated Interim Financial Statements which comprise the Condensed Consolidated Interim Balance Sheet of the Group and its associate as at 30 June 2023, the Condensed Consolidated Interim Statement of Profit and Loss (including Other Comprehensive Income) of the Group and its share of the net profit after tax and total comprehensive income of its associate for the quarter then ended, Condensed Consolidated Interim Statement of Changes in Equity and the Condensed Consolidated Interim Statement of Cash Flows of the Group and its associate for the period then ended and notes to the condensed interim financial statements, including material accounting policies (herein after referred to as "the Condensed Consolidated Interim Financial Statements") have been prepared in accordance with the principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India.

These Condensed Consolidated Interim Financial Statements are not the statutory accounts for the purpose of any statutory compliances or for regulatory requirements in any jurisdiction. These Condensed Consolidated Interim Financial Statements must be read in conjunction with the consolidated financial statements for the year ended 31 March 2023. They do not include all the information required for a complete set of Ind AS financial statements. However, selected explanatory notes are included to explain events and transactions that management believes are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

These Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023, have been prepared by the Group solely in connection with the Proposed fund raising exercise, by way of issuance of equity shares under qualified institutions placement and its inclusion in the Preliminary Placement Document and Placement Document of the Group, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "Regulations").

The unaudited condensed consolidated interim financial statements of the Group for the quarter ended 30 June 2023, were approved by the Board of Directors and authorized for issue on 2 August 2024.

Corresponding figures in these Condensed Consolidated Interim Financial Statements have not been subjected to any audit or review by the auditors.

Use of judgements and estimates

The preparation of the Condensed Consolidated Interim Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the Management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to the Condensed Consolidated Interim Financial Statements, or areas involving a higher degree of judgement or complexity, are the same as those disclosed in the Group's annual financial statements for the year ended 31 March 2023.

Accounting policies

Income Tax

Current income and deferred tax have been determined based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year as required under Ind AS 34.

The accounting policies adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of the Group's latest annual financial statements and related notes included in the Group's Annual Report for the year ended 31 March 2023.

Recent pronouncement

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. For the quarter ended 30 June 2023, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2023	Additions	Disposals/ adjustments	As at 30 June 2023	As at 1 April 2023	Charge for the quarter	Disposals/ adjustments	As at 30 June 2023	As at 1 April 2023	As at 30 June 2023
Own assets										
Freehold land	387.43	-	-	387.43	-	-	-	-	387.43	387.43
Leasehold improvements	3.18	-	-	3.18	0.53	0.08	-	0.61	2.65	2.57
Buildings @	1,601.71	-	-	1,601.71	290.33	13.45	-	303.78	1,311.38	1,297.93
Plant and machinery #	4,309.99	31.65	3.47	4,338.17	2,076.99	112.92	3.12	2,186.79	2,233.00	2,151.38
Furniture and fixtures	51.84	6.33	-	58.17	28.89	1.34	-	30.23	22.95	27.94
Vehicles	156.47	0.18	-	156.65	65.73	4.28	-	70.01	90.74	86.64
Office equipment	39.12	1.05	-	40.17	25.01	1.29	-	26.30	14.11	13.87
Computer	36.24	1.87	-	38.11	22.80	1.44	-	24.24	13.44	13.87
Total	**6,585.98**	**41.08**	**3.47**	**6,623.59**	**2,510.28**	**134.80**	**3.12**	**2,641.96**	**4,075.70**	**3,981.63**

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	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**

a) Refer note 15 and 16 for charge created on property, plant and equipment.

b) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2023 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2023 Rs. 0.03) are pending to be registered in the name of the Group.

c) Refer note 22 C for disclosure of capital commitments for the acquisition of property, plant and equipment.

Plant and machinery includes amount of gross value Rs. 1,787.83 (31 March 2023 Rs. 1,782.74), net value of Rs. 930.47 (31 March 2023 Rs. 968.95) which are partially given under lease arrangement. Also refer note – 24.

@ Buildings includes amount of gross value Rs. 715.04 (31 March 2023 Rs. 715.04), net value of Rs. 599.36 (31 March 2023 Rs. 605.43) which are partially given under lease arrangement. Also refer note – 24.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2023	Additions	Capitalised during the quarter	As at 30 June 2023
Capital work-in-progress*	487.05	256.63	9.07	734.61

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

Capital work in progress (CWIP) ageing schedule
As at 30 June 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)	655.02	6.32	-	-	661.34
Indore (New biscuit lines)	13.71	0.66	0.01	0.63	15.01
Mumbai (New bun and bakery lines)	3.00	0.23	-	-	3.23
Misc. projects lying at various locations	44.94	2.50	7.59	-	55.03
Projects temporarily suspended	-	-	-	-	-
Total	**716.67**	**9.71**	**7.60**	**0.63**	**734.61**

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	37.76	0.87	7.44	-	46.07
Projects temporarily suspended	-	-	-	-	-
Total	**477.43**	**1.55**	**7.44**	**0.63**	**487.05**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

Capital work in progress (CWIP) completion schedule
- For capital-work-in progress, whose completion is overdue to its original plan:-

As at 30 June 2023	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**

As at 31 March 2023	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 to some technical requirements in the machinery, the same has been capitalised in FY 2023-24.

*Detail of preoperative expenses included in CWIP	As at 30 June 2023	As at 31 March 2023
Opening for the quarter/year	**23.73**	**4.00**
Additions as per statement of profit and loss during the quarter/ year		
- Cost of material consumed	1.44	-
- Interest and processing charges	11.68	5.54
- Power & fuel	1.63	0.34
- Rates and taxes	2.50	6.74
- Employee benefits expense	5.59	3.48
- Legal & professional expense	1.97	1.43
- Insurance	0.06	0.11
- Commission and brokerage	-	1.31
- Travelling and conveyance	0.81	4.11
- Miscellaneous expenses	0.02	0.10
Subtotal	**25.70**	**23.16**
Less:- Capitalised to respective property, plant and equipment	-	3.43
Closing for the quarter/ year	**49.43**	**23.73**

@ 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. 6.85 at 8.30% (31 March 2023 Rs. 4.42 at 8%).

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2023
(All amounts are in rupees million except share data, unless otherwise stated)

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 2023	133.92	48.08	182.00
Depreciation charge for the quarter	(0.40)	(3.66)	(4.06)
Balance as on 30 June 2023 (Unaudited)	**133.52**	**44.42**	**177.94**

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 (Audited)	**133.92**	**48.08**	**182.00**

The aggregate depreciation expense on ROU assets amounting to Rs. 4.06 (31 March 2023 Rs. 15.56) is included under depreciation and amortisation expense in the condensed consolidated interim statement of Profit and Loss.

The following is the movement in lease liabilities during the quarter/ year:

Lease liabilities	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Balance at the beginning	63.11	69.95
Addition for new leases	-	5.24
Accredition of interest	0.97	4.24
Payment of lease liabilities	(4.34)	(16.32)
Balance at the end	**59.74**	**63.11**

(All amounts are in rupees million except share data, unless otherwise stated)

5. Right-of-use assets and lease liabilities *(continued)*

Amount recognised in profit and loss	**For the quarter ended 30 June 2023 (Unaudited)**	**For the year ended 31 March 2023 (Audited)**
Interest expense on lease liabilities	0.97	4.24
Expense relating to short-term leases	7.73	27.68

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 30 June 2023 (Unaudited)	**As at 31 March 2023 (Audited)**
Maturity analysis – contractual undiscounted cash flows		
Less than one year	13.24	15.33
After one year but not longer than five years	42.37	42.46
More than five years	79.57	81.75
Total	**135.18**	**139.54**

Lease liabilities included in the statement of financial position		
Current	9.79	11.72
Non- current	49.95	51.39
Total	**59.74**	**63.11**

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 assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

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. 7.73 (31 March 2023 Rs. 27.68) during the period towards expenses relating to short-term leases for which the recognition exemption has been applied.

The total cash outflow for leases (including short term leases) for the quarter ended 30 June 2023 is Rs. 12.07 (for the year ended 31 March 2023 Rs. 44.00).

(All amounts are in rupees million except share data, unless otherwise stated)

6. Goodwill

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2023	Additions	Deletions	As at 30 June 2023	As at 1 April 2023	Adjustments	As at 30 June 2023	As at 1 April 2023	As at 30 June 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 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**

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.

Particulars	As at 30 June 2023	As at 31 March 2023
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 2023	Additions	Deletions	As at 30 June 2023	As at 1 April 2023	Charge for the quarter	Deletions	As at 30 June 2023	As at 1 April 2023	As at 30 June 2023
Computer softwares	29.08	-	-	29.08	27.92	0.08	-	28.00	1.16	1.08
Total	**29.08**	**-**	**-**	**29.08**	**27.92**	**0.08**	**-**	**28.00**	**1.16**	**1.08**

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**

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
8 Other non-current financial assets		
Deposits with maturity of more than 12 months		
- Margin money deposit*	-	174.32
- Deposits with maturity of more than 12 months	197.77	138.58
Security deposits	50.77	46.17
	248.54	**359.07**

*Margin money deposits with carrying amount of Rs. Nil (31 March 2023 Rs. 174.32) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
9 Other non-current assets		
Prepaid expenses	2.74	1.74
Capital advances	214.14	180.45
	216.88	**182.19**

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
10 Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	996.15	954.16
Less: Loss allowance*	(53.66)	(50.82)
	942.49	**903.34**
Break-up of trade receivables:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	947.15	906.77
Trade receivables which have significant increase in credit risk	29.60	27.99
Trade receivables – credit impaired	19.40	19.40
Total	**996.15**	**954.16**
Less: Expected credit loss allowance		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	(4.66)	(3.43)
Trade receivables which have significant increase in credit risk	(29.60)	(27.99)
Trade receivables – credit impaired	(19.40)	(19.40)
Total trade receivables	**942.49**	**903.34**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 27 on financial instruments.

Trade receivable ageing schedule

As at 30 June 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	21.26	484.33	420.77	20.78	0.01	-	-	947.15	4.66	942.49
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	4.45	2.45	0.53	1.25	8.68	8.68	-
Undisputed trade receivable - credit impaired	-	-	-	-	5.01	7.05	7.34	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	2.70	3.64	5.66	8.92	20.92	20.92	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	- -
Total	**21.26**	**484.33**	**420.77**	**27.93**	**11.11**	**13.24**	**17.51**	**996.15**	**53.66**	**942.49**

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**

(All amounts are in rupees million except share data, unless otherwise stated)

11 Other current financial assets *(unsecured, considered good)*	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Derivatives		
Forward exchange contracts used for hedging	14.87	5.42
Derivative contract for purchase of wheat not designated as hedges	-	1.43
Export incentive receivable	114.90	120.90
Security deposits	2.51	2.18
Claims receivable on export	9.19	9.19
Other advances	1.75	1.75
	143.22	**140.87**

12 Other current assets *(unsecured, considered good)*		
Advances to suppliers		
-Unsecured and considered good	134.55	142.17
-Consider doubtful	14.97	14.97
Less: Provision for doubtful advances to suppliers	(14.97)	(14.97)
Advance to employees	4.35	2.84
Less: Provision for doubtful advances to employees	(0.78)	(0.78)
Prepaid expenses	18.02	20.98
Right to recover returned goods*	9.90	9.66
Balances with statutory/government authorities	95.44	85.10
	261.48	**259.97**

* Denotes sales with right to return.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
13 Share capital		
Authorised		
65,000,000 (As at 31 March 2023: 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 2023: 58,817,474) equity shares of Rs. 10/- each	588.17	588.17
	588.17	**588.17**

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 quarter/ year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2022	**5,88,15,325**	**588.15**
Share based options exercised during the year	2,149	0.02
Outstanding as at 31 March 2023 (Audited)	**5,88,17,474**	**588.17**
Outstanding as at 30 June 2023 (Unaudited)	**5,88,17,474**	**588.17**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 30 June 2023 (Unaudited)		As at 31 March 2023 (Audited)	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	1,25,51,800	21.34%	1,25,50,800	21.34%
Anoop Bector (AB Family Trust)	59,99,662	10.20%	59,84,462	10.17%
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	45,48,105	7.73%	46,50,000	7.91%

d. Promotor Shareholding

Promoter Name	As at 30 June 2023 (Unaudited)			As at 31 March 2023 (Audited)		
	No. of Shares	% of total shares	% change during the quarter	No. of Shares	% of total shares	% change during the year
Anoop Bector	1,25,51,800	21.34%	0.01%	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%	0.00%	5,100	0.01%	5000.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	0.00%
Suvir Bector	5,100	0.01%	0.00%	5,100	0.01%	5000.00%
Anoop Bector (AB Family Trust)	59,99,662	10.20%	0.25%	59,84,462	10.17%	0.49%
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	**3,00,93,954**	**51.16%**	**0.05%**	**3,00,77,754**	**51.14%**	**0.13%**

e. During the five years immediately preceding 30 June 2023 ('the quarter'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

f. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the quarter/year and options outstanding at the end of the reporting period, is given in note 26.

(All amounts are in rupees million except share data, unless otherwise stated)

		As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
14	**Other equity**		
a	**Capital reserve**		
	Balance at the beginning of the quarter/ year	13.17	13.17
	Balance at the end of the quarter/ year	**13.17**	**13.17**
b	**Securities premium**		
	Balance at the beginning of the quarter/ year	645.26	644.72
	Add: Share based options exercised during the quarter/ year	-	0.54
	Balance at the end of the quarter/ year	**645.26**	**645.26**
c	**Retained earnings**		
	Balance at the beginning of the quarter/ year	4,177.70	3,424.55
	Add: Profit for the quarter/ year	348.50	900.74
	Add: Other comprehensive loss for the quarter/ year	(0.15)	(0.55)
	Less: Dividends	-	(147.04)
	Balance at the end of the quarter/ year	**4,526.05**	**4,177.70**
d	**Share options outstanding account**		
	Balance at the beginning of the quarter/ year	-	0.30
	Share based expense	-	0.03
	Employee stock option exercised during the quarter/ year	-	(0.17)
	Share based option forfeited during the quarter/ year	-	(0.16)
	Balance at the end of the quarter/ year	-	-
e	**General reserve**		
	Balance at the beginning of the quarter/ year	18.88	18.88
	Balance at the end of the quarter/ year	**18.88**	**18.88**
	Total	**5,203.36**	**4,855.01**

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.

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)
(d) exchange difference in translating financial statements of foreign operations

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.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
15 Non-current borrowings		
Term loans (Refer note (a))		
From banks (Secured)	1,059.17	1,123.09
Vehicle loans (Refer note (a))		
From banks (Secured)	25.49	27.84
From Others (Secured)	6.65	7.63
Total non-current borrowings	**1,091.31**	**1,158.56**
Less: Current maturities of long term debt	(116.92)	(216.01)
Less: Interest accrued	(2.67)	(2.64)
Non-current borrowings	**971.72**	**939.91**

(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 30 June 2023	319.60	438.56	298.50	31.98	2.67	1,091.31
As at 31 March 2023	454.53	454.57	211.42	35.40	2.64	1,158.56
Year of maturity	2028-29	2027-28	2032-33	2026-27	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.60%	8.00% - 8.50%	7.55%	6.62% - 8.60%	-	-

* 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 pari passu charge shared by ICICI Bank on reciprocal basis 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.

****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

	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
16 Current borrowings		
Loans from banks repayable on demand (secured)*	144.49	50.98
Current maturities of long-term debt (refer note 15)	116.92	216.01
	261.41	**266.99**

* The Group has also taken the working capital limits from HDFC Bank Limited against fixed deposits. The facilities availed from HDFC Bank Limited carries floating rate of interest @ FD rate + 0.30% ranging from 7.49% to 7.55% per annum (MCLR + 0.30% @ 7.20% per annum for the year ended 31 March 2023).
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 + 2.00% spread ranging from 7.60% to 8.62% per annum (Repo rate + 3.00% spread ranging from 6.00% to 8.37% per annum for the year ended 31 March 2023).
The Group has also taken working capital limits from Axis Bank Limited against fixed deposits during the previous year. The facilities availed from Axis Bank Limited carries floating rate of interest @ Nil per annum (FD rate + 0.05-0.10% @ 5.96% per annum for the year ended 31 March 2023).

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%.

(All amounts are in rupees million except share data, unless otherwise stated)

17 Other financial liabilities	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Interest accrued	3.12	2.96
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises	34.02	21.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	57.36	39.11
Unpaid dividends	0.30	0.24
Security and other trade deposits	61.38	57.72
Derivative contract for purchase of wheat not designated as hedges	4.60	-
	160.78	**121.63**

(All amounts are in rupees million except share data, unless otherwise stated)

		For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
18	**Revenue from operations**		
	Sale of products	3,514.46	2,803.32
	Sale of services*		
	Job work income	144.17	132.05
	Total (A)	**3,658.63**	**2,935.37**
	Other operating revenue		
	Export incentives #	40.20	29.20
	Income from lease rentals*	16.61	19.54
	Sale of scrap	25.90	21.30
	Others	0.26	2.30
	Total (B)	**82.97**	**72.34**
	Total revenue from operations (A + B)	**3,741.60**	**3,007.71**

a.	**Reconciliation of revenue recognized with the contracted price is as follows:**		
	Contracted price	3,884.37	3,081.13
	Reductions towards variable consideration components (discounts, rebates and others)	225.74	145.76
	Revenue recognised	**3,658.63**	**2,935.37**

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 satisifed. 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 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Contract liabilities		
- Advances from customers	98.88	171.72
- Refund liability	14.01	15.82
Contract Assets		
- Receivables, which are included in trade receivables	86.46	79.66

Invoices are usually payable within 20-90 days.

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.

		For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
c.	**Timing of revenue recognition**		
	Revenue transferred at point in time	3,514.46	2,803.32
	Revenue transferred over time	144.17	132.05
		3,658.63	**2,935.37**

\# The Group has accrued following export incentives of Rs. 40.20 (30 June 2022 Rs. 29.20).
a) Duty Free Import Authorization of Rs. 40.20 (30 June 2022 Rs. 29.20).

***** Also refer note 24.

(All amounts are in rupees million except share data, unless otherwise stated)

		For the quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
19	**Finance costs**		
	Interest expense on financial liabilities measured at amortised cost :		
	Loan from banks	13.02	19.09
	Lease liabilities	0.97	1.07
	Others#	4.34	11.94
		18.33	**32.10**
	# It majorly includes bill discounting charges etc.		
20	**Depreciation and amotisation expense**		
	Depreciation on property, plant and equipment	134.80	122.00
	Depreciation on right-of-use assets	4.06	3.63
	Amortisation on intangible assets	0.08	0.24
		138.94	**125.87**
21	**Earning per share (EPS)**		
A.	**Basic earnings per share**		
i.	*Profit for basic earning per share of Rs. 10 each*		
	Profit for the quarter	348.50	127.32
ii.	*Weighted average number of equity shares for (basic)*	58.82	58.82
	Basic Earnings per share (face value of Rs 10 each)	**5.93**	**2.16**
B.	**Diluted earnings per share**		
i.	*Profit for diluted earning per share of Rs. 10 each*		
	Profit for the quarter	348.50	127.32
ii.	*Weighted average number of equity shares for (diluted)*	58.82	58.82
	Diluted Earnings per share (face value of Rs. 10 each)	**5.93**	**2.16**

(All amounts are in rupees million except share data, unless otherwise stated)

22 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
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.		
a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):		
I) Income Tax related matters	**39.48**	**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
vii) Relating to Income tax demand on certain disallowance for AY 2020-21	1.38	-
*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
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.	0.94	5.57
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 retrospective 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. Subsequently basis discussion the MPIDC officials, Group has filed a fresh extension letter on 24 May 2022 wherein it 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 with proposed date of operation as 30 April 2024 which has been accepted by MPIDC vide its letter dated 18 October 2022. Further in current year, Group has submitted letter vide dated 14 December 2023 with revised cost of project and extension of date of production and updated letter on 30 July 2024 i.e. completion of Building and commencement of operations from by Q3 2024-25.
The Group is confident that it will be able to obtain extension as may be required in due course without any significant penalty / charge levied by MPIDC.

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.

(All amounts are in rupees million except share data, unless otherwise stated)

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 30 June 2023 of Rs. 5.21 (31 March 2023 Rs. 5.13) (including interest of Rs. 3.52 (31 March 2023 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 Group has demanded to start the proceeding without depositing the 25% of amount demanded. The department 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 has 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. 6.73 (31 March 2023 Rs. 6.63) and Rs. 11.30 (31 March 2023 Rs. 11.13) includes an interest of Rs. 4.36 (31 March 2023 Rs. 4.26) and Rs. 7.55 (31 March 2023 Rs. 7.38) respectively.

(c) A demand of Rs. 1.91 (31 March 2023 Rs. 1.91), 1.60 (31 March 2023 Rs. 1.60), 0.09 (31 March 2023 Rs. 0.09) and 0.16 (31 March 2023 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 2023 Rs. 0.12), 0.82 (31 March 2023 Rs. 0.82) and 0.15 (31 March 2023 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 quarter since provident fund was already deducted on such special allowance for current quarter.
Owing to the aforesaid uncertainity 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 30 June 2023 (Nil as on 31 March 2023).

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 453.32 (as on 31 March 2023 Rs. 276.84).

23 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 quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
Revenue from food products*	3,658.63	2,935.37
Total	**3,658.63**	**2,935.37**

*excludes other operating revenues.

(All amounts are in rupees million except share data, unless otherwise stated)

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 quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
Within India	2,677.91	2,089.27
Outside India	980.72	846.10
Total	**3,658.63**	**2,935.37**

ii) Receivables	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Within India	631.22	590.82
Outside India	311.27	312.52
Total	**942.49**	**903.34**

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 quarter ended 30 June 2023, Group does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the quarter ended 30 June 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 quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
6 months or less	3,658.63	2,935.37
Total	**3,658.63**	**2,935.37**
Major product/ service line		
Sale of products	3,514.46	2,803.32
Sale of services		
Job work income	144.17	132.05
Total revenue	**3,658.63**	**2,935.37**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Contract Assets		
Receivables, which are included in trade receivables	86.46	79.66
Contract liabilities		
- Advances from customers	98.88	171.72
- Refund liability	14.01	15.82

24 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.

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 quarter ended 30 June 2023, lease rentals of Rs. 16.63 (30 June 2022: Rs. 19.56) have been included in other operating revenue / other income (refer note 18). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Particulars	**For the quarter ended 30 June 2023 (Unaudited)**	**For the quarter ended 30 June 2022 (Unaudited)**
Income generated from lease of building, plant and machinery under job work arrangement	16.61	19.54
Income generated from office premises lease	0.02	0.02

(All amounts are in rupees million except share data, unless otherwise stated)

25 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
Manu Talwar	CEO w.e.f. 2 May 2022
Parveen Kumar Goel	Whole-time Director (CFO till 11 August 2023)
Arnav Jain	CFO w.e.f. 11 August 2023
Subhash Agarwal	Independent Director till 9 February 2023
Rajeev Dewan	Independent Director
Pooja Luthra	Independent Director
Alok Kumar Misra	Independent Director
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 firm
Sunshine Foods

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 quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
Short-term employee benefits	32.47	23.10
Post-employment benefits	0.24	0.56
Director sitting fees	0.13	0.10
Total compensation	**32.84**	**23.76**

(All amounts are in rupees million except share data, unless otherwise stated)

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 period. 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 quarter ended 30 June 2023 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)
Others		
Rent paid		
- Anoop Bector	1.16	1.16
- Anoop Bector HUF	-	0.75
Reimbursement of expenses		
- Atul Sud	0.02	-
- Manu Talwar	0.15	-
- Parveen Kumar Goel	0.03	-
Rent received		
- Cremica Agro Foods Limited	0.02	0.02
Salary paid		
- Rashmi Bector	4.12	2.98
- Rajni Bector	0.90	0.90
- Neha Gupta Bector	1.51	1.51
- Mannat Jain Bector	0.75	0.75
- Atul Sud	0.32	0.30

* Transactions are net off goods and services tax wherever applicable.

G. Related party balances as at quarter/year end:

Outstanding balances	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Trade and other payables		
- Anoop Bector	3.38	2.29
- Ishaan Bector	1.24	1.47
- Parveen Kumar Goel	0.36	0.41
- Mannat Jain Bector	0.28	0.28
- Rashmi Bector	0.63	1.09
- Neha Gupta Bector	0.26	0.27
- Suvir Bector	1.23	1.10
- Rajni Bector	0.24	0.15
- Ram Sajeevan Verma	0.16	0.23
- Ashish Agarwal	-	0.02
- Rajeev Dewan	-	0.02
- Alok Kumar Misra	-	0.02
- Pooja Luthra	-	0.02
- Manu Talwar	0.78	0.40
- Atul Sud	0.10	0.09
Advances and other receivables		
- Cremica Agro Foods Limited	0.07	-
Non current investments		
- Cremica Agro Foods Limited	36.28	36.27

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

(All amounts are in rupees million except share data, unless otherwise stated)

26 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.

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:

Particulars	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
Fair value of options at grant date	75.12	71.62
Market Price/ Enterprise value per share at grant date	190.00	203.55
Exercise price at the grant date	174.62	174.62
Expected volatility (weighted-average)	27.12%	51.49%
Expected life (weighted-average)	2 years	2 years
Expected dividends	0.00%	0.37%
Risk-free interest rate (based on government bonds)	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 30 June 2023	Weighted average exercise price 30 June 2023	Number of options 31 March 2023	Weighted average exercise price 31 March 2023
Employees Stock Option Plan				
Options outstanding at the beginning of the quarter/ year	-	-	4,060	174.62
Less: Options forfeited during the quarter/ year	-	-	1,911	-
Less: Options exercised during the quarter/ year	-	-	2,149	174.62
Options outstanding at the end of the quarter/ year	-	-	-	-
Exercisable at the end of the quarter/ year	-	-	-	-

(All amounts are in rupees million except share data, unless otherwise stated)

27 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	Note	Level of hierarchy	As at 30 June 2023 (Unaudited) Carrying value	Amortised Cost	FVTPL	As at 31 March 2023 (Audited) Carrying value	Amortised Cost	FVTPL
Financial assets								
Non-current loans	b		-	-	-	-	-	-
Other non-current financial assets	b		248.54	248.54	-	359.07	359.07	-
Investments	a	3	111.30	106.50	4.80	110.02	105.22	4.80
Trade receivables	c		942.49	942.49	-	903.34	903.34	-
Cash and cash equivalents	c		115.16	115.16	-	89.90	89.90	-
Bank balances other than cash and cash equivalents	c		933.92	933.92	-	658.61	658.61	-
Current loans	c		4.27	4.27	-	4.71	4.71	-
Other current financial assets	c		143.22	128.35	14.87	140.87	134.02	6.85
			2,498.90	**2,479.23**	**19.67**	**2,266.52**	**2,254.87**	**11.65**
Financial liabilities								
Non-current borrowings	d	3	971.72	971.72	-	939.91	939.91	-
Short term borrowings	c		261.41	261.41	-	266.99	266.99	-
Non-current lease liabilities	c		49.95	49.95	-	51.39	51.39	-
Current lease liabilities	c		9.79	9.79	-	11.72	11.72	-
Trade payables	c		901.78	901.78	-	774.77	774.77	-
Other financial liabilities	c		160.78	156.18	4.60	121.63	121.63	-
			2,355.43	**2,350.83**	**4.60**	**2,166.41**	**2,166.41**	**-**

Notes:-

a (i) The investments in equity shares of associate are measured at cost less impairment losses.
(ii) The investments in equity shares of other companies are measured at FVTPL. The investments have been measured at book value.

b In accordance with amendment Ministry of Corporate Affairs notified in IndAS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. The fair value of non-current assets and non-current liabilities (except lease liabilities) are valued based upon Discounted cashflows valuation method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

c Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

d The fair value of non-current 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.

Fair value of borrowings is as follows :	Fair value As at 30 June 2023 (Unaudited)	Fair value As at 31 March 2023 (Audited)	Amortised cost As at 30 June 2023 (Unaudited)	Amortised cost As at 31 March 2023 (Audited)
Non-current borrowings (including current maturities)	1,093.41	1,145.93	1,091.31	1,158.56

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.

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 30 June 2023 (Unaudited) Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	14.87	-	**14.87**
Derivative contract for purchase of wheat not designated as hedges	-	(4.60)	-	**(4.60)**

Particulars	As at 31 March 2023 (Audited) 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**

There are no transfers between level 1 and level 2 during the quarter/year.

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 3 fair values, the Group 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 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.

(All amounts are in rupees million except share data, unless otherwise stated)

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

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's exposure to credit risk for trade receivables by geographic region is as follows:-

Particulars	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Within India	631.22	590.82
Outside India	311.27	312.52
Total	**942.49**	**903.34**

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.

Loss allowance as per expected credit loss

Particulars	**As at 30 June 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	996.15	954.16

Recociliation of loss allowance provision

Particulars	**Trade Receivables**	**Total**
Loss Allowance on 1 April 2022	**64.33**	**64.33**
Change in Loss allowance	(13.51)	(13.51)
Loss Allowance on 31 March 2023	**50.82**	**50.82**
Change in Loss allowance	2.84	2.84
Loss Allowance on 30 June 2023	**53.66**	**53.66**

(All amounts are in rupees million except share data, unless otherwise stated)

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 30 June 2023	Unutilized
HDFC Bank Limited	Bank Overdraft	251.80	12.99	238.81
	Non-Fund Based	45.00	11.02	33.98
ICICI Bank Limited	WC Fund Based	422.50	131.50	291.00
	Non-Fund Based	118.80	30.30	88.50
Punjab National Bank	Term Loan	590.00	298.50	291.50
Total		**1,428.10**	**484.31**	**943.79**

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 30 June 2023 (Unaudited)	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	971.72	894.95	-	863.19	31.76
Short term borrowings	261.41	340.27	340.27	-	-
Non-current lease liabilities	49.95	121.94	-	42.37	79.57
Current lease liabilities	9.79	13.24	13.24	-	-
Trade payables	901.78	901.78	901.78	-	-
Other current financial liabilities	160.78	160.78	160.78	-	-
Total	**2,355.43**	**2,432.96**	**1,416.07**	**905.56**	**111.33**

	Carrying amount	Contractual cash flows			
	As at 31 March 2023 (Audited)	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**

The outflows disclosed in the above table represent the contractual undiscounted cash flows relating to 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 9.4% (being annualised) (previous year 11.4%) of its expected wheat/maida purchases.

(All amounts are in rupees million except share data, 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
30 June 2023				
Wheat 1%	2.39	(2.39)	1.79	(1.79)
31 March 2023				
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:

As at 30 June 2023 (Unaudited)	USD	Euro
Financial asset		
Trade receivables	4.04	-
Forward contracts receivables (including above trade receivables)	16.25	-
Total	**20.29**	**-**
Financial liabilities		
Payable for capital assets	0.00	0.13
Total	**0.00**	**0.13**
Net exposure to foreign currency risk	**20.29**	**(0.13)**

As at 31 March 2023 (Audited)	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)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies as at quarter/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
As at 30 June 2023 (Unaudited)				
USD (1% movement)	16.64	(16.64)	12.45	(12.45)
EUR (1% movement)	(0.12)	0.12	(0.09)	0.09
As at 31 March 2023 (Audited)				
USD (1% movement)	15.12	(15.12)	11.31	(11.31)
EUR (1% movement)	(0.16)	0.16	(0.12)	0.12

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 7.55% to 8.60%. 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	
	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Fixed-rate instruments		
Financial assets	933.92	832.93
Financial liabilities	-	-
	933.92	**832.93**

(All amounts are in rupees million except share data, unless otherwise stated)

Particulars	Amount as at As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,238.92)	(1,212.50)
	(1,238.92)	**(1,212.50)**

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.6.99 after tax (31 March 2023 Rs. 6.23). 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
As at 30 June 2023 (Unaudited)		
Variable-rate instruments	(9.27)	9.27
Cash flow sensitivity (net)	(9.27)	9.27
As at 30 June 2022 (Unaudited)		
Variable-rate instruments	(9.48)	9.48
Cash flow sensitivity (net)	(9.48)	9.48

28 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.

Particulars	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Total liabilities	3,064.26	2,870.35
Less: Cash and cash equivalents	115.16	89.90
Less: Bank balances other than cash and cash equivalents	933.92	658.61
Less: Fixed deposits with banks with maturity period for more than 12 months	197.77	359.07
Adjusted total liabilities (a)	1,817.41	1,762.77
Total equity (b)	5,791.53	5,443.18
Capital gearing ratio (a/b)	**31.38%**	**32.38%**

Particulars	As at 30 June 2023 (Unaudited)	As at 31 March 2023 (Audited)
Borrowings (including interest accrued)	1,236.25	1,209.86
Less: Cash and cash equivalents	115.16	89.90
Less: Bank balances other than cash and cash equivalents	933.92	658.61
Less: Fixed deposits with banks with maturity period for more than 12 months	197.77	359.07
Adjusted net debt	(10.60)	102.28
Total equity	5,791.53	5,443.18
Adjusted net debt to equity ratio	**(0.00)**	**0.02**

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

B S R & Co. LLP
Chartered Accountants

Unit No. A505A
5th Floor, Elante Offices
Plot No. 178-178A, Industrial Area
Phase - 1, Chandigarh - 160002
Tel: +91 172 672 3400

Independent Auditors' Report on review of Condensed Consolidated Interim Financial Statements

To the Board of Directors of Mrs. Bectors Food Specialities Limited

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Mrs. Bectors Food Specialities Limited (hereinafter referred to as the 'Holding Company' / the 'Company'), a controlled trust and its subsidiaries (Holding Company and its subsidiaries together referred to as 'the Group') and its associate, which comprise the condensed consolidated interim balance sheet as at 30 June 2024 and the condensed consolidated interim statement of profit and loss (including other comprehensive income), condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the three months period then ended, including material accounting policies and other explanatory notes (hereinafter referred to as "the condensed consolidated interim financial statements").

The Company's Management and Board of Directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 ("Act"). Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" specified under Section 133 of the Act.

Other Matter

The condensed consolidated interim financial statements includes the condensed interim financial information of two subsidiaries and a controlled trust which have not been reviewed either by us or by any other auditor and whose condensed interim financial information reflects total assets (before consolidation adjustments) of Rs. 65.34 million, total revenue (before consolidation adjustments) of Rs. 4.76 million and net cash outflows (before consolidation adjustments) of Rs. 2.82 million, for the quarter ended 30 June 2024, as considered in these condensed consolidated interim financial statements. The condensed consolidated interim financial statements also includes the Group's share of net profit after tax of Rs. 0.24 million and total comprehensive income of Rs. 0.24 million, for the quarter ended 30 June 2024 as considered in the condensed consolidated interim financial statements, in respect of associate, whose condensed interim financial information has not been reviewed either by us or by any other auditor. According to the information and explanations given to us by the Company's management, these interim financial information are not material to the Group and its associate.

Our conclusion is not modified with respect to this matter.

For **B S R** & **Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Gaurav Mahajan
Partner

Place: Gurugram
Date: 2 August 2024

Membership No.: 507857
ICAI UDIN: 24507857BKFUQS1311

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Balance Sheet as at 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,230.68	4,916.39
Capital work-in-progress	4	911.39	943.62
Right-of-use assets	5	311.29	318.93
Goodwill	6	3.95	3.95
Other intangible assets	7	1.23	1.33
Equity accounted investment		37.20	36.96
Financial assets			
(i) Other investments		3.72	3.72
(ii) Loans		2.78	2.88
(iii) Other financial assets	8	279.86	80.60
Non-current tax assets (net)		40.72	40.71
Other non-current assets	9	647.68	561.02
Total non-current assets		**7,470.50**	**6,910.11**
Current assets			
Inventories		1,271.27	1,036.58
Financial assets			
(i) Investments		-	-
(ii) Trade receivables	10	1,435.53	1,331.19
(iii) Cash and cash equivalents		279.45	76.37
(iv) Bank balances other than (iii) above		893.21	1,194.68
(v) Loans		6.14	5.66
(vi) Other financial assets	11	198.85	254.31
Other current assets	12	278.27	193.95
Total current assets		**4,362.72**	**4,092.74**
Total assets		**11,833.22**	**11,002.85**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	587.77	587.77
Other equity	14	6,398.55	6,041.06
Total equity		**6,986.32**	**6,628.83**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	1,850.96	1,490.11
(ii) Lease liabilities	5	177.18	182.71
Provisions		60.83	57.58
Deferred tax liabilities (net)		99.42	95.36
Other non-current liabilities		91.56	100.70
Total non-current liabilities		**2,279.95**	**1,926.46**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Balance Sheet as at 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Current liabilities			
Financial liabilities			
(i) Borrowings	16	687.59	755.66
(ii) Lease liabilities	5	21.20	20.48
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		76.27	93.09
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,126.16	973.69
(iv) Other financial liabilities	17	420.13	400.94
Other current liabilities		149.05	153.30
Provisions		54.06	50.35
Current tax liabilities (net)		32.49	0.05
Total current liabilities		**2,566.95**	**2,447.56**
Total liabilities		**4,846.90**	**4,374.02**
Total equity and liabilities		**11,833.22**	**11,002.85**
Material accounting policies	2		
Notes to the condensed consolidated interim financial statements	3-28		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Profit and Loss for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Income			
Revenue from operations	18	4,394.01	3,741.60
Other income		50.23	45.44
Total income		**4,444.24**	**3,787.04**
Expenses			
Cost of materials consumed		2,352.44	1,993.61
Purchase of stock-in-trade		91.09	77.47
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(158.36)	(85.60)
Employee benefits expense		637.80	492.70
Finance costs	19	41.90	18.33
Depreciation and amortisation expense	20	173.37	138.94
Other expenses		830.92	683.94
Total expenses		**3,969.16**	**3,319.39**
Profit before share of equity accounted investees and tax		**475.08**	**467.65**
Share of net profit of associate accounted for using the equity method (net of tax)		0.24	0.01
Profit before tax		**475.32**	**467.66**
Tax expense			
Current tax		116.79	120.48
Deferred tax		4.27	(1.32)
Total tax expense		**121.06**	**119.16**
Profit for the quarter (A)		**354.26**	**348.50**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(0.88)	(0.20)
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		0.22	0.05
Items that will be reclassified subsequently to profit or loss			
Exchange difference in translating financial statements of foreign operations		(0.01)	-
Total other comprehensive (loss) for the quarter (B)		**(0.67)**	**(0.15)**
Total comprehensive income for the quarter (A + B)		**353.59**	**348.35**
Earnings per equity share	21		
[nominal value of Rs. 10 (previous year Rs.10)]			
Basic (not annualised)		6.03	5.93
Diluted (not annualised)		6.03	5.93
Material accounting policies	2		
Notes to the condensed consolidated interim financial statements	3-28		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Changes in Equity for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

(a) Equity share capital

Particulars	As at 30 June 2024		As at 30 June 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the quarter	5,88,17,474	588.17	5,88,17,474	588.17
Shares held by Bector Employee Welfare Trust	(40,000)	(0.40)	-	-
Balance at the end of the quarter	**5,87,77,474**	**587.77**	**5,88,17,474**	**588.17**

(b) Other equity

Particulars	Note	Reserves & surplus						Total
		Share options outstanding account	ESOP trust reserve	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance at 1 April 2024		**2.32**	**0.03**	**13.17**	**604.39**	**18.88**	**5,402.27**	**6,041.06**
Profit for the quarter		-	-	-	-	-	354.26	354.26
Other comprehensive (loss)	14 c							
Remeasurement of defined benefit plans		-	-	-	-	-	(0.66)	(0.66)
Exchange difference in translating financial statements of foreign operations		-	-	-	-	-	(0.01)	(0.01)
Total comprehensive income for the quarter		**-**	**-**	**-**	**-**	**-**	**353.59**	**353.59**
Transactions with owners of the Group								
Contributions and distributions								
Share based expense	14 d	3.90	-	-	-	-	-	3.90
Dividends	14 c	-	-	-	-	-	-	-
Total contributions and distributions for the quarter		**3.90**	**-**	**-**	**-**	**-**	**-**	**3.90**
Balance at 30 June 2024		**6.22**	**0.03**	**13.17**	**604.39**	**18.88**	**5,755.86**	**6,398.55**
Balance at 1 April 2023		**-**	**-**	**13.17**	**645.26**	**18.88**	**4,177.70**	**4,855.01**
Profit for the quarter		-	-	-	-	-	348.50	348.50
Other comprehensive (loss)	14 c							
Remeasurement of defined benefit plans		-	-	-	-	-	(0.15)	(0.15)
Total comprehensive income for the quarter		**-**	**-**	**-**	**-**	**-**	**348.35**	**348.35**
Transactions with owners of the Group								
Contributions and distributions								
Share based expense	14 d	-	-	-	-	-	-	-
Total contributions and distributions for the quarter		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 30 June 2023		**-**	**-**	**13.17**	**645.26**	**18.88**	**4,526.05**	**5,203.36**

Material accounting policies	2
Notes to the condensed consolidated interim financial statements	3-28

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	475.32	467.66
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	173.37	138.94
Allowances on trade receivable and other advances	1.41	2.84
Amortisation of government grants	(6.81)	(4.99)
Change in fair value of derivative contracts	(5.58)	(3.42)
Net unrealized foreign exchange loss/ (gain)	1.02	(0.95)
Net profit on sale/write off of property, plant and equipment	(1.22)	(2.21)
Share based payment to employees	3.90	-
Finance costs	41.90	18.33
Interest income	(17.80)	(18.33)
Share of (profit) of equity accounted investment	(0.24)	(0.01)
Operating profit before working capital changes	**665.27**	**597.86**
Movement in working capital:		
Decrease in non current loans	0.10	-
(Increase)/ decrease in current loans	(0.48)	0.44
Decrease in other financial assets	55.54	1.07
Decrease/ (increase) in other non-current assets	0.54	(1.00)
(Increase) in other current assets	(84.32)	(1.51)
(Increase) in inventories	(234.69)	(124.33)
(Increase) in trade receivables	(106.86)	(41.26)
Increase in non current provisions	2.37	8.49
Increase in current provisions	3.71	0.49
(Decrease) in other liabilities	(6.57)	(49.86)
Increase in trade payables	135.65	127.01
Increase in other financial liabilities	20.83	3.72
Cash generated from operations	**451.09**	**521.12**
Income tax paid (net of refund)	(84.36)	(68.56)
Net cash from operating activities (A)	**366.73**	**452.56**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(537.52)	(291.42)
Proceeds from sale of property, plant and equipment	1.30	2.55
Purchase of investments	-	(1.27)
Proceeds from maturity of bank deposits	292.77	103.81
Investments in bank deposits (having original maturity of more than three months)	(184.99)	(263.99)
Interest received	17.73	18.33
Net cash used in investing activities (B)	**(410.71)**	**(431.99)**
C. Cash flows from financing activities		
Proceeds from non-current borrowings	466.64	87.07
Repayments of non-current borrowings	(178.44)	(154.35)
Proceeds of current borrowings (net)	4.58	93.51
Principal payment of lease liabilities	(4.81)	(3.37)
Interest on lease liabilities	(3.90)	(0.97)
Finance costs paid	(37.00)	(17.20)
Net cash generated from financing activities (C)	**247.07**	**4.69**
Net increase in cash and cash equivalents (A+B+C)	**203.09**	**25.26**
Effect of exchange loss on cash and cash equivalents	(0.01)	-
Cash and cash equivalents at the beginning of the quarter	76.37	89.90
Cash and cash equivalents at the end of the quarter	**279.45**	**115.16**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Condensed Consolidated Interim Statement of Cash Flows for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Notes:-		
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	182.38	113.66
- deposits with original maturity of less than three months	95.19	-
Cash on hand	1.88	1.50
	279.45	**115.16**

2. The above Statement of Cash Flow 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.

3. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 30 June 2024 (Unaudited)	As at 30 June 2023 (Unaudited)
Borrowings at the beginning of the quarter	2,249.57	1,209.86
Proceeds from non-current borrowings (including current maturities)	466.64	87.07
Repayments of non-current borrowings (including current maturities)	(178.44)	(154.35)
Proceeds of current borrowings (net)	4.58	93.51
Interest expense for the quarter	34.29	13.02
Interest paid	(33.29)	(12.86)
Borrowings at the end of the quarter	**2,543.35**	**1,236.25**

4. Reconciliation of movement in Lease liabilities	As at 30 June 2024 (Unaudited)	As at 30 June 2023 (Unaudited)
Balance at the beginning of the quarter	203.19	63.11
Accredition of interest	3.90	0.97
Payment of lease liabilities	(8.71)	(4.34)
Balance at the end of the quarter	**198.38**	**59.74**

Material accounting policies 2

Notes to the condensed consolidated interim financial statements 3-28

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

(All amounts are in rupees million except share data, 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 Condensed Consolidated Interim 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.

The Condensed Consolidated Interim 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 30 June 2024	As at 31 March 2024	As at 30 June 2023
Holding Company Mrs. Bectors Food Specialities Limited	India			
Subsidiaries				
Bakebest Foods Private Limited	India	100	100	100
Mrs. Bectors English Oven Limited	India	100	100	100
Mrs. Bectors Food International (FZE)	UAE	100	100	100
Associate Cremica Agro Foods Limited	India	43.09	43.09	43.09
Controlled Trust (w.e.f. 18 October 2023) Bector Employee Welfare Trust	India	100	100	-

2. Material Accounting Policies

Basis and purpose of preparation and presentation

These Condensed Consolidated Interim Financial Statements which comprise the Condensed Consolidated Interim Balance Sheet of the Group and its associate as at 30 June 2024, the Condensed Consolidated Interim Statement of Profit and Loss (including Other Comprehensive Income) of the Group and its share of the net profit after tax and total comprehensive income of its associate for the quarter then ended, Condensed Consolidated Interim Statement of Changes in Equity and the Condensed Consolidated Interim Statement of Cash Flows of the Group and its associate for the period then ended and notes to the condensed interim financial statements, including material accounting policies (herein after referred to as "the Condensed Consolidated Interim Financial Statements") have been prepared in accordance with the principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India.

These Condensed Consolidated Interim Financial Statements are not the statutory accounts for the purpose of any statutory compliances or for regulatory requirements in any jurisdiction. These Condensed Consolidated Interim Financial Statements must be read in conjunction with the consolidated financial statements for the year ended 31 March 2024. They do not include all the information required for a complete set of Ind AS financial statements. However, selected explanatory notes are included to explain events and transactions that management believes are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

These Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2024 have been prepared by the Group solely in connection with the Proposed fund raising exercise, by way of issuance of equity shares under qualified institutions placement and its inclusion in the Preliminary Placement Document and Placement Document of the Group, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "Regulations").

The Condensed Consolidated Interim Financial Statements of the Group for the quarter ended 30 June 2024 were approved by the Board of Directors and authorized for issue on 2 August 2024.

Use of judgments and estimates

The preparation of the Condensed Consolidated Interim Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the Management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to the Condensed Consolidated Interim Financial Statements, or areas involving a higher degree of judgement or complexity, are the same as those disclosed in the Group's annual financial statements for the year ended 31 March 2024.

Accounting policies

Income Tax

Current income and deferred tax have been determined based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year as required under Ind AS 34.

The accounting policies adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of the Group’s latest annual financial statements and related notes for the year ended 31 March 2024.

Recent pronouncement

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. For the quarter ended 30 June 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the Group.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2024	Additions	Disposals/ adjustments	As at 30 June 2024	As at 1 April 2024	Charge for the quarter	Disposals/ adjustments	As at 30 June 2024	As at 1 April 2024	As at 30 June 2024
Own assets										
Freehold land	439.06	-	-	439.06	-	-	-	-	439.06	439.06
Leasehold improvements	27.58	5.74	-	33.32	1.49	0.83	-	2.32	26.09	31.00
Buildings @	1,857.99	54.65	-	1,912.64	349.52	15.71	-	365.23	1,508.47	1,547.41
Plant and machinery #	5,351.27	410.25	1.55	5,759.97	2,551.76	140.63	1.47	2,690.92	2,799.51	3,069.05
Furniture and fixtures	61.45	0.50	-	61.95	34.21	1.10	-	35.31	27.24	26.64
Vehicles	160.16	-	-	160.16	81.52	3.86	-	85.38	78.64	74.78
Office equipment	49.83	3.48	-	53.31	30.17	1.34	-	31.51	19.66	21.80
Computer	47.42	5.38	-	52.80	29.70	2.16	-	31.86	17.72	20.94
Total	**7,994.76**	**480.00**	**1.55**	**8,473.21**	**3,078.37**	**165.63**	**1.47**	**3,242.53**	**4,916.39**	**5,230.68**

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2023	Additions	Disposals/ adjustments	As at 31 March 2024	As at 1 April 2023	Charge for the year	Disposals/ adjustments	As at 31 March 2024	As at 1 April 2023	As at 31 March 2024
Own assets										
Freehold land	387.43	51.63	-	439.06	-	-	-	-	387.43	439.06
Leasehold improvements	3.18	24.40	-	27.58	0.53	0.96	-	1.49	2.65	26.09
Buildings @	1,601.71	256.28	-	1,857.99	290.33	59.19	-	349.52	1,311.38	1,508.47
Plant and machinery #	4,309.99	1,067.22	25.94	5,351.27	2,076.99	496.85	22.08	2,551.76	2,233.00	2,799.51
Furniture and fixtures	51.84	9.61	-	61.45	28.89	5.32	-	34.21	22.95	27.24
Vehicles	156.47	3.69	-	160.16	65.73	15.79	-	81.52	90.74	78.64
Office equipment	39.12	10.71	-	49.83	25.01	5.16	-	30.17	14.11	19.66
Computer	36.24	11.29	0.11	47.42	22.80	6.91	0.01	29.70	13.44	17.72
Total	**6,585.98**	**1,434.83**	**26.05**	**7,994.76**	**2,510.28**	**590.18**	**22.09**	**3,078.37**	**4,075.70**	**4,916.39**

a) Refer note 15 and 16 for charge created on property, plant and equipment.

b) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2024 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2024 Rs. 0.03) are pending to be registered in the name of the Group.

c) Refer note 22 C for disclosure of capital commitments for the acquisition of property, plant and equipment.

Plant and machinery includes amount of gross value Rs. 2,659.03 (31 March 2024 Rs. 2,351.38), net value of Rs. 1,575.00 (31 March 2024 Rs. 1,326.15) which are partially given under lease arrangement. Also refer note – 24.

@ Buildings includes amount of gross value Rs. 1,024.85 (31 March 2024 Rs. 970.39), net value of Rs. 877.39 (31 March 2024 Rs. 831.24) which are partially given under lease arrangement. Also refer note – 24.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2024	Additions	Capitalised during the quarter	As at 30 June 2024
Capital work-in-progress*	943.62	344.00	376.23	911.39

Particulars	As at 1 April 2023	Additions	Capitalised during the year	As at 31 March 2024
Capital work-in-progress*	487.05	1,686.03	1,229.46	943.62

Capital work in progress (CWIP) ageing schedule
As at 30 June 2024

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)	150.40	-	-	-	150.40
Indore (New biscuit lines)	447.32	21.31	0.66	0.63	469.92
Mumbai (New bun and bakery lines)	118.82	3.00	0.23	-	122.05
Misc. projects lying at various locations	165.15	2.35	1.52	-	169.02
Projects temporarily suspended	-	-	-	-	-
Total	**881.69**	**26.66**	**2.41**	**0.63**	**911.39**

As at 31 March 2024

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)	405.87	-	-	-	405.87
Indore (New biscuit lines)	379.73	9.27	0.67	0.63	390.30
Mumbai (New bun and bakery lines)	81.65	2.04	-	-	83.69
Misc. projects lying at various locations	59.89	3.41	0.46	-	63.76
Projects temporarily suspended	-	-	-	-	-
Total	**927.14**	**14.72**	**1.13**	**0.63**	**943.62**

(All amounts are in rupees million except share data, unless otherwise stated)

Capital work in progress (CWIP) completion schedule
- For capital-work-in progress, whose completion is overdue to its original plan:-

As at 30 June 2024
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 2024
There is no such capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

*Detail of preoperative expenses included in CWIP	As at 30 June 2024	As at 31 March 2024
Opening for the quarter/year	**66.12**	**23.73**
Additions as per statement of profit and loss during the quarter/ year		
- Cost of material consumed	0.27	11.89
- Interest and processing charges	15.39	33.05
- Bank charges	0.16	0.06
- Power & fuel	3.46	8.59
- Rates and taxes	0.91	15.67
- Consumption of stores and spare parts	-	0.14
- Rent	-	1.14
- Employee benefits expense	6.44	24.00
- Legal & professional expense	2.30	14.63
- Insurance	0.04	0.53
- Travelling and conveyance	1.13	7.06
- Miscellaneous expenses	0.07	2.41
Subtotal	**30.17**	**119.17**
Less:- Capitalised to respective property, plant and equipment	16.78	76.78
Closing for the quarter/ year	**79.51**	**66.12**

@ 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. 3.44 at 8.00% (31 March 2024 Rs. 19.85 at 8.30%).

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to Condensed Consolidated Interim Financial Statements for the quarter ended 30 June 2024
(All amounts are in rupees million except share data, unless otherwise stated)

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 2024	132.32	186.61	318.93
Depreciation charge for the quarter	(0.40)	(7.24)	(7.64)
Balance as on 30 June 2024 (Unaudited)	**131.92**	**179.37**	**311.29**

Particulars	Category of Right-of-use assets		
	Leasehold land	Building	Total
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2023	133.92	48.08	182.00
Addition/ reclassification of leases	-	160.35	160.35
Depreciation charge for the year	(1.60)	(21.82)	(23.42)
Balance as on 31 March 2024 (Audited)	**132.32**	**186.61**	**318.93**

The aggregate depreciation expense on ROU assets amounting to Rs. 7.64 (31 March 2024 Rs. 23.42) is included under depreciation and amortisation expense in the condensed consolidated interim statement of Profit and Loss.

The following is the movement in lease liabilities during the quarter/ year:

Lease liabilities	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Balance at the beginning	203.19	63.11
Addition for new leases	-	156.18
Accredition of interest	3.90	9.45
Payment of lease liabilities	(8.71)	(25.55)
Balance at the end	**198.38**	**203.19**

(All amounts are in rupees million except share data, unless otherwise stated)

5. Right-of-use assets and lease liabilities *(continued)*

Amount recognised in profit and loss	**For the quarter ended 30 June 2024 (Unaudited)**	**For the year ended 31 March 2024 (Audited)**
Interest expense on lease liabilities	3.90	9.45
Expense relating to short-term leases	12.49	40.86

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 30 June 2024 (Unaudited)	**As at 31 March 2024 (Audited)**
Maturity analysis – contractual undiscounted cash flows		
Less than one year	35.81	35.49
After one year but not longer than five years	152.69	154.15
More than five years	141.50	149.07
Total	**330.00**	**338.71**

Lease liabilities included in the statement of financial position		
Current	21.20	20.48
Non- current	177.18	182.71
Total	**198.38**	**203.19**

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 assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

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. 12.49 (31 March 2024 Rs. 40.86) during the period towards expenses relating to short-term leases for which the recognition exemption has been applied.

The total cash outflow for leases (including short term leases) for the quarter ended 30 June 2024 is Rs. 21.20 (for the year ended 31 March 2024 Rs. 66.41).

(All amounts are in rupees million except share data, unless otherwise stated)

6. Goodwill

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2024	Additions	Deletions	As at 30 June 2024	As at 1 April 2024	Adjustments	As at 30 June 2024	As at 1 April 2024	As at 30 June 2024
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 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Adjustments	As at 31 March 2024	As at 1 April 2023	As at 31 March 2024
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.

Particulars	As at 30 June 2024	As at 31 March 2024
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 2024	Additions	Deletions	As at 30 June 2024	As at 1 April 2024	Charge for the quarter	Deletions	As at 30 June 2024	As at 1 April 2024	As at 30 June 2024
Computer softwares	29.61	-	-	29.61	28.28	0.10	-	28.38	1.33	1.23
Total	**29.61**	**-**	**-**	**29.61**	**28.28**	**0.10**	**-**	**28.38**	**1.33**	**1.23**

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deletions	As at 31 March 2024	As at 1 April 2023	As at 31 March 2024
Computer softwares	29.08	0.53	-	29.61	27.92	0.36	-	28.28	1.16	1.33
Total	**29.08**	**0.53**	**-**	**29.61**	**27.92**	**0.36**	**-**	**28.28**	**1.16**	**1.33**

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
8 Other non-current financial assets		
Deposits with maturity of more than 12 months		
- Margin money deposit*	170.96	17.88
- Deposits with maturity of more than 12 months	40.61	-
Security deposits	68.29	62.72
	279.86	**80.60**

*Margin money deposits with carrying amount of Rs. 170.96 (31 March 2024 Rs. 17.88) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
9 Other non-current assets		
Prepaid expenses	2.40	2.90
Prepaid (deferred) expenses for employee benefits	0.70	0.74
Capital advances	644.58	557.38
	647.68	**561.02**

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
10 Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	1,496.47	1,390.72
Less: Loss allowance*	(60.94)	(59.53)
	1,435.53	**1,331.19**
Break-up of trade receivables:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,440.20	1,335.06
Trade receivables which have significant increase in credit risk	36.87	36.26
Trade receivables – credit impaired	19.40	19.40
Total	**1,496.47**	**1,390.72**
Less: Expected credit loss allowance		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	(4.67)	(3.87)
Trade receivables which have significant increase in credit risk	(36.87)	(36.26)
Trade receivables – credit impaired	(19.40)	(19.40)
Total trade receivables	**1,435.53**	**1,331.19**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 27 on financial instruments.

Trade receivable ageing schedule

As at 30 June 2024	**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	28.93	859.66	551.61	-	-	-	-	1,440.20	4.67	1,435.53
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	8.77	3.90	1.90	1.34	15.91	15.91	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	4.68	14.72	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	0.17	1.14	3.39	16.26	20.96	20.96	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**28.93**	**859.66**	**551.61**	**8.94**	**5.04**	**9.97**	**32.32**	**1,496.47**	**60.94**	**1,435.53**

As at 31 March 2024	**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	17.58	890.11	420.80	6.39	0.18	-	-	1,335.06	3.87	1,331.19
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	8.48	3.49	1.42	1.34	14.73	14.73	-
Undisputed trade receivable - credit impaired	-	-	-	-	1.10	3.58	14.72	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	0.54	1.63	4.00	15.36	21.53	21.53	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**17.58**	**890.11**	**420.80**	**15.41**	**6.40**	**9.00**	**31.42**	**1,390.72**	**59.53**	**1,331.19**

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
11 Other current financial assets		
(unsecured, considered good)		
Derivatives		
Forward exchange contracts used for hedging	6.57	1.23
Derivative contract for purchase of wheat not designated as hedges	0.24	-
Export incentive receivable	179.39	142.65
Security deposits	2.96	2.94
Claims receivable on export	7.59	99.51
Advances recoverable in cash	-	5.88
Other advances	2.10	2.10
	198.85	**254.31**

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
12 Other current assets		
(unsecured, considered good)		
Advances to suppliers		
-Unsecured and considered good	132.86	68.75
-Consider doubtful	14.94	14.94
Less: Provision for doubtful advances to suppliers	(14.94)	(14.94)
Advance to employees	10.43	6.97
Less: Provision for doubtful advances to employees	(1.55)	(1.55)
Prepaid expenses	28.72	34.89
Prepaid (deferred) expenses for employee benefits	0.22	0.23
Right to recover returned goods*	10.43	10.66
Balances with statutory/government authorities	97.16	74.00
	278.27	**193.95**

* Denotes sales with right to return.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
13 Share capital		
Authorised		
65,000,000 (As at 31 March 2024: 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 2024: 58,817,474) equity shares of Rs. 10/- each	588.17	588.17
Less: 40,000 (as at 31 March 2024: 40,000) equity shares of Rs. 10/- each held by Bector Employee Welfare Trust	(0.40)	(0.40)
	587.77	**587.77**

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 quarter/ year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2023	**5,88,17,474**	**588.17**
Shares purchased by Bector Employee Welfare Trust	(40,000)	(0.40)
Outstanding as at 31 March 2024 (Audited)	**5,87,77,474**	**587.77**
Outstanding as at 30 June 2024 (Unaudited)	**5,87,77,474**	**587.77**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 30 June 2024 (Unaudited)		As at 31 March 2024 (Audited)	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	1,25,61,900	21.37%	1,25,61,900	21.37%
Anoop Bector (AB Family Trust)	59,99,662	10.21%	59,99,662	10.21%
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	34,10,614	5.80%	35,10,614	5.97%

d. Promotor Shareholding

Promoter Name	As at 30 June 2024 (Unaudited)			As at 31 March 2024 (Audited)		
	No. of Shares	% of total shares	% change during the quarter	No. of Shares	% of total shares	% change during the year
Anoop Bector	1,25,61,900	21.37%	0.00%	1,25,61,900	21.37%	0.09%
Anoop Bector HUF	20,05,970	3.41%	0.00%	20,05,970	3.41%	0.00%
Ishaan Bector	5,100	0.01%	0.00%	5,100	0.01%	0.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	0.00%
Suvir Bector	5,100	0.01%	0.00%	5,100	0.01%	0.00%
Anoop Bector (AB Family Trust)	59,99,662	10.21%	0.00%	59,99,662	10.21%	0.25%
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%
Uday Rameshkumar Aggarwal	400	0.00%	0.00%	400	0.00%	0.00%
Total	**3,01,04,454**	**51.22%**	**0.00%**	**3,01,04,454**	**51.22%**	**0.09%**

e. During the five years immediately preceding 30 June 2024 ('the quarter'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

f. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the quarter/year and options outstanding at the end of the reporting period, is given in note 26.

(All amounts are in rupees million except share data, unless otherwise stated)

		As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
14	**Other equity**		
a	**Capital reserve**		
	Balance at the beginning of the quarter/ year	13.17	13.17
	Balance at the end of the quarter/ year	**13.17**	**13.17**
b	**Securities premium**		
	Balance at the beginning of the quarter/ year	604.39	645.26
	Less: Securities premium on equity shares held by Bector Employee Welfare Trust	-	(40.87)
	Balance at the end of the quarter/ year	**604.39**	**604.39**
c	**Retained earnings**		
	Balance at the beginning of the quarter/ year	5,402.27	4,177.70
	Add: Profit for the quarter/ year	354.26	1,403.61
	Add: Other comprehensive loss for the quarter/ year	(0.67)	(2.59)
	Less: Dividends	-	(176.45)
	Balance at the end of the quarter/ year	**5,755.86**	**5,402.27**
d	**Share options outstanding account**		
	Balance at the beginning of the quarter/ year	2.32	-
	Share based expense	3.90	2.32
	Balance at the end of the quarter/ year	**6.22**	**2.32**
e	**General reserve**		
	Balance at the beginning of the quarter/ year	18.88	18.88
	Balance at the end of the quarter/ year	**18.88**	**18.88**
f	**ESOP trust reserve**		
	Balance at the beginning of the quarter/ year	0.03	-
	Dividend on shares held by Bector Employee Welfare Trust	-	0.03
	Balance at the end of the quarter/ year	**0.03**	**0.03**
	Total	**6,398.55**	**6,041.06**

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.

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)
(d) exchange difference in translating financial statements of foreign operations

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.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
15 Non-current borrowings		
Term loans (Refer note (a))		
From banks (Secured)	2,017.62	1,723.10
Vehicle loans (Refer note (a))		
From banks (Secured)	13.96	16.93
From Others (Secured)	2.53	3.59
Total non-current borrowings	**2,034.11**	**1,743.62**
Less: Current maturities of long term debt	(178.46)	(251.11)
Less: Interest accrued	(4.69)	(2.40)
Non-current borrowings	**1,850.96**	**1,490.11**

(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 30 June 2024	183.34	371.31	1,458.37	16.40	4.69	2,034.11
As at 31 March 2024	319.60	388.49	1,012.73	20.40	2.40	1,743.62
Year of maturity	2028-29	2027-28	2032-33	2026-27	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.70%	8.12% - 8.62%	7.55% - 7.65%	6.62% - 8.60%	-	-

* 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 pari passu charge shared by ICICI Bank on reciprocal basis on all moveable and immovable fixed assets (PPE) of the Rajpura, Phillaur and Tahliwal plant.
These loans are further secured by equitable mortgage of immovable property situated at Industrial Plot No. 2, Integrated Industrial Park, Pithampur, Dhar, Indore alongwith hypothecation of movable fixed assets of Indore plant. Additionally these loans are secured by hypothecation of movable fixed assets of Bhiwadi 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

(All amounts are in rupees million except share data, unless otherwise stated)

16 Current borrowings	**As at 30 June 2024 (Unaudited)**	**As at 31 March 2024 (Audited)**
Loans from banks repayable on demand (secured)*	509.13	504.55
Current maturities of long-term debt (refer note 15)	178.46	251.11
	687.59	**755.66**

* The Group has also taken the working capital limits from HDFC Bank Limited against fixed deposits. The facilities availed from HDFC Bank Limited carries floating rate of interest @ FD rate + 0.30% ranging from 7.42% to 7.55% per annum (FD rate + 0.30% ranging from 7.49% to 7.55% per annum for the year ended 31 March 2024).

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 + 2.00% spread ranging from 7.75% to 8.49% per annum (Repo rate + 2.00% spread ranging from 7.60% to 8.62% per annum for the year ended 31 March 2024).

The Group has also taken the working capital limits during the quarter from State Bank of India which are secured by first pari passu charge on entire current assets both present and future of the Rajpura, Phillaur and Tahliwal plant. The facilities availed from State Bank of India carries floating rate of interest @ 91 day T Bill + 0.53% spread at 7.45% per annum (Nil for the year ended 31 March 2024).

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%.
State Bank of India	The Group shall be liable for levy of penal interest @ 2% per annum on the irregular portion for the period of irregularity upto 60 days and % per annum on continuous irregualrity of a period beyond 60 days. Further the bank reserves the right to charge an additional 0.05% on sanctioned limit for the period of default in case of non-submission of renewal documents and stock statements..

17 Other financial liabilities		
Interest accrued	4.80	3.80
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises	41.21	31.86
Total outstanding dues of creditors other than micro enterprises and small enterprises	76.88	88.87
Unpaid dividends	0.39	0.35
Security and other trade deposits	75.54	74.20
Advances from customers	1.79	2.38
Employee payable	207.64	189.04
CSR unspent amount	6.11	6.11
Other- unapplied receipts	5.77	4.33
	420.13	**400.94**

(All amounts are in rupees million except share data, unless otherwise stated)

		For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
18	**Revenue from operations**		
	Sale of products	4,182.40	3,514.46
	Sale of services*		
	Job work income	115.01	144.17
	Total (A)	**4,297.41**	**3,658.63**
	Other operating revenue		
	Export incentives #	52.95	40.20
	Income from lease rentals*	10.03	16.61
	Sale of scrap	31.77	25.90
	Others	1.85	0.26
	Total (B)	**96.60**	**82.97**
	Total revenue from operations (A + B)	**4,394.01**	**3,741.60**

a. Reconciliation of revenue recognized with the contracted price is as follows:

Contracted price	4,547.46	3,884.37
Reductions towards variable consideration components (discounts, rebates and others)	250.05	225.74
Revenue recognised	**4,297.41**	**3,658.63**

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 satisifed. 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 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Contract liabilities		
- Advances from customers	77.80	81.10
- Refund liability	13.91	14.21
Contract Assets		
- Receivables, which are included in trade receivables	68.55	64.61

Invoices are usually payable within 20-90 days.

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.

		For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
c.	**Timing of revenue recognition**		
	Revenue transferred at point in time	4,182.40	3,514.46
	Revenue transferred over time	115.01	144.17
		4,297.41	**3,658.63**

\# The Group has accrued following export incentives of Rs. 52.95 (30 June 2023 Rs. 40.20).
a) Duty Free Import Authorization of Rs. 52.95 (30 June 2023 Rs. 40.20).

***** Also refer note 24.

(All amounts are in rupees million except share data, unless otherwise stated)

		For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
19	**Finance costs**		
	Interest expense on financial liabilities measured at amortised cost :		
	Loan from banks	34.29	13.02
	Lease liabilities	3.90	0.97
	Others#	3.71	4.34
		41.90	**18.33**
	# It majorly includes bill discounting charges etc.		
20	**Depreciation and amotisation expense**		
	Depreciation on property, plant and equipment	165.63	134.80
	Depreciation on right-of-use assets	7.64	4.06
	Amortisation on intangible assets	0.10	0.08
		173.37	**138.94**
21	**Earning per share (EPS)**		
A.	**Basic earnings per share**		
i.	*Profit for basic earning per share of Rs. 10 each*		
	Profit for the quarter	354.26	348.50
ii.	*Weighted average number of equity shares for (basic)*	58.78	58.82
	Basic Earnings per share (face value of Rs 10 each)	**6.03**	**5.93**
B.	**Diluted earnings per share**		
i.	*Profit for diluted earning per share of Rs. 10 each*		
	Profit for the quarter	354.26	348.50
ii.	*Weighted average number of equity shares for (diluted)*	58.78	58.82
	Diluted Earnings per share (face value of Rs. 10 each)	**6.03**	**5.93**

(All amounts are in rupees million except share data, unless otherwise stated)

22 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	**As at 30 June 2024 (Unaudited)**	**As at 31 March 2024 (Audited)**
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.		
a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):		
I) Income Tax related matters	**32.41**	**32.41**
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 2020-21	1.38	1.38
*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 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.	18.31	18.65
Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government of Rs. 468.98 million (previous year - Rs. 389.88 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.	156.14	129.82
Impact of bonus due to retrospective 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. Subsequently basis discussion the MPIDC officials, Group has filed a fresh extension letter on 24 May 2022 wherein it 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 with proposed date of operation as 30 April 2024 which has been accepted by MPIDC vide its letter dated 18 October 2022. Further in current year, Group has submitted letter vide dated 14 December 2023 with revised cost of project and extension of date of production and updated letter on 30 July 2024 i.e. completion of Building and commencement of operations from by Q3 2024-25.
The Group is confident that it will be able to obtain extension as may be required in due course without any significant penalty / charge levied by MPIDC.

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.

(All amounts are in rupees million except share data, unless otherwise stated)

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 30 June 2024 of Rs. 5.51 (31 March 2024 Rs. 5.43) (including interest of Rs. 3.82 (31 March 2024 Rs. 3.74)) 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 was related with input tax credit claimed by assessee on purchase of HSD. The Group had demanded to start the proceeding without depositing the 25% of amount demanded. The department 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. During the year ended 31 March 2024, the Group had opted for the Punjab One Time Settlement Scheme for recovery of outstanding dues and paid Rs. 2.74 as full and final settlement towards the tax liability as against Rs. 18.68 provision in the books of account. Accordingly, an amount of Rs. 15.02 has been written back and disclosed under "Liabilities no longer required written back" in Other Income and an amount of Rs. 0.92, representing interest accrued on the principal amount for the previous year, has been netted from "Others" in Finance costs.

(c) A demand of Rs. 1.91 (31 March 2024 Rs. 1.91), 1.60 (31 March 2024 Rs. 1.60), 0.09 (31 March 2024 Rs. 0.09) and 0.16 (31 March 2024 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 2024 Rs. 0.12), 0.82 (31 March 2024 Rs. 0.82) and 0.15 (31 March 2024 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.

(e) A demand of Rs. 0.03 (31 March 2024 Rs. 0.03) for assessment year 2016-17 on account of mismatch in ITC raised by Excise Taxation Officer, Ludhiana, Punjab 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 quarter since provident fund was already deducted on such special allowance for current quarter.

Owing to the aforesaid uncertainity 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 30 June 2024 (Nil as on 31 March 2024).

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 1,231.25 (as on 31 March 2024 Rs. 1,450.39).

23 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 quarter ended 30 June 2024 (Unaudited)**	**For the quarter ended 30 June 2023 (Unaudited)**
Revenue from food products*	4,297.41	3,658.63
Total	**4,297.41**	**3,658.63**

*excludes other operating revenues.

(All amounts are in rupees million except share data, unless otherwise stated)

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 quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Within India	2,786.81	2,677.91
Outside India	1,510.60	980.72
Total	**4,297.41**	**3,658.63**

ii) Receivables	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Within India	718.99	713.27
Outside India	716.54	617.92
Total	**1,435.53**	**1,331.19**

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 quarter ended 30 June 2024, Group does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the quarter ended 30 June 2023).

D. Disaggregation of revenue

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition.

Contract	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
6 months or less	4,297.41	3,658.63
Total	**4,297.41**	**3,658.63**
Major product/ service line		
Sale of products	4,182.40	3,514.46
Sale of services		
Job work income	115.01	144.17
Total revenue	**4,297.41**	**3,658.63**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Contract Assets		
Receivables, which are included in trade receivables	68.55	64.61
Contract liabilities		
- Advances from customers	77.80	81.10
- Refund liability	13.91	14.21

24 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.

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 quarter ended 30 June 2024, lease rentals of Rs. 10.05 (30 June 2023: Rs. 16.63) have been included in other operating revenue / other income (refer note 18). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Particulars	For the quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Income generated from lease of building, plant and machinery under job work arrangement	10.03	16.61
Income generated from office premises lease	0.02	0.02

(All amounts are in rupees million except share data, unless otherwise stated)

25 Related parties

A. Related parties and nature of relationship where control exists:

Associate
Cremica Agro Foods Limited

CSR Trust
Mrs. Bector Foundation

ESOP Trust
Bector Employee Welfare Trust w.e.f. 16 October 2023

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Suvir Bector	Director
Manu Talwar	CEO
Parveen Kumar Goel	Whole-time Director (CFO till 11 August 2023)
Arnav Jain	CFO w.e.f. 11 August 2023
Rajeev Dewan	Independent Director
Pooja Luthra	Independent Director
Alok Kumar Misra	Independent Director
Ashish Agarwal	Independent Director
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 firm
Sunshine Foods

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 quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Short-term employee benefits	37.73	32.47
Post-employment benefits	0.26	0.24
Director sitting fees	0.20	0.13
Total compensation	**38.19**	**32.84**

(All amounts are in rupees million except share data, unless otherwise stated)

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 period. 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 quarter ended 30 June 2024 (Unaudited)	For the quarter ended 30 June 2023 (Unaudited)
Others		
Rent paid		
- Anoop Bector	1.95	1.16
Reimbursement of expenses		
- Arnav Jain	0.01	-
- Atul Sud	-	0.02
- Manu Talwar	0.13	0.15
- Parveen Kumar Goel	0.06	0.03
Rent received		
- Cremica Agro Foods Limited	0.02	0.02
Salary paid		
- Rashmi Bector	4.12	4.12
- Rajni Bector	0.90	0.90
- Neha Gupta Bector	1.51	1.51
- Mannat Jain Bector	0.75	0.75
- Atul Sud	0.44	0.32

* Transactions are net off goods and services tax wherever applicable.

G. Related party balances as at quarter/year end:

Outstanding balances	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Trade and other payables		
- Anoop Bector	1.39	0.16
- Ishaan Bector	1.01	1.01
- Parveen Kumar Goel	-	0.01
- Rashmi Bector	0.21	0.17
- Neha Gupta Bector	0.26	0.26
- Suvir Bector	0.22	0.22
- Rajni Bector	0.26	0.21
- Ram Sajeevan Verma	0.25	0.16
- Ashish Agarwal	0.02	0.02
- Rajeev Dewan	0.02	0.02
- Alok Kumar Misra	0.02	0.02
- Pooja Luthra	0.02	0.02
Advances and other receivables		
- Cremica Agro Foods Limited	0.02	0.07
Non current investments		
- Cremica Agro Foods Limited	37.20	36.96

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

(All amounts are in rupees million except share data, unless otherwise stated)

26 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.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employee Stock Option Plan - 2023 (Grant 1)	7-Feb-2024	40,000	946.50	3 year 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:

	Employee Stock Option Plan - 2023 (Grant 1)
Fair value of options at grant date	667.80
Market Price/ Enterprise value per share at grant date	1,183.10
Exercise price at the grant date	946.50
Expected volatility (weighted-average)	52.50%
Expected life (weighted-average)	5 years
Expected dividends	0.25%
Risk-free interest rate (based on government bonds)	7.00%

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 30 June 2024	Weighted average exercise price 30 June 2024	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Employees Stock Option Plan				
Options outstanding at the beginning of the quarter/ year	40,000	946.50	-	-
Add: Options granted during the quarter/ year	-	-	40,000	946.50
Options outstanding at the end of the quarter/ year	**40,000**	**946.50**	**40,000**	**946.50**
Exercisable at the end of the quarter/ year	-	-	-	-

(All amounts are in rupees million except share data, unless otherwise stated)

27 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	Note	Level of hierarchy	As at 30 June 2024 (Unaudited) Carrying value	Amortised Cost	FVTPL	As at 31 March 2024 (Audited) Carrying value	Amortised Cost	FVTPL
Financial assets								
Non-current loans	b		2.78	2.78	-	2.88	2.88	-
Other non-current financial assets	b		279.86	279.86	-	80.60	80.60	-
Investments	a	3	40.92	37.20	3.72	40.68	36.96	3.72
Trade receivables	c		1,435.53	1,435.53	-	1,331.19	1,331.19	-
Cash and cash equivalents	c		279.45	279.45	-	76.37	76.37	-
Bank balances other than cash and cash equivalents	c		893.21	893.21	-	1,194.68	1,194.68	-
Current loans	c		6.14	6.14	-	5.66	5.66	-
Other current financial assets	c		198.85	192.04	6.81	254.31	253.08	1.23
			3,136.74	**3,126.21**	**10.53**	**2,986.37**	**2,981.42**	**4.95**
Financial liabilities								
Non-current borrowings	d	3	1,850.96	1,850.96	-	1,490.11	1,490.11	-
Short term borrowings	c		687.59	687.59	-	755.66	755.66	-
Non-current lease liabilities	c		177.18	177.18	-	182.71	182.71	-
Current lease liabilities	c		21.20	21.20	-	20.48	20.48	-
Trade payables	c		1,202.43	1,202.43	-	1,066.78	1,066.78	-
Other financial liabilities	c		420.13	420.13	-	400.94	400.94	-
			4,359.49	**4,359.49**	**-**	**3,916.68**	**3,916.68**	**-**

Notes:-

a (i) The investments in equity shares of associate are measured at cost less impairment losses.
(ii) The investments in equity shares of other companies are measured at FVTPL. The investments have been measured at book value.

b In accordance with amendment Ministry of Corporate Affairs notified in IndAS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. The fair value of non-current assets and non-current liabilities (except lease liabilities) are valued based upon Discounted cashflows valuation method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

c Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

d The fair value of non-current 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.

Fair value of borrowings is as follows :	Fair value As at 30 June 2024 (Unaudited)	Fair value As at 31 March 2024 (Audited)	Amortised cost As at 30 June 2024 (Unaudited)	Amortised cost As at 31 March 2024 (Audited)
Non-current borrowings (including current maturities)	1,978.38	1,753.32	2,034.11	1,743.62

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 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 30 June 2024 (Unaudited) Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	6.57	-	**6.57**
Derivative contract for purchase of wheat not designated as hedges	-	0.24	-	**0.24**

Particulars	As at 31 March 2024 (Audited) Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	1.23	-	**1.23**
Derivative contract for purchase of wheat not designated as hedges	-	-	-	**-**

There are no transfers between level 1 and level 2 during the quarter/year.

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 3 fair values, the Group 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 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.

(All amounts are in rupees million except share data, unless otherwise stated)

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

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's exposure to credit risk for trade receivables by geographic region is as follows:-

Particulars	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Within India	718.99	713.27
Outside India	716.54	617.92
Total	**1,435.53**	**1,331.19**

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.

Loss allowance as per expected credit loss

Particulars	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	1,496.47	1,390.72

Recociliation of loss allowance provision

Particulars	Trade Receivables	Total
Loss Allowance on 1 April 2023	**50.82**	**50.82**
Change in Loss allowance	8.71	8.71
Loss Allowance on 31 March 2024	**59.53**	**59.53**
Change in Loss allowance	1.41	1.41
Loss Allowance on 30 June 2024	**60.94**	**60.94**

(All amounts are in rupees million except share data, unless otherwise stated)

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 30 June 2024	Unutilized
HDFC Bank Limited	Bank Overdraft	351.80	3.20	348.60
	Non-Fund Based	45.00	14.94	30.06
ICICI Bank Limited	WC Fund Based	422.50	144.83	277.67
	Non-Fund Based	85.40	66.90	18.50
Punjab National Bank	Term Loan	1,710.00	889.67	820.33
	Non-Fund Based (sub limit)	700.00	79.46	620.54
State Bank of India	WC Fund Based	500.00	361.10	138.90
Total		**3,814.70**	**1,560.10**	**2,254.60**

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 As at 30 June 2024 (Unaudited)	Contractual cash flows Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	1,850.96	1,661.58	-	1,294.97	366.61
Short term borrowings	687.59	821.24	821.24	-	-
Non-current lease liabilities	177.18	294.19	-	152.69	141.50
Current lease liabilities	21.20	35.81	35.81	-	-
Trade payables	1,202.43	1,202.43	1,202.43	-	-
Other current financial liabilities	420.13	420.13	420.13	-	-
Total	**4,359.49**	**4,435.38**	**2,479.61**	**1,447.66**	**508.11**

	Carrying amount As at 31 March 2024 (Audited)	Contractual cash flows Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	1,490.11	1,362.95	-	1,227.03	135.92
Short term borrowings	755.66	892.51	892.51	-	-
Non-current lease liabilities	182.71	303.22	-	154.15	149.07
Current lease liabilities	20.48	35.49	35.49	-	-
Trade payables	1,066.78	1,066.78	1,066.78	-	-
Other current financial liabilities	400.94	400.94	400.94	-	-
Total	**3,916.68**	**4,061.89**	**2,395.72**	**1,381.18**	**284.99**

The outflows disclosed in the above table represent the contractual undiscounted cash flows relating to 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 1.8% (being annualised) (previous year Nil) of its expected wheat/maida purchases.

(All amounts are in rupees million except share data, 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
30 June 2024				
Wheat 1%	0.52	(0.52)	0.39	(0.39)
31 March 2024				
Wheat 1%	-	-	-	-

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:

As at 30 June 2024 (Unaudited)	USD	Euro
Financial asset		
Trade receivables	8.72	-
Forward contracts receivables (including above trade receivables)	25.10	-
Total	**33.82**	**-**
Financial liabilities		
Payable for capital assets	0.00	0.16
Total	**0.00**	**0.16**
Net exposure to foreign currency risk	**33.82**	**(0.16)**

As at 31 March 2024 (Audited)	USD	Euro
Financial asset		
Trade receivables	7.50	-
Forward contracts receivables (including above trade receivables)	22.45	-
Total	**29.95**	**-**
Financial liabilities		
Payable for capital assets	0.00	0.16
Total	**0.00**	**0.16**
Net exposure to foreign currency risk	**29.95**	**(0.16)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies as at quarter/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
As at 30 June 2024 (Unaudited)				
USD (1% movement)	28.20	(28.20)	21.10	(21.10)
EUR (1% movement)	(0.14)	0.14	(0.10)	0.10
As at 31 March 2024 (Audited)				
USD (1% movement)	24.96	(24.96)	18.68	(18.68)
EUR (1% movement)	(0.14)	0.14	(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 7.55% to 8.70%. 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	
	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Fixed-rate instruments		
Financial assets	1,064.17	1,212.56
Financial liabilities	-	-
	1,064.17	**1,212.56**

(All amounts are in rupees million except share data, unless otherwise stated)

Particulars	Amount as at As at 30 June 2024 (Unaudited)	 As at 31 March 2024 (Audited)
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(2,548.04)	(2,251.97)
	(2,548.04)	**(2,251.97)**

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.7.96 after tax (31 March 2024 Rs. 9.07). 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
As at 30 June 2024 (Unaudited)		
Variable-rate instruments	(19.07)	19.07
Cash flow sensitivity (net)	(19.07)	19.07
As at 30 June 2023 (Unaudited)		
Variable-rate instruments	(9.27)	9.27
Cash flow sensitivity (net)	(9.27)	9.27

28 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.

Particulars	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Total liabilities	4,846.90	4,374.02
Less: Cash and cash equivalents	279.45	76.37
Less: Bank balances other than cash and cash equivalents	893.21	1,194.68
Less: Fixed deposits with banks with maturity period for more than 12 months	211.57	80.60
Adjusted total liabilities (a)	3,462.67	3,022.37
Total equity (b)	6,986.32	6,628.83
Capital gearing ratio (a/b)	**49.56%**	**45.59%**

Particulars	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
Borrowings (including interest accrued)	2,543.35	2,249.57
Less: Cash and cash equivalents	279.45	76.37
Less: Bank balances other than cash and cash equivalents	893.21	1,194.68
Less: Fixed deposits with banks with maturity period for more than 12 months	211.57	80.60
Adjusted net debt	1,159.12	897.92
Total equity	6,986.32	6,628.83
Adjusted net debt to equity ratio	**0.17**	**0.14**

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Gurugram
Date: 2 August 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 2 August 2024

Suvir Bector
Director
DIN:-08713694

Place: Phillaur
Date: 2 August 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 2 August 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 2 August 2024

B S R & Co. LLP
Chartered Accountants

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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 2024, 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 material 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 the 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 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year 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 the 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

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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 (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. • For discounts and rebates, we performed substantive testing, by selecting samples (using statistical sampling) of discounts and rebates transactions recorded during the year as well as period end discounts and rebates accruals. For such samples, verified terms of contracts and approval of authorised personnel. Further we assessed the accuracy of prior period accruals by reference to actual claims presented by the customer. • 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 Holding 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 take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/ Board of Trustees' 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/ Board of Trustees of the trust included in the Group and the respective Management 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/ trust 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/ Board of Trustees of the trust included in the Group and the respective Management of its associate are responsible for assessing the ability of each company/ trust 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/ Board of Trustees of the trust either intends to liquidate the respective companies/ trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Board of Trustees of the trust included in the Group and the respective Management and Board of Directors of its associate are responsible for overseeing the financial reporting process of each company/ trust.

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 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 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 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 statements of two wholly owned subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 23.92 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 9.96 million and net cash flows (before consolidation adjustments) amounting to Rs. 0.81 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 profit (and other comprehensive income) of Rs. 0.69 million for the year ended 31 March 2024, in respect of an associate, whose financial statements has not been audited by us. These consolidated financial statements has been audited by other auditors whose reports has/have 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 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.

   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.

c. The financial information of a trust, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 41.33 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 0.00 million and net cash inflows (before consolidation adjustments) amounting to Rs. 0.07 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor(s). This unaudited financial information 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 this trust, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid trust, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Holding Company.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to financial information certified by the Management.

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) except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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 2024 taken on record by the Board of Directors of 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 and its associate company incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. 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, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 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 year ended 31 March 2024.

   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 during the year ended 31 March 2024.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of its knowledge and belief, as disclosed in the Note 54 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 any of such subsidiary companies or associate company incorporated in India 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 Holding Company or any of such subsidiary companies or associate company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies and associate company respectively that, to the best of its knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies or associate company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies or associate company incorporated in India 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 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. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies and associate company incorporated in India whose financial statements/financial information have been audited under the Act, except for the instances mentioned below, the Holding Company, its subsidiaries and associate company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, except for the instances mentioned below, we and respective auditors of such subsidiary and associate companies did not come across any instance of audit trail feature being tampered with

Instances of accounting software for	In respect of Holding Company and one

maintaining its books of account which did not had a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software	subsidiary company, they used accounting softwares' for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The feature of recording audit trail (edit log) facility for the said accounting software's has not operated throughout the year except for certain tables relating to financial reporting and property, plant & equipment. During the course of our audit where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with for one of the accounting software and are unable to test the same for the other accounting software due to certain system inherent limitations. In the absence of sufficient and appropriate reporting on compliance with audit trail requirements in the independent auditor's report of a service organization for the database layer of the accounting softwares' used for maintaining the books of account, we are unable to comment whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the software.

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 reports of the statutory auditors of such subsidiary companies and an associate company incorporated in India which were not audited by us, the remuneration payable 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 payable 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

Gaurav Mahajan

Partner

Place: Chandigarh
Membership No.: 507857

Date: 30 May 2024
ICAI UDIN:24507857BKFUQH5346

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Mrs. Bectors Food Specialities Limited for the year ended 31 March 2024

(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 company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by its respective auditor in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	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

Gaurav Mahajan

Partner

Membership No.: 507857

ICAI UDIN:24507857BKFUQH5346

Place: Chandigarh

Date: 30 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Mrs. Bectors Food Specialities Limited for the year ended 31 March 2024

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)(g) 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 year ended 31 March 2024, 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 refrence 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 2024, 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.

Annexure B to the Independent Auditor’s Report on the consolidated financial statements of Mrs. Bectors Food Specialities Limited for the year ended 31 March 2024 *(Continued)*

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and an assosciate 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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(s)

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

Gaurav Mahajan

Partner

Place: Chandigarh | Membership No.: 507857

Date: 30 May 2024 | ICAI UDIN:24507857BKFUQH5346

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,916.39	4,075.70
Capital work-in-progress	4	943.62	487.05
Right-of-use assets	5	318.93	182.00
Goodwill	6	3.95	3.95
Other intangible assets	7	1.33	1.16
Equity accounted investment	8a	36.96	36.27
Financial assets			
(i) Other investments	8b	3.72	4.80
(ii) Loans	17	2.88	-
(iii) Other financial assets	9	80.60	359.07
Non-current tax assets (net)	10	40.71	40.53
Other non-current assets	11	561.02	182.19
Total non-current assets		**6,910.11**	**5,372.72**
Current assets			
Inventories	12	1,036.58	814.46
Financial assets			
(i) Investments	13	-	68.95
(ii) Trade receivables	14	1,331.19	903.34
(iii) Cash and cash equivalents	15	76.37	89.90
(iv) Bank balances other than (iii) above	16	1,194.68	658.61
(v) Loans	17	5.66	4.71
(vi) Other financial assets	18	254.31	140.87
Other current assets	19	193.95	259.97
Total current assets		**4,092.74**	**2,940.81**
Total assets		**11,002.85**	**8,313.53**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	587.77	588.17
Other equity	21	6,041.06	4,855.01
Total equity		**6,628.83**	**5,443.18**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	1,490.11	939.91
(ii) Lease liabilities	5	182.71	51.39
Provisions	23	57.58	52.80
Deferred tax liabilities (net)	24	95.36	98.15
Other non-current liabilities	25	100.70	81.42
Total non-current liabilities		**1,926.46**	**1,223.67**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Current liabilities			
Financial liabilities			
(i) Borrowings	26	755.66	266.99
(ii) Lease liabilities	5	20.48	11.72
(iii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises		93.09	103.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		973.69	671.23
(iv) Other financial liabilities	28	400.94	121.63
Other current liabilities	29	153.30	402.55
Provisions	30	50.35	59.79
Current tax liabilities (net)	31	0.05	9.23
Total current liabilities		**2,447.56**	**1,646.68**
Total liabilities		**4,374.02**	**2,870.35**
Total equity and liabilities		**11,002.85**	**8,313.53**
Material 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

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Chandigarh
Date: 30 May 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 30 May 2024

Ishaan Bector
Director
DIN:-02906180

Place: Phillaur
Date: 30 May 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 30 May 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 30 May 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Statement of profit and loss for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	32	16,239.45	13,621.39
Other income	33	190.09	120.23
Total income		**16,429.54**	**13,741.62**
Expenses			
Cost of materials consumed	34	8,336.13	7,376.78
Purchase of stock-in-trade	35	405.59	237.84
Changes in inventories of finished goods, work-in-progress and stock-in-trade	36	(80.65)	(73.74)
Employee benefits expense	37	2,182.38	1,629.92
Finance costs	38	118.39	129.12
Depreciation and amortisation expense	39	613.96	532.77
Other expenses	40	2,971.61	2,698.55
Total expenses		**14,547.41**	**12,531.24**
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	0.69	(3.35)
Profit before tax		**1,882.82**	**1,207.03**
Tax expense	24		
Current tax		481.11	307.18
Deferred tax		(1.90)	(0.89)
Total tax expense		**479.21**	**306.29**
Profit for the year (A)		**1,403.61**	**900.74**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(3.53)	(0.82)
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		0.88	0.20
Items that will be reclassified subsequently to profit or loss			
Exchange difference in translating financial statements of foreign operations		0.06	0.07
Total other comprehensive (loss) for the year (B)		**(2.59)**	**(0.55)**
Total comprehensive income for the year (A + B)		**1,401.02**	**900.19**
Earnings per equity share	41		
[nominal value of Rs. 10 (previous year Rs.10)]			
Basic		23.87	15.31
Diluted		23.85	15.31
Material 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

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Chandigarh
Date: 30 May 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 30 May 2024

Ishaan Bector
Director
DIN:-02906180

Place: Phillaur
Date: 30 May 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 30 May 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 30 May 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	5,88,17,474	587.77	5,88,15,325	588.15
Share based option exercised during the year	-	-	2,149	0.02
Shares held by Bector Employee Welfare Trust	(40,000)	(0.40)	-	-
Balance at the end of the year	**5,87,77,474**	**587.37**	**5,88,17,474**	**588.17**

(b) Other equity

Particulars	Note	Reserves & surplus						Total
		Share options outstanding account	ESOP trust reserve #	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance at 1 April 2023		**-**	**-**	**13.17**	**645.26**	**18.88**	**4,177.70**	**4,855.01**
Profit for year		-	-	-	-	-	1,403.61	1,403.61
Other comprehensive (loss) / income for the year	21 c							
Remeasurement of defined benefit plans		-	-	-	-	-	(2.65)	(2.65)
Exchange difference in translating financial statements of foreign operations		-	-	-	-	-	0.06	0.06
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**1,401.02**	**1,401.02**
Transactions with owners of the Group								
Contributions and distributions								
Share based expense	21 d	2.32	-	-	-	-	-	2.32
Dividends	21 c	-	-	-	-	-	(176.45)	(176.45)
Shares held by Bector Employee Welfare Trust	21 b	-	-	-	(40.87)	-	-	(40.87)
Dividend on shares held by Bector Employee Welfare Tr	21 f	-	0.03	-	-	-	-	0.03
Total contributions and distributions for the year		**2.32**	**0.03**	**-**	**(40.87)**	**-**	**(176.45)**	**(214.97)**
Balance at 31 March 2024		**2.32**	**0.03**	**13.17**	**604.39**	**18.88**	**5,402.27**	**6,041.06**
Balance at 1 April 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 the 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 the year		**-**	**-**	**-**	**-**	**-**	**900.19**	**900.19**
Transactions with owners of the Group								
Contributions and distributions								
Share based expense	21 d	0.03	-	-	-	-	-	0.03
Share based 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)
Dividends	21 c	-	-	-	-	-	(147.04)	(147.04)
Total contributions and distributions for the year		**(0.30)**	**-**	**-**	**0.54**	**-**	**(147.04)**	**(146.80)**
Balance at 31 March 2023		**-**	**-**	**13.17**	**645.26**	**18.88**	**4,177.70**	**4,855.01**

ESOP trust reserve represents the surplus arising in the books of ESOP trust from dividend earned by the trust in the consolidated statement of profit and loss.

Material 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

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Chandigarh
Date: 30 May 2024

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 30 May 2024

Ishaan Bector
Director
DIN:-02906180

Place: Phillaur
Date: 30 May 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 30 May 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 30 May 2024

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Statement of consolidated cash flows for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Profit before tax	1,882.82	1,207.03
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	613.96	532.77
Allowances on trade receivable and other advances	9.53	7.68
Net change in fair value of financial assets at FVTPL	1.08	-
Liabilities no longer required written back	(19.42)	-
Amortisation of government grants	(23.60)	(19.78)
Change in fair value of derivative contracts	5.62	2.55
Net unrealized foreign exchange (gain)/ loss	(6.53)	2.97
Net profit on sale/write off of property, plant and equipment	(2.93)	(2.75)
Share based payment to employees	2.32	(0.13)
Finance costs	118.39	129.12
Interest income	(83.50)	(42.48)
Share of (profit)/ loss of equity accounted investment	(0.69)	3.35
Operating profit before working capital changes	**2,497.05**	**1,820.33**
Movement in working capital:		
(Increase) in non current loans	(2.88)	-
(Increase)/ decrease in current loans	(0.95)	0.11
(Increase)/ decrease in other financial assets	(139.79)	25.42
(Increase) in other non-current assets	(1.90)	(0.49)
Decrease/ (increase) in other current assets	65.20	(116.36)
(Increase) in inventories	(222.12)	(27.66)
(Increase) in trade receivables	(430.81)	(163.16)
Increase/ (decrease) in non current provisions	1.25	(13.51)
Increase in current provisions	5.58	22.14
(Decrease)/ increase in other liabilities	(256.38)	176.61
Increase in trade payables	292.01	197.95
Increase in other financial liabilities	218.34	17.04
Cash generated from operations	**2,024.60**	**1,938.42**
Income tax paid (net of refund)	(490.47)	(297.84)
Net cash from operating activities (A)	**1,534.13**	**1,640.58**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(2,151.52)	(1,094.55)
Purchase of intangible assets	(0.53)	-
Proceeds from sale of property, plant and equipment	5.29	11.58
Purchase of investments	-	(6.28)
Sale of investments	68.95	-
Proceeds from maturity of bank deposits	378.00	697.79
Investments in bank deposits (having original maturity of more than three months)	(619.05)	(1,163.23)
Interest received	83.50	44.96
Net cash used in investing activities (B)	**(2,235.36)**	**(1,509.73)**
C. Cash flows from financing activities		
Proceeds from exercise of employee stock option (including securities premium)	-	0.39
Purchase of treasury shares by Bector Employee Welfare Trust	(41.27)	-
Proceeds from non-current borrowings	801.31	243.82
Repayments of non-current borrowings	(216.01)	(242.39)
Proceeds/ (repayments) of current borrowings (net)	453.57	(80.01)
Principal payment of lease liabilities*	(16.10)	(12.08)
Interest on lease liabilities*	(9.45)	(4.24)
Finance costs paid	(108.10)	(124.31)
Dividend paid (net of dividend received [net of tax] by Bector Employee Welfare Trust)	(176.31)	(146.93)
Net cash generated from/ (used in) financing activities (C)	**687.64**	**(365.75)**
Net decrease in cash and cash equivalents (A+B+C)	**(13.59)**	**(234.90)**
Effect of exchange gain on cash and cash equivalents	0.06	0.07
Cash and cash equivalents at the beginning of the year	89.90	324.73
Cash and cash equivalents at the end of the year	**76.37**	**89.90**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Statement of consolidated cash flows for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Notes:-		
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	74.36	88.40
Cash on hand	2.01	1.50
	76.37	**89.90**

2. 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.

3. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 31 March 2024	As at 31 March 2023
Borrowings at the beginning of the year	1,209.86	1,287.87
Proceeds from non-current borrowings (including current maturities)	801.31	243.82
Repayments of non-current borrowings (including current maturities)	(216.01)	(242.39)
Proceeds/ (repayments) of current borrowings (net)	453.57	(80.01)
Interest expense for the year	90.95	78.83
Interest paid	(90.11)	(78.26)
Borrowings at the end of the year	**2,249.57**	**1,209.86**

* Also refer note 5 for reconciliation of lease liabilities from financing activities.

Material 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

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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Chandigarh
Date: 30 May 2024

Anoop Bector
Managing Director
DIN:-00108589

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Date: 30 May 2024

Ishaan Bector
Director
DIN:-02906180

Place: Phillaur
Date: 30 May 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 30 May 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 30 May 2024

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. Material Accounting Policies

The Group and its associate have consistently applied the following material accounting policies to all periods presented in the consolidated financial statements.

Change in material accounting policies.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the 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 30 May 2024.

ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is also 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 consolidated financial statements have been prepared under the historical cost basis except for the following:

Item Basis	Measurement
Net defined benefits (assets)/liability	Fair value of the plan assets less present value of defined benefit obligations
Derivative Financial Instruments	Fair value
Liabilities for share based payment arrangements	Fair Value

Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group and its associate has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's board of directors.

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.

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 2(m) & 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 2(b) & 8a: investments accounted for using the equity method: whether the Group has significant influence over an investee;
- Note 2(q), 5 & 44 - leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116.
- Note 2(h) & 32 - revenue recognition: whether revenue is recognized over time or at a point in time; determining the transaction price, estimating the expected value of right to return.

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 the every period ended is included below:

- Note 2(c), 2(d), 3 and 7 - useful life and residual value of property, plant and equipment and other intangible assets;
- Note 2(g) & 46 - measurement of defined benefit obligations: key actuarial assumptions,
- Note 2(g) & 48 - fair value of share-based payments
- Note 2(l) & 42 - Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- Note 2(o) & 49 – impairment of financial assets;
- Note 2(m) & 49 – Fair value measurement of financial instruments.
- Note 2(o) – Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 2(k) & 12 – Valuation of inventories
- Note 2(i), 25 & 29 – Accounting for Government grant
- Note 2(p), 10 & 24- Recognition of tax expense including deferred tax
- Note 2(h) – Revenue recognition: estimate of expected returns

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;
- 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) Equity-accounted investees

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 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.

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.

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. 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.

(All amounts are in rupees million except share data, unless otherwise stated)

iv) 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 2024	As at 31 March 2023
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
Controlled Trust (w.e.f. 18 October 2023)			
Bector Employee Welfare Trust	India	100	-

c) Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. 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. Freehold land is carried at historical cost less any accumulated impairment losses.

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 other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work-in-progress’.

(All amounts are in rupees million except share data, unless otherwise stated)

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.

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 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, baking pans, crates, pallets and oven chain where the management has assessed useful life as 3 years and for solar panels as 25 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)) is measured at cost less accumulated impairment losses. Subsequent measurement is at cost less any accumulated impairment losses. The goodwill on consolidation is tested for impairment annually.

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.

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.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortization expense in Statement of Profit and Loss. Goodwill is not amortised.

The Estimated useful life of the software is considered as 5 years.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

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.

When the terms of an equity-settled award are modified, the minimum expense recognised by the Group is the grant date fair value of the unmodified award, provided the vesting conditions (other than a market condition) specified on grant date of the award are met.

Further, additional expense, if any, is measured and recognised as at the date of modification, in case such modification increases the total fair value of the share-based payment plan or is otherwise beneficial to the employee.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a "bank or financial institutions" 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.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group and its associate's recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits – compensated absences

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

h) Revenue from contracts with customers

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 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 over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on 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.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as cash discount, trade discount, price concessions, rebates and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

- The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

i) (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.

(ii) 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:

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.

Where the Group and its associate expects some or all of the expenditure required to settle a provision are expected to be recovered from a third party, the reimbursement is recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

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 since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized. A contingent asset is disclosed where an inflow of economic benefits 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.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet 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.

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. A trade receivable without a significant financing component is initially measured at the transaction price.

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

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.

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').

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) Treasury shares

The Group has created an Employee Benefit Trust ("EBT") for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee stock option schemes. The EBT buys shares of the Company from the market, for giving shares to employees. The shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued / sold, is recognised in other equity.

o) 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 debtor or 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.

The Group and its associate assumes that the credit risk on a financial assets has increased significantly if it is more than 90 days past due.

The Group and its associate considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

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.

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.

p) 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 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.

q) 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 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 sstatement 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 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 Right-of-Use 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.

r) 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.

s) Share issue expenses

The share issue expenses incurred by the Group and its associate on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Group and its associate on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as IPO expenses recoverable under other current financial assets.

t) 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.

u) 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.

v) 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.

w) 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.

x) Equity share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

y) 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.

z) 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. For the year ended March 31, 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the Company.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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(All amounts are in rupees million except share data, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2023	**Additions**	**Disposals/ adjustments**	**As at 31 March 2024**	**As at 1 April 2023**	**Charge for year**	**Disposals/ adjustments**	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2024**
Own assets										
Freehold land	387.43	51.63	-	439.06	-	-	-	-	387.43	439.06
Leasehold improvements	3.18	24.40	-	27.58	0.53	0.96	-	1.49	2.65	26.09
Buildings @	1,601.71	256.28	-	1,857.99	290.33	59.19	-	349.52	1,311.38	1,508.47
Plant and machinery #	4,309.99	1,067.22	25.94	5,351.27	2,076.99	496.85	22.08	2,551.76	2,233.00	2,799.51
Furniture and fixtures	51.84	9.61	-	61.45	28.89	5.32	-	34.21	22.95	27.24
Vehicles	156.47	3.69	-	160.16	65.73	15.79	-	81.52	90.74	78.64
Office equipment	39.12	10.71	-	49.83	25.01	5.16	-	30.17	14.11	19.66
Computer	36.24	11.29	0.11	47.42	22.80	6.91	0.01	29.70	13.44	17.72
Total	**6,585.98**	**1,434.83**	**26.05**	**7,994.76**	**2,510.28**	**590.18**	**22.09**	**3,078.37**	**4,075.70**	**4,916.39**

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 31 March 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**

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 2023 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2023 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. 2,351.38 (31 March 2023 Rs. 1,782.74), net value of Rs. 1,326.15 (31 March 2023 Rs. 968.95) which are partially given under lease arrangement. Also refer note – 32.

@ Buildings includes amount of gross value Rs. 970.39 (31 March 2023 Rs. 715.04), net value of Rs. 831.24 (31 March 2023 Rs. 605.43) which are partially given under lease arrangement. Also refer note – 32.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to consolidated financial statements for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2023	Additions	Capitalised during the year	As at 31 March 2024
Capital work-in-progress*	487.05	1,686.03	1,229.46	943.62

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

Capital work in progress (CWIP) ageing schedule
As at 31 March 2024

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)	405.87	-	-	-	405.87
Indore (New biscuit lines)	379.73	9.27	0.67	0.63	390.30
Mumbai (New bun and bakery lines)	81.65	2.04	-	-	83.69
Misc. projects lying at various locations	59.89	3.41	0.46	-	63.76
Projects temporarily suspended	-	-	-	-	-
Total	**927.14**	**14.72**	**1.13**	**0.63**	**943.62**

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	37.76	0.87	7.44	-	46.07
Projects temporarily suspended	-	-	-	-	-
Total	**477.43**	**1.55**	**7.44**	**0.63**	**487.05**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Notes to consolidated financial statements for the year ended 31 March 2024
(All amounts are in rupees million except share data, unless otherwise stated)

Capital work in progress (CWIP) completion schedule
- For capital-work-in progress, whose completion is overdue to its original plan:-

As at 31 March 2024
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	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 to some technical requirements in the machinery, the same was capitalised in FY 2023-24.

*Detail of preoperative expenses included in CWIP	As at 31 March 2024	As at 31 March 2023
Opening for the year	**23.73**	**4.00**
Additions as per consolidated statement of profit and loss during the year		
- Cost of material consumed (Refer note 34)	11.89	-
- Interest and processing charges @ (Refer note 38)	33.05	5.54
- Bank charges (Refer note 40)	0.06	-
- Power & fuel (Refer note 40)	8.59	0.34
- Rates and taxes (Refer note 40)	15.67	6.74
- Consumption of stores and spare parts (Refer note 40)	0.14	-
- Rent (Refer note 40)	1.14	-
- Employee benefits expense (Refer note 37)	24.00	3.48
- Legal & professional expense (Refer note 40)	14.63	1.43
- Insurance (Refer note 40)	0.53	0.11
- Commission and brokerage (Refer note 40)	-	1.31
- Travelling and conveyance (Refer note 40)	7.06	4.11
- Miscellaneous expenses (Refer note 40)	2.41	0.10
Subtotal	**119.17**	**23.16**
Less:- Capitalised to respective property, plant and equipment	76.78	3.43
Closing for the year	**66.12**	**23.73**

@ 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. 19.85 at 8.30% (31 March 2023 Rs. 4.42 at 8%).

(All amounts are in rupees million except share data, unless otherwise stated)

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 2023	133.92	48.08	182.00
Addition/ reclassification of leases	-	160.35	160.35
Depreciation charge for year	(1.60)	(21.82)	(23.42)
Balance as on 31 March 2024	**132.32**	**186.61**	**318.93**

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**

The aggregate depreciation expense on ROU assets amounting to Rs. 23.42 (31 March 2023 Rs. 15.56) 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 2024**	**As at 31 March 2023**
Balance at the beginning	63.11	69.95
Addition for new leases	156.18	5.24
Accredition of interest (refer note 38)	9.45	4.24
Payment of lease liabilities	(25.55)	(16.32)
Balance at the end	**203.19**	**63.11**

(All amounts are in rupees million except share data, unless otherwise stated)

5. Right-of-use assets and lease liabilities *(continued)*

Amount recognised in profit and loss	**As at 31 March 2024**	**As at 31 March 2023**
Interest expense on lease liabilities	9.45	4.24
Expense relating to short-term leases	40.86	27.68

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2024	**As at 31 March 2023**
Maturity analysis – contractual undiscounted cash flows		
Less than one year	35.49	15.33
After one year but not longer than five years	154.15	42.46
More than five years	149.07	81.75
Total	**338.71**	**139.54**

Lease liabilities included in the statement of financial position		
Current	20.48	11.72
Non- current	182.71	51.39
Total	**203.19**	**63.11**

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 assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

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. 40.86 (31 March 2023 Rs. 27.68) 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. 66.41 (31 March 2023 Rs. 44.00) during the year.

(All amounts are in rupees million except share data, unless otherwise stated)

6. Goodwill

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Adjustments	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
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 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Adjustments	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023
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.

Particulars	As at 31 March 2024	As at 31 March 2023
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 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deletions	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
Computer softwares	29.08	0.53	-	29.61	27.92	0.36	-	28.28	1.16	1.33
Total	**29.08**	**0.53**	**-**	**29.61**	**27.92**	**0.36**	**-**	**28.28**	**1.16**	**1.33**

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 31 March 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**

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
8a Equity accounted investment		
Investment in associate		
Quoted investment in equity share		
1,937,268 (31 March 2023: 1,937,268) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited	36.96	36.27
	36.96	**36.27**
Quoted		
Aggregate book value of quoted investments	**36.96**	**36.27**
Aggregate market value of quoted investments	*	*
Aggregate amount of impairment in value of investments	Nil	Nil

* Not traded since the date of listing.

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.

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.

Percentage ownership interest	**43.09%**	**43.09%**
Non-current assets	23.59	24.14
Current assets (including cash and cash equivalents – 31 March 2024: 2.44, 31 March 2023: 3.82)	63.06	60.88
Current liabilities (including current financial liabilities – 31 March 2024: 0.87 31 March 2023: 0.59)	(0.88)	(0.85)
Net assets (100%)	**85.77**	**84.17**
Group's share of net assets	36.96	36.27
Carrying amount of interest in equity accounted investment	36.96	36.27

Carrying amount of the interest in equity accounted investment

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue	-	-
Other income	3.78	3.16
Depreciation and amortisation expense	-	-
Income tax expense	-	-
Profit	1.61	(7.78)
Total comprehensive income (net of tax)	**1.61**	**(7.78)**
Group's share of profit	**0.69**	**(3.35)**
Group's share of other comprehensive income	**-**	**-**
Group's share of total comprehensive income	**0.69**	**(3.35)**

No dividend has been received from the associate for the year ended 31 March 2024 and 31 March 2023.

8b Other investment		
Unquoted investment in equity share at cost		
480,000 (31 March 2023: 480,000) equity shares of Rs.10/- each fully paid up of Solarstream Renewable Services Private Limited	3.72	4.80
	3.72	**4.80**

(All amounts are in rupees million except share data, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
9	**Other non-current financial assets**		
	Deposits with maturity of more than 12 months		
	- Margin money deposit*	17.88	174.32
	- Deposits with maturity of more than 12 months	-	138.58
	Security deposits	62.72	46.17
		80.60	**359.07**

*Margin money deposits with carrying amount of Rs. 17.88 (31 March 2023 Rs. 174.32) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

10	**Non-current tax assets (net)**		
	Advance income tax (net of provision for tax)	40.71	40.53
		40.71	**40.53**
11	**Other non-current assets**		
	Prepaid expenses	2.90	1.74
	Prepaid (deferred) expenses for employee benefits	0.74	-
	Capital advances	557.38	180.45
		561.02	**182.19**
12	**Inventories**		
	(valued at the lower of cost and net realisable value)		
	Raw material and packing material (including stock in transit Rs. 3.56 (31 March 2023 Rs. Nil)	568.70	437.64
	Work-in-progress	0.33	0.84
	Finished goods - Manufactured goods (including stock in transit Rs. 149.13 (31 March 2023 Rs. 112.55))*	419.80	338.87
	Stock-in-trade	0.23	-
	Stores and spares	47.52	37.11
		1,036.58	**814.46**

*The write-down of inventories to net realisable value during the year amounted to Rs. 0.14 (31 March 2023 Rs. 0.23) and are included in changes in inventories of finished goods and work-in-progress.

13	**Current investments**		
	Deposits with financial institution-unquoted		
	- Nil (31 March 2023 : 7.60%) fixed deposit with Housing Development Finance Corporation Limited	-	68.95
		-	**68.95**
	Unquoted current investments		
	Aggregate book value	4.80	73.75
	Aggregate market value	Nil	Nil
	Aggregate amount of impairment in value of investments	1.08	Nil
14	**Trade receivables**		
	(Unsecured, considered good, unless otherwise stated)		
	Trade receivables	1,390.72	954.16
	Less: Loss allowance*	(59.53)	(50.82)
		1,331.19	**903.34**
	Break-up of trade receivables:		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	1,335.06	906.77
	Trade receivables which have significant increase in credit risk	36.26	27.99
	Trade receivables – credit impaired	19.40	19.40
	Total	**1,390.72**	**954.16**
	Less: Expected credit loss allowance		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	(3.87)	(3.43)
	Trade receivables which have significant increase in credit risk	(36.26)	(27.99)
	Trade receivables – credit impaired	(19.40)	(19.40)
	Total trade receivables	**1,331.19**	**903.34**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

(All amounts are in rupees million except share data, unless otherwise stated)

Trade receivable ageing schedule

As at 31 March 2024	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	17.58	890.11	420.80	6.39	0.18	-	-	1,335.06	3.87	1,331.19
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	8.48	3.49	1.42	1.34	14.73	14.73	-
Undisputed trade receivable - credit impaired	-	-	-	-	1.10	3.58	14.72	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	0.54	1.63	4.00	15.36	21.53	21.53	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**17.58**	**890.11**	**420.80**	**15.41**	**6.40**	**9.00**	**31.42**	**1,390.72**	**59.53**	**1,331.19**

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**

15 Cash and cash equivalents	**As at 31 March 2024**	**As at 31 March 2023**
Balances with banks		
In current account#	74.36	88.40
Cash on hand	2.01	1.50
	76.37	**89.90**

#Includes debit balance of working capital facility availed from HDFC Bank Limited amounting to Rs. Nil (31 March 2023 Rs. 24.77) and ICICI Bank Limited amounting to Rs. Nil (31 March 2023 Rs. 44.22).

16 Bank balances other than cash and cash equivalents above

Margin money deposit *	417.74	62.41
Deposits with original maturity of more than 3 months but less than 12 months	776.94	596.20
	1,194.68	**658.61**

*Margin money deposits with carrying amount of Rs. 417.74 (31 March 2023 Rs. 62.41) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

17 Loans
(Unsecured, considered good)

Non-current		
Loan to employees	2.88	-
	2.88	**-**
Current		
Loans to employees	5.66	4.71
	5.66	**4.71**

(All amounts are in rupees million except share data, unless otherwise stated)

18 Other current financial assets	**As at 31 March 2024**	**As at 31 March 2023**
(unsecured, considered good)		
Derivatives		
Forward exchange contracts used for hedging	1.23	5.42
Derivative contract for purchase of wheat not designated as hedges	-	1.43
Export incentive receivable	142.65	120.90
Security deposits	2.94	2.18
Claims receivable on export	99.51	9.19
Advances recoverable in cash	5.88	-
Other advances	2.10	1.75
	254.31	**140.87**

19 Other current assets		
(unsecured, considered good)		
Advances to suppliers		
-Unsecured and considered good	68.75	142.17
-Consider doubtful	14.94	14.97
Less: Provision for doubtful advances to suppliers	(14.94)	(14.97)
Advance to employees	6.97	2.84
Less: Provision for doubtful advances to employees	(1.55)	(0.78)
Prepaid expenses	34.89	20.98
Prepaid (deferred) expenses for employee benefits	0.23	-
Right to recover returned goods*	10.66	9.66
Balances with statutory/government authorities	74.00	85.10
	193.95	**259.97**

* Denotes sales with right to return.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
20 Share capital		
Authorised		
65,000,000 (As at 31 March 2023: 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 2023: 58,817,474) equity shares of Rs. 10/- each	588.17	588.17
Less: 40,000 ((as at 31 March 2023: Nil) equity shares of Rs. 10/- each held by Bector Employee Welfare Trust	(0.40)	-
	587.77	**588.17**

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 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**
Shares purchased by Bector Employee Welfare Trust	(40,000)	(0.40)
Outstanding as at 31 March 2024	**5,87,77,474**	**587.77**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	1,25,61,900	21.37%	1,25,50,800	21.34%
Anoop Bector (AB Family Trust)	59,99,662	10.21%	59,84,462	10.17%
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	35,10,614	5.97%	46,50,000	7.91%

d. Promotor Shareholding

Promoter Name	As at 31 March 2024			As at 31 March 2023		
	No. of Shares	% of total shares	% change during the year	No. of Shares	% of total shares	% change during the year
Anoop Bector	1,25,61,900	21.37%	0.09%	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%	0.00%	5,100	0.01%	5000.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	0.00%
Suvir Bector	5,100	0.01%	0.00%	5,100	0.01%	5000.00%
Anoop Bector (AB Family Trust)	59,99,662	10.21%	0.25%	59,84,462	10.17%	0.49%
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%
Uday Rameshkumar Aggarwal	400	0.00%	100.00%	-	0.00%	0.00%
Total	**3,01,04,454**	**51.22%**	**0.09%**	**3,00,77,754**	**51.14%**	**0.13%**

e. During the five years immediately preceding 31 March 2024 ('the year'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

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.

(All amounts are in rupees million except share data, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
21	**Other equity**		
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	645.26	644.72
	Add:- Share based options exercised during the year	-	0.54
	Less: Securities premium on equity shares held by Bector Employee Welfare Trust	(40.87)	
	Balance at the end of the year	**604.39**	**645.26**
c	**Retained earnings**		
	Balance at the beginning of the year	4,177.70	3,424.55
	Add: Profit for the year	1,403.61	900.74
	Add: Other comprehensive loss for the year	(2.59)	(0.55)
	Less: Dividends	(176.45)	(147.04)
	Balance at the end of the year	**5,402.27**	**4,177.70**
d	**Share options outstanding account**		
	Balance at the beginning of the year	-	0.30
	Share based expense	2.32	0.03
	Employee stock option exercised during the year	-	(0.17)
	Share based option forfeited during the year	-	(0.16)
	Balance at the end of the year	**2.32**	**-**
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**
f	**ESOP trust reserve**		
	Balance at the beginning of the year	-	-
	Dividend on shares held by Bector Employee Welfare Trust	0.03	-
	Balance at the end of the year	**0.03**	**-**
	Total	**6,041.06**	**4,855.01**

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.

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)
(d) exchange difference in translating financial statements of foreign operations

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 2024	As at 31 March 2023
Dividends		
The following dividends were declared by the Company during the year:		
Interim Dividend - Rs. 1.25 per equity share (31 March 2023: Rs. 1.25)	73.52	73.52
Final Dividend - Rs. 2.00 per equity share (31 March 2023: Rs. 1.75)	117.63	102.93
Total	**191.15**	**176.45**
Dividend paid during the year		
Interim Dividend	73.45	73.48
Final Dividend*	102.89	73.45
Total	**176.34**	**146.93**

* 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.

(All amounts are in rupees million except share data, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
22 Non-current borrowings		
Term loans (Refer note (a))		
From banks (Secured)	1,723.10	1,123.09
Vehicle loans (Refer note (a))		
From banks (Secured)	16.93	27.84
From Others (Secured)	3.59	7.63
Total non-current borrowings	**1,743.62**	**1,158.56**
Less: Current maturities of long term debt	(251.11)	(216.01)
Less: Interest accrued	(2.40)	(2.64)
Non-current borrowings	**1,490.11**	**939.91**

(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 2024	319.60	388.49	1,012.73	20.40	2.40	1,743.62
As at 31 March 2023	454.53	454.57	211.42	35.40	2.64	1,158.56
Year of maturity	2028-29	2027-28	2032-33	2026-27	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.45% - 8.70%	8.00% - 8.62%	7.55%-7.65%	6.62% - 8.60%	-	-

* 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 pari passu charge shared by ICICI Bank on reciprocal basis on all moveable and immovable fixed assets (PPE) of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by equitable mortgage of immovable property situated at Industrial Plot No. 2, Integrated Industrial Park, Pithampur, Dhar, Indore alongwith hypothecation of movable fixed assets of Indore plant. Additionally these loans are secured by hypothecation of movable fixed assets of Bhiwadi 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

	As at 31 March 2024	As at 31 March 2023
23 Non-current provisions		
Provision for employee benefits		
Compensated absences (refer note 46)	20.59	19.40
Gratuity (refer note 46)	36.99	33.40
	57.58	**52.80**

24 Income Tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax expense		
Current year	482.92	309.64
Tax adjustment for earlier years	(1.81)	(2.46)
	481.11	**307.18**
Deferred tax credit		
Changes in recognised temporary differences	(1.90)	(0.89)
	(1.90)	**(0.89)**
Total Tax Expense	**479.21**	**306.29**

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	**Tax Expense**	**Net of tax**	**Before tax**	**Tax Expense**	**Net of tax**
Defined benefit plan	(3.53)	0.88	(2.65)	(0.82)	0.20	(0.62)
Exchange difference in translating financial statements of foreign operations	0.06	-	0.06	0.07	-	0.07
	(3.47)	**0.88**	**(2.59)**	**(0.75)**	**0.20**	**(0.55)**

(All amounts are in rupees million except share data, unless otherwise stated)

C. Reconciliation of effective tax rate

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	**25.17%**	**1,882.82**	**25.17%**	**1,207.03**
Tax using the Group's domestic tax rate		473.87		303.79
Tax effect of:				
Non-deductible expenses	0.36%	6.69	0.35%	4.28
Changes in estimates related to earlier years	-0.09%	(1.68)	-0.21%	(2.49)
Others	0.02%	0.33	0.06%	0.71
Tax expense	**25.45%**	**479.21**	**25.38%**	**306.29**

D. Movement in deferred tax balances

	As at 1 April 2023	Recognized in P&L	Recognized in OCI	As at 31 March 2024
Deferred Tax Liability				
Property, plant and equipment	181.12	7.09	-	188.21
Right-of-use assets	14.54	34.87	-	49.41
Sub- Total (a)	**195.66**	**41.96**	**-**	**237.62**
Deferred Tax Assets				
Provisions - employee benefits	31.84	2.44	0.88	35.16
Allowances on doubtful receivables	16.75	2.00	-	18.75
Carry forward of losses	0.40	0.84	-	1.24
Deferred income on grants	24.84	6.64	-	31.48
Lease liabilities	15.88	35.26	-	51.14
Others	7.80	(3.32)	-	4.48
Sub- Total (b)	**97.51**	**43.86**	**0.88**	**142.26**
Deferred tax Liabilities (net) (a)-(b)	**98.15**	**(1.90)**	**(0.88)**	**95.36**

	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				
Provisions - employee benefits	32.91	(1.27)	0.20	31.84
Allowances on doubtful receivables and advances	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**

25 Other non-current liabilities

Deferred income on government grants	100.70	81.42
	100.70	**81.42**

The Group was awarded grants under Export Promotion Capital Goods Scheme (EPCG), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP, Scheme for Cold Chain and Value Addition Infrastructure and Scheme of Creation/ Expansion of Food Processing & Preservation Capacities (CEFPPC) of Pradhan Mantri Kisan Sampada Yojana (PMKSY). The Group has received grant of Rs. 50 million during the current year under PMKSY scheme for Rajpura plant. 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

	As at 31 March 2024	As at 31 March 2023
Loans from banks repayable on demand (secured)*	504.55	50.98
Current maturities of long-term debt (refer note 22)	251.11	216.01
	755.66	**266.99**

* The Group has also taken the working capital limits from HDFC Bank Limited against fixed deposits. The facilities availed from HDFC Bank Limited carries floating rate of interest @ FD rate + 0.30% ranging from 7.49% to 7.55% per annum (MCLR + 0.30% @ 7.20% per annum for the year ended 31 March 2023). (Refer Note 15 cash and cash equivalents).

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 + 2.00% spread ranging from 7.60% to 8.62% per annum (Repo rate + 3.00% spread ranging from 6.00% to 8.37% per annum for the year ended 31 March 2023).
The Group has also taken working capital limits from Axis Bank Limited against fixed deposits during the previous year. The facilities availed from Axis Bank Limited carries floating rate of interest @ Nil per annum (FD rate + 0.05-0.10% @ 5.96% per annum for the year ended 31 March 2023).

(All amounts are in rupees million except share data, unless otherwise stated)

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 2024	As at 31 March 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises*	93.09	103.54
Total outstanding dues of creditors other than micro enterprises and small enterprises**	973.69	671.23
	1,066.78	**774.77**

Trade payable ageing schedule

As at 31 March 2024	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	-	66.43	25.04	0.76	0.02	0.84	93.09
Total outstanding dues of creditors other than micro and small enterprises	271.37	484.52	215.50	1.00	0.62	0.68	973.69
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**271.37**	**550.95**	**240.54**	**1.76**	**0.64**	**1.52**	**1,066.78**

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**

* Refer note 45 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

28 Other financial liabilities

Interest accrued	3.80	2.96
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises*	31.86	21.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	88.87	39.11
Unpaid dividends	0.35	0.24
Security and other trade deposits	74.20	57.72
Advances from customers	2.38	-
Employee payable#	189.04	-
CSR unspent amount	6.11	-
Other- unapplied receipts	4.33	-
	400.94	**121.63**

* Refer note 45 for disclosures required under MSMED Act.

29 Other current liabilities

Deferred income		
Government grants (refer note 25)	24.39	17.26
Contract liability		
Advances from customers *	78.72	171.72
Refund liability *	14.21	15.82
Statutory dues payable	35.98	28.08
Employee payable#	-	169.67
	153.30	**402.55**

*The amount of Rs. 185.98 (31 March 2023 : 59.46) included in contract liabilities at 31 March 2023 has been recognised as revenue during the year ended 31 March 2024.
#Includes dues to related parties (refer note 47)

(All amounts are in rupees million except share data, unless otherwise stated)

30 Current provisions	**As at 31 March 2024**	**As at 31 March 2023**
Provision for employee benefits (refer note 46)		
Compensated absences	9.87	8.05
Gratuity	30.17	24.00
Others:		
Provision for litigation (refer note (a))	10.31	27.74
	50.35	**59.79**

a) Provision for litigation*		
Balance at the commencement of the year	27.74	26.49
Add: Provision made during the year	1.25	1.41
Less: Provision utilised/reversed during the year	(18.68)	(0.16)
Balance at the end of the year	**10.31**	**27.74**

*refer note 42A(c) for details of pending litigation

31 Current tax liabilities (net)		
Income tax (net of advance tax)	0.05	9.23
	0.05	**9.23**

(All amounts are in rupees million except share data, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
32 Revenue from operations		
Sale of products	15,344.11	12,713.79
Sale of services*		
Job work income	547.05	543.73
Total (A)	**15,891.16**	**13,257.52**
Other operating revenue		
Export incentives #	158.62	133.50
Income from lease rentals*	64.02	68.71
Sale of scrap	121.85	89.89
Others	3.80	71.77
Total (B)	**348.29**	**363.87**
Total revenue from operations (A + B)	**16,239.45**	**13,621.39**

a. Reconciliation of revenue recognized with the contracted price is as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	16,840.70	13,983.57
Reductions towards variable consideration components (discounts, rebates and others)	949.54	726.05
Revenue recognised	**15,891.16**	**13,257.52**

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 satisifed. 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 2024	As at 31 March 2023
Contract liabilities		
- Advances from customers	81.10	171.72
- Refund liability	14.21	15.82
Contract Assets		
- Receivables, which are included in trade receivables	64.61	79.66

Invoices are usually payable within 20-90 days.
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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue transferred at point in time	15,344.11	12,713.79
Revenue transferred over time	547.05	543.73
	15,891.16	**13,257.52**

The Group has accrued following export incentives of Rs. 158.62 (31 March 2023 Rs. 133.50).
a) Duty Free Import Authorization of Rs. 158.62 (31 March 2023 Rs. 133.50)

* Also refer note 44

(All amounts are in rupees million except share data, unless otherwise stated)

		For the year ended 31 March 2024	For the year ended 31 March 2023
33	**Other income**		
	Interest income from financial assets at amortized cost	81.69	41.51
	Interest income from others	1.81	0.97
	Net gain on account of foreign exchange fluctuations	57.45	51.89
	Government grants (refer note 25)	23.60	19.78
	Net profit on sale/write off of property, plant and equipment	2.93	2.75
	Liabilities no longer required written back	19.42	-
	Miscellaneous income *	3.19	3.33
		190.09	**120.23**
*	Also refer note 44		
34	**Cost of materials consumed**		
	Raw materials (including purchased components and packing material consumed)		
	Opening inventories	437.64	489.16
	Add: Purchases (net)	8,467.19	7,325.26
	Less: Closing inventories	568.70	437.64
		8,336.13	**7,376.78**
35	**Purchase of stock-in-trade**		
	Purchase of stock-in-trade	405.59	237.84
		405.59	**237.84**
36	**Changes in inventories of finished goods, stock-in- trade and work-in-progress**		
	Opening inventories		
	Finished goods	338.87	264.51
	Work-in-progress	0.84	1.46
	Total (A)	**339.71**	**265.97**
	Closing inventories		
	Finished goods	419.80	338.87
	Work-in-progress	0.33	0.84
	Stock-in-trade	0.23	-
	Total (B)	**420.36**	**339.71**
	Total (A-B)	**(80.65)**	**(73.74)**
37	**Employee benefits expense**		
	Salaries and wages	2,059.89	1,522.00
	Contribution to provident and other funds (refer note 46)	73.39	70.08
	Share-based payment to employees (refer note 48)	2.32	(0.13)
	Staff welfare expenses	46.78	37.97
		2,182.38	**1,629.92**

(All amounts are in rupees million except share data, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
38 Finance costs *		
Interest expense on financial liabilities measured at amortised cost :		
Loan from banks	90.95	78.83
Lease liabilities (refer note 5)	9.45	4.24
Others#	17.99	46.05
	118.39	**129.12**

* Also refer note 4
# It majorly includes bill discounting charges etc.

39 Depreciation and amotisation expense		
Depreciation on property, plant and equipment	590.18	516.75
Depreciation on right-of-use assets (refer note 5)	23.42	15.56
Amortisation on intangible assets	0.36	0.46
	613.96	**532.77**
40 Other expenses		
Rent (refer note 5 and note 44) #	40.86	27.68
Rates and taxes #	32.14	22.16
Power and fuel #	697.15	664.52
Repair and maintenance:		
Plant and machinery	91.89	67.62
Buildings	5.98	6.84
Others	6.86	8.66
Job work charges	43.58	20.39
Travelling and conveyance #	168.82	136.35
Payment to auditor (refer note (a) below)	10.16	9.73
Legal and professional fees #	89.15	32.30
Printing and stationery	7.97	5.88
Advertisement and sales promotion	332.16	221.72
Consumption of stores and spare parts #	54.29	55.67
Commission and brokerage #	7.40	6.26
Communication costs	16.50	11.18
Directors' remuneration and sitting fees	-	99.30
Freight and forwarding	1,231.56	1,197.82
Insurance #	30.93	26.21
Allowances on trade receivable and other advances	9.53	7.68
Net change in fair value of financial assets at FVTPL	1.08	-
Bank charges #	3.53	3.41
Expenditure on Corporate social responsibility (refer note 53)	21.36	15.35
Miscellaneous expenses #	68.71	51.82
	2,971.61	**2,698.55**
(a) Payment to auditors		
As auditor		
Statutory audit	7.18	6.61
Limited review	1.80	1.72
Certification	0.35	0.70
Reimbursement of expenses	0.83	0.70
	10.16	**9.73**

Also refer note 4

(All amounts are in rupees million except share data, unless otherwise stated)

		For the year ended 31 March 2024	For the year ended 31 March 2023
41	**Earning per share (EPS)**		
A.	**Basic earnings per share**		
i.	*Profit for basic earning per share of Rs. 10 each*		
	Profit for year	1,403.61	900.74
ii.	*Weighted average number of equity shares for (basic)*	58.81	58.82
	Basic Earnings per share (face value of Rs 10 each)	**23.87**	**15.31**
B.	**Diluted earnings per share**		
i.	*Profit for diluted earning per share of Rs. 10 each*		
	Profit for year	1,403.61	900.74
ii.	*Weighted average number of equity shares for (diluted)*	58.85	58.82
	Diluted Earnings per share (face value of Rs. 10 each)	**23.85**	**15.31**

(All amounts are in rupees million except share data, unless otherwise stated)

42 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	As at 31 March 2024	As at 31 March 2023

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.

a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):

	As at 31 March 2024	As at 31 March 2023
I) Income Tax related matters	**32.41**	**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
vii) Relating to Income tax demand on certain disallowance for AY 2020-21	1.38	-

*The total amount of income tax demand in absolute value is Rs. 4,238, but for reporting purpose rounded upto Rs. 0.00 million.

	As at 31 March 2024	As at 31 March 2023
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
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.	18.65	5.57
Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government of Rs. 389.88 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.	129.82	102.83
Impact of bonus due to retrospective 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. Subsequently basis discussion the MPIDC officials, Group has filed a fresh extension letter on 24 May 2022 wherein it 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 with proposed date of operation as 30 April 2024 which has been accepted by MPIDC vide its letter dated 18 October 2022. Further in current year, Group has submitted letter vide dated 13 December 2023 with revised cost of project and extension of date of production i.e. completion of Building by June 2024 and commencement of operations from September 2024.
Group is confident that it will be able to obtain extension as may be required in due course without any significant penalty / charge levied by MPIDC.

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.

(All amounts are in rupees million except share data, unless otherwise stated)

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 2024 of Rs. 5.43 (31 March 2023 Rs. 5.13) (including interest of Rs. 3.74 (31 March 2023 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 was related with input tax credit claimed by assessee on purchase of HSD. The Group had demanded to start the proceeding without depositing the 25% of amount demanded. The department 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. During the year ended 31 March 2024, the Group has opted for the Punjab One Time Settlement Scheme for recovery of outstanding dues 2023 and paid Rs. 2.74 as full and final settlement towards the tax liability as against Rs. 18.68 provision in the books of account. Accordingly, an amount of Rs. 15.02 has been written back and disclosed under “Liabilities no longer required written back” in Other Income and an amount of Rs. 0.92, representing interest accrued on the principal amount for the current year, has been netted from “Others” in Finance costs.
The Group had created the provision in books for amount demanded and has also accrued the interest @ 1.5% per month. The estimated amount of sales tax as at 31 March 2023 was 6.63 and Rs. 11.13 (including interest of Rs. 4.26 and Rs. 7.38) which was provided in the books of accounts.

(c) A demand of Rs. 1.91 (31 March 2023 Rs. 1.91), 1.60 (31 March 2023 Rs. 1.60), 0.09 (31 March 2023 Rs. 0.09) and 0.16 (31 March 2023 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 2023 Rs. 0.12), 0.82 (31 March 2023 Rs. 0.82) and 0.15 (31 March 2023 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.

(e) A demand of Rs. 0.03 (31 March 2023 Nil) for assessment year 2016-17 on account of mismatch in ITC raised by Excise Taxation Officer, Ludhiana, Punjab 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 provident fund was already deducted on such special allowance for current year.

Owing to the aforesaid uncertainity 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 2024 (Nil as on 31 March 2023).

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 1550.39 (as on 31 March 2023 Rs. 276.84).

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 2024	For the year ended 31 March 2023
Revenue from food products*	15,891.16	13,257.52
Total	**15,891.16**	**13,257.52**

*excludes other operating revenues.

(All amounts are in rupees million except share data, unless otherwise stated)

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 2024**	**For the year ended 31 March 2023**
Within India	11,076.85	9,664.26
Outside India	4,814.31	3,593.26
Total	**15,891.16**	**13,257.52**

ii) Receivables	**As at 31 March 2024**	**As at 31 March 2023**
Within India	713.27	590.82
Outside India	617.92	312.52
Total	**1,331.19**	**903.34**

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 2024, 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 2023).

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 2024**	**For the year ended 31 March 2023**
6 months or less	15,891.16	13,257.52
Total	**15,891.16**	**13,257.52**
Major product/ service line		
Sale of products	15,344.11	12,713.79
Sale of services		
Job work income	547.05	543.73
Total revenue	**15,891.16**	**13,257.52**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	**As at 31 March 2024**	**As at 31 March 2023**
Receivables, which are included in trade receivables	64.61	79.66
Contract liabilities	81.10	171.72
Refund liability	14.21	15.82

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 2024, lease rentals of Rs. 64.08 (31 March 2023: Rs. 68.77) 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 2024**	**For the year ended 31 March 2023**
Income generated from lease of building, plant and machinery under job work arrangement	64.02	68.71
Income generated from office premises lease	0.06	0.06

(All amounts are in rupees million except share data, unless otherwise stated)

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 year end has been made in the consolidated financial statements based on information available with the Group as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	91.87	102.53
Capital creditors	26.43	16.96
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	1.22	1.01
Capital creditors	5.43	4.64
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	1.22	1.01
Capital creditors	5.43	4.64
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	1.22	1.01
Capital creditors	5.43	4.64

(All amounts are in rupees million except share data, unless otherwise stated)

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 2024	For the year ended 31 March 2023
Contribution to provident fund	73.39	60.10

(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.

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 2024 and 31 March 2023. 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 2024	As at 31 March 2023
Net defined benefit liability		
Liability for Gratuity	67.16	57.40
Total employee benefit liabilities	**67.16**	**57.40**
Non-current	36.99	33.40
Current	30.17	24.00

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 2024		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2023	**135.39**	**77.99**	**57.40**
Included in Profit or loss			
Current service cost	20.05	-	20.05
Interest cost (income)	9.90	5.74	4.16
	29.95	**5.74**	**24.21**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	1.96	(0.21)	2.17
- demographic adjustments	0.34	-	0.34
- experience adjustment	1.02	-	1.02
	3.32	**(0.21)**	**3.53**
Other			
Contributions paid by the employer	-	5.00	(5.00)
Benefits paid	(13.05)	(0.07)	(12.98)
	(13.05)	**4.93**	**(17.98)**
Balance as at 31 March 2024	**155.61**	**88.45**	**67.16**

(All amounts are in rupees million except share data, unless otherwise stated)

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	17.05	-	17.05
Interest cost (income)	8.84	4.92	3.92
Past service cost	-	-	-
	25.89	**4.92**	**20.97**
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			
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	**135.39**	**77.99**	**57.40**

C. Plan assets

Plan assets comprise of the following	As at	
	31 March 2024	**31 March 2023**
Investments with Life insurance corporation	87.47%	86.73%
Investments with SBI life insurance	12.53%	13.27%

The assets managed are highly liquid in nature and the Group does not expect any significant liquidity risk.

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 2024	**31 March 2023**
Discount rate	7.22%	7.36%
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.

	As at	
	31 March 2024	**31 March 2023**
i) Retirement age (years)	58	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%	20.00%
From 31 to 44 years	15.00%	15.00%
Above 44 years	13.00%	13.00%

(All amounts are in rupees million except share data, 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 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(3.42)	3.59	(3.32)	3.50
Expected rate of future salary increase (0.50% movement)	3.47	(3.34)	3.36	(3.23)

Sensitivities 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

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Duration of defined benefit payments		
Less than 1 year	30.17	24.00
Between 1-2 years	23.08	15.66
Between 2-5 years	45.01	38.52
Over 5 years	57.35	57.21
Total	**155.61**	**135.39**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 5.43 years (31 March 2023: 5.63 years).
Expected contribution to post-employment benefit plans in the next year is Rs. 28.02 (31 March 2023: Rs. 23.31).

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 2024, the Group has incurred an expense on compensated absences amounting to Rs. 11.34 (31 March 2023 Rs. 12.51). 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.

(All amounts are in rupees million except share data, unless otherwise stated)

47 Related parties

A. Related parties and nature of relationship where control exists:

Associate
Cremica Agro Foods Limited

CSR Trust
Mrs. Bector Foundation

ESOP Trust
Bector Employee Welfare Trust

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Suvir Bector	Director
Manu Talwar	CEO w.e.f. 2 May 2022
Parveen Kumar Goel	Whole-time Director (CFO till 11 August 2023)
Arnav Jain	CFO w.e.f. 11 August 2023
Subhash Agarwal	Independent Director till 9 February 2023
Rajeev Dewan	Independent Director
Pooja Luthra	Independent Director
Alok Kumar Misra	Independent Director
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 firm
Sunshine Foods

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 year ended 31 March 2024	For year ended 31 March 2023
Short-term employee benefits	151.45	129.14
Post-employment benefits	1.02	2.46
Director sitting fees	0.50	0.58
Total compensation	**152.97**	**132.18**

(All amounts are in rupees million except share data, unless otherwise stated)

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 year ended 31 March 2024	For year ended 31 March 2023
Others		
Rent paid		
- Anoop Bector	4.62	4.62
- Anoop Bector HUF	-	1.25
Reimbursement of expenses		
- Arnav Jain	0.41	-
- Atul Sud	0.05	-
- Mannat Jain Bector	0.01	-
- Manu Talwar	0.48	-
- Parveen Kumar Goel	0.18	-
Rent received		
- Cremica Agro Foods Limited	0.06	0.06
Dividend paid		
- Anoop Bector	37.68	31.38
- Anoop Bector HUF	6.02	5.01
- Ishaan Bector	0.02	0.01
- Rashmi Bector	0.00	0.00
- Suvir Bector	0.02	0.01
- Anoop Bector (AB Family Trust)	18.00	14.96
- Ishaan Bector (IB Family Trust)	14.29	11.91
- Suvir Bector (SB Family Trust)	14.29	11.91
- Parveen Kumar Goel	0.05	0.04
- Ashish Agarwal	0.00	0.00
Consultancy charges paid		
- Subhash Agarwal	-	0.22
Salary paid		
- Rashmi Bector	16.93	16.49
- Rajni Bector	3.60	3.60
- Neha Gupta Bector	6.27	6.05
- Mannat Jain Bector	3.00	3.00
- Atul Sud	1.49	1.27

* Transactions are net off goods and services tax wherever applicable.

(All amounts are in rupees million except share data, unless otherwise stated)

G. Related party balances as at year end:

Outstanding balances	**As at 31 March 2024**	**As at 31 March 2023**
Trade and other payables		
- Anoop Bector	0.16	2.29
- Ishaan Bector	1.01	1.47
- Parveen Kumar Goel	0.01	0.41
- Mannat Jain Bector	-	0.28
- Rashmi Bector	0.17	1.09
- Neha Gupta Bector	0.26	0.27
- Suvir Bector	0.22	1.10
- Rajni Bector	0.21	0.15
- Ram Sajeevan Verma	0.16	0.23
- Ashish Agarwal	0.02	0.02
- Rajeev Dewan	0.02	0.02
- Alok Kumar Misra	0.02	0.02
- Pooja Luthra	0.02	0.02
- Manu Talwar	-	0.40
- Atul Sud	-	0.09
Advances and other receivables		
- Cremica Agro Foods Limited	0.07	-
Non current investments		
- Cremica Agro Foods Limited	36.96	36.27

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

(All amounts are in rupees million except share data, unless otherwise stated)

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.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employee Stock Option Plan - 2023 (Grant 1)	7-Feb-2024	40,000	946.50	3 year 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:

	Employee Stock Option Plan - 2023 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
Fair value of options at grant date	667.80	75.12	71.62
Market Price/ Enterprise value per share at grant date	1,183.10	190.00	203.55
Exercise price at the grant date	946.50	174.62	174.62
Expected volatility (weighted-average)	52.50%	27.12%	51.49%
Expected life (weighted-average)	5 years	2 years	2 years
Expected dividends	0.25%	0.00%	0.37%
Risk-free interest rate (based on government bonds)	7.00%	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 31 March 2024	Weighted average exercise price 31 March 2024	Number of options 31 March 2023	Weighted average exercise price 31 March 2023
Employees Stock Option Plan				
Options outstanding at the beginning of the year	-	-	4,060	174.62
Add: Options granted during the year	40,000	946.50	-	-
Less: Options forfeited during the year	-	-	1,911	-
Less: Options exercised during the year	-	-	2,149	174.62
Options outstanding at the end of the year	**40,000**	**946.50**	-	-
Exercisable at the end of the year	-	-	-	-

D. Expense recognised in statement of profit and loss

For details of the employee benefit expenses, refer note 37.

(All amounts are in rupees million except share data, unless otherwise stated)

49 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	Note	Level of hierarchy	As at 31 March 2024			As at 31 March 2023		
			Carrying value	Amortised Cost	FVTPL	Carrying value	Amortised Cost	FVTPL
Financial assets								
Non-current loans	b		2.88	2.88	-	-	-	-
Other non-current financial assets	b		80.60	80.60	-	359.07	359.07	-
Investments	a	3	40.68	36.96	3.72	110.02	105.22	4.80
Trade receivables	c		1,331.19	1,331.19	-	903.34	903.34	-
Cash and cash equivalents	c		76.37	76.37	-	89.90	89.90	-
Bank balances other than cash and cash equivalents	c		1,194.68	1,194.68	-	658.61	658.61	-
Current loans	c		5.66	5.66	-	4.71	4.71	-
Other current financial assets	c		254.31	253.08	1.23	140.87	134.02	6.85
			2,986.37	**2,981.42**	**4.95**	**2,266.52**	**2,254.87**	**11.65**
Financial liabilities								
Non-current borrowings	d	3	1,490.11	1,490.11	-	939.91	939.91	-
Short term borrowings	c		755.66	755.66	-	266.99	266.99	-
Non-current lease liabilities	c		182.71	182.71	-	51.39	51.39	-
Current lease liabilities	c		20.48	20.48	-	11.72	11.72	-
Trade payables	c		1,066.78	1,066.78	-	774.77	774.77	-
Other financial liabilities	c		400.94	400.94	-	121.63	121.63	-
			3,916.68	**3,916.68**	**-**	**2,166.41**	**2,166.41**	**-**

Notes:-

a (i) The investments in equity shares of subsidiaries and associates are measured at cost less impairment losses.
(ii) The investments in equity shares of other companies are measured at FVTPL. The investments have been measured at book value.

b In accordance with amendment Ministry of Corporate Affairs notified in IndAS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. The fair value of non-current assets and non-current liabilities (except lease liabilities) are valued based upon Discounted cashflows valuation method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

c Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

d The fair value of non-current 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.

Fair value of borrowings is as follows :	Fair value		Amortised cost	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Non-current borrowings (including current maturities)	1,753.32	1,145.93	1,743.62	1,158.56

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.

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.

<u>**Financial assets and liabilities measured at fair value - fair value measurements**</u>

Particulars	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	1.23	-	**1.23**
Derivative contract for purchase of wheat not designated as hedges	-	-	-	**-**

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**

There are no transfers between level 1 and level 2 during the year.

(All amounts are in rupees million except share data, unless otherwise stated)

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 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 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.

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

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's exposure to credit risk for trade receivables by geographic region is as follows:-

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Within India	713.27	590.82
Outside India	617.92	312.52
Total	**1,331.19**	**903.34**

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.

(All amounts are in rupees million except share data, unless otherwise stated)

Loss allowance as per expected credit loss

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	1,390.72	954.16

Recociliation of loss allowance provision

Particulars	Trade Receivables	Total
Loss Allowance on 1 April 2022	**64.33**	**64.33**
Change in Loss allowance	(13.51)	(13.51)
Loss Allowance on 31 March 2023	**50.82**	**50.82**
Change in Loss allowance	8.71	8.71
Loss Allowance on 31 March 2024	**59.53**	**59.53**

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 2024	Unutilized
HDFC Bank Limited	Bank Overdraft	400.00	153.89	246.11
	Non-Fund Based	45.00	26.87	18.13
ICICI Bank Limited	WC Fund Based	400.00	350.66	49.34
	Non-Fund Based	200.00	66.16	133.84
Punjab National Bank	Term Loan	1,980.00	1,012.73	967.27
	Non-Fund Based (sub limit)	700.00	49.66	650.34
Total		**3,725.00**	**1,659.97**	**2,065.03**

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 As at 31 March 2024	Contractual cash flows Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	1,490.11	1,362.95	-	1,227.03	135.92
Short term borrowings	755.66	892.51	892.51	-	-
Non-current lease liabilities	182.71	303.22	-	154.15	149.07
Current lease liabilities	20.48	35.49	35.49	-	-
Trade payables	1,066.78	1,066.78	1,066.78	-	-
Other current financial liabilities	400.94	400.94	400.94	-	-
Total	**3,916.68**	**4,061.89**	**2,395.72**	**1,381.18**	**284.99**

	Carrying amount As at 31 March 2023	Contractual cash flows 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**

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.

(All amounts are in rupees million except share data, unless otherwise stated)

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 0% (previous year 11.4%) 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
31 March 2024				
Wheat 1%	-	-	-	-
31 March 2023				
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:

As at 31 March 2024	USD	Euro
Financial asset		
Trade receivables	7.50	-
Forward contracts receivables (including above trade receivables)	22.45	-
Total	**29.95**	**-**
Financial liabilities		
Payable for capital assets	0.00	0.16
Total	**0.00**	**0.16**
Net exposure to foreign currency risk	**29.95**	**(0.16)**

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)**

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 2024				
USD (1% movement)	24.96	(24.96)	18.68	(18.68)
EUR (1% movement)	(0.14)	0.14	(0.10)	0.10
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

(All amounts are in rupees million except share data, unless otherwise stated)

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 7.55% to 8.70%. 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 2024	Amount as at 31 March 2023
Fixed-rate instruments		
Financial assets	1,212.56	832.93
Financial liabilities	-	-
	1,212.56	**832.93**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(2,251.97)	(1,212.50)
	(2,251.97)	**(1,212.50)**

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.9.07 after tax (31 March 2023 Rs. 6.23). 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	Profit or loss (net of tax) 100 bp decrease
31 March 2024		
Variable-rate instruments	(16.85)	16.85
Cash flow sensitivity (net)	(16.85)	16.85
31 March 2023		
Variable-rate instruments	(9.07)	9.07
Cash flow sensitivity (net)	(9.07)	9.07

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 2024	As at 31 March 2023
Total liabilities	4,374.02	2,870.35
Less: Cash and cash equivalents	76.37	89.90
Less: Bank balances other than cash and cash equivalents	1,194.68	658.61
Less: Fixed deposits with banks with maturity period for more than 12 months	80.60	359.07
Adjusted total liabilities (a)	3,022.37	1,762.77
Total equity (b)	6,628.83	5,443.18
Capital gearing ratio (a/b)	**45.59%**	**32.38%**

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings (including interest accrued)	2,249.57	1,209.86
Less: Cash and cash equivalents	76.37	89.90
Less: Bank balances other than cash and cash equivalents	1,194.68	658.61
Less: Fixed deposits with banks with maturity period for more than 12 months	80.60	359.07
Adjusted net debt	897.92	102.28
Total equity	6,628.83	5,443.18
Adjusted net debt to equity ratio	**0.14**	**0.02**

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

(All amounts are in rupees million except share data, unless otherwise stated)

51 Ratios as per Schedule III requirements

Particulars	31 March 2024	31 March 2023
a) Current Ratio = Current assets divided by current liabilities		
Current Assets	4,092.74	2,940.81
Current Liabilities	2,447.56	1,646.68
Current Ratio	**1.67**	**1.79**
% Change from previous year	**-6.37%**	

Reason for change more than 25%: Not applicable

b) Debt Equity Ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings		
Total Debt	2,245.77	1,206.90
Total Equity	6,628.83	5,443.18
Debt Equity Ratio	**0.34**	**0.22**
% Change from previous year	**52.80%**	

Reason for change more than 25%:
This ratio has increased from 0.22 times in March 2023 to 0.34 times in March 2024 due to fresh term loans taken for investment in capex.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments		
Profit after tax	**1,403.61**	**900.74**
Add: Non cash operating expenses and finance cost	**732.35**	**661.89**
-Depreciation and amortisation	613.96	532.77
-Finance costs	118.39	129.12
Earnings available for debt services	**2,135.96**	**1,562.63**
Interest cost on borrowings	90.95	78.83
Principal repayments	251.11	216.01
Total Interest and principal repayments	**342.06**	**294.84**
Debt Service Coverage Ratio	**6.24**	**5.30**
% Change from previous year	**17.82%**	

Reason for change more than 25%: Not applicable

d) Return on Equity Ratio = Net profit after tax divided by average Equity		
Net profit after tax	1,403.61	900.74
Average Equity	6,036.01	5,066.48
Return on Equity Ratio	**23.25%**	**17.78%**
% Change from previous year	**30.80%**	

Reason for change more than 25%:

This ratio has increased from 17.78% in March 2023 to 23.25% in March 2024 due to increase in net profit.

e) Inventory Turnover Ratio = Revenue from operations divided by average inventory		
Revenue	16,239.45	13,621.39
Average Inventory	925.52	800.63
Inventory Turnover Ratio	**17.55**	**17.01**
% Change from previous year	**3.13%**	

Reason for change more than 25%: Not applicable

f) Trade Receivables Turnover Ratio = Revenue from operations divided by average trade receivables		
Revenue	16,239.45	13,621.39
Average Trade Receivables	1,117.27	826.50
Trade Receivables Turnover Ratio	**14.54**	**16.48**
% Change from previous year	**-11.81%**	

Reason for change more than 25%: Not applicable

(All amounts are in rupees million except share data, unless otherwise stated)

51 Ratios as per Schedule III requirements

Particulars	31 March 2024	31 March 2023
g) Trade Payables Turnover Ratio = Purchases divided by average trade payables		
Purchases	8,872.78	7,563.10
Other expenses #	2,961.00	2,591.57
Total	11,833.78	10,154.67
Average Trade Payables	920.78	675.80
Trade Payables Turnover Ratio	**12.85**	**15.03**
% Change from previous year	**-14.47%**	

Excluding Director Remuneration and sitting fees, allowances on trade receivable and other advances and net change in fair value of financial assets at FVTPL of Rs. 10.61 (Previous year Rs. 106.98).

Reason for change more than 25%: Not applicable

h) Net Capital Turnover Ratio = Revenue divided by Working capital where working capital= current assets - current liabilities		
Revenue	16,239.45	13,621.39
Working Capital	1,645.18	1,294.13
Net Capital Turnover Ratio	**9.87**	**10.53**
% Change from previous year	**-6.22%**	

Reason for change more than 25%: Not applicable

i) Net Profit Ratio = Net profit after tax divided by revenue from operations		
Net profit after tax	1,403.61	900.74
Revenue	16,239.45	13,621.39
Net Profit Ratio	**8.64%**	**6.61%**
% Change from previous year	**30.71%**	

Reason for change more than 25%:
This ratio has increased from 6.61% in March 2023 to 8.64% in March 2024 due to increase in net profit.

j) Return on Capital Employed = Earnings before interest and taxes (EBIT) divided by Capital Employed		
Profit before tax (A)	**1,882.82**	**1,207.03**
Finance costs (B)	118.39	129.12
EBIT (C) = (A)+ (B)	**2,001.21**	**1,336.15**
Total Assets (D)	11,002.85	8,313.53
Total Liabilities (E)	4,374.02	2,870.35
Intangible Assets (F)	5.28	5.11
Tangible Net Worth (G)	6,623.55	5,438.07
Total Debt (H)	2,245.77	1,206.90
Deferred Tax Liability (I)	95.36	98.15
Capital employed (J) = (G) + (H) + (I)	**8,964.68**	**6,743.12**
Return on Capital Employed	**22.32%**	**19.82%**
% Change from previous year	**12.66%**	

Reason for change more than 25%: Not applicable

k) Return on treasury investments = Interest income/ total investment		
Interest income on bank deposits	81.69	41.51
Total Investments	1,163.36	753.93
Return on Investment	7.02%	5.51%
% Change from previous year	**27.54%**	

Reason for change more than 25%:
This ratio has increased from 5.51% in March 2023 to 7.02% in March 2024 due to increase in interest rates on fixed deposits.

(All amounts are in rupees million except share data, unless otherwise stated)

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 2024

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	87.46%	5,797.27	87.86%	1,233.20	88.80%	(2.30)	87.86%	1,230.90
Subsidiaries								
Bakebest Foods Private Limited	11.74%	778.33	12.35%	173.39	13.51%	(0.35)	12.35%	173.04
Mrs Bectors English Oven Limited	0.25%	16.78	-0.16%	(2.27)	0.00%	-	-0.16%	(2.27)
Mrs. Bectors Food International (FZE)	-0.01%	(0.87)	-0.15%	(2.10)	0.00%	-	-0.15%	(2.10)
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	0.56%	36.96	0.05%	0.69	0.00%	-	0.05%	0.69
Elimination	0.01%	0.36	0.05%	0.70	-2.32%	0.06	0.05%	0.76
Total	**100%**	**6,628.83**	**100%**	**1,403.61**	**100%**	**(2.59)**	**100%**	**1,401.02**

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**

(All amounts are in rupees million except share data, unless otherwise stated)

53 Corporate Social Responsibility

S.No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
i	Amount required to be spent by the company during the year	19.90	15.05
ii	Amount approved by the Board to be spent during the year	19.90	15.05
iii	Amount of expenditure incurred*	15.90	11.66
iv	Shortfall at the end of the year	4.00	3.39
v	Total of previous years shortfall	-	-
	Total shortfall at the end of the year **	**4.00**	**3.39**
vi	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 #	-	-
vii	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 education including special education and employment enhancing vocation skills Rs. 7.45, on promoting health care including preventive care and sanitation Rs. 4.74, , on environment sustainability and animal welfare Rs. 3.23, on eradicating hunger and malnutrition Rs. 0.48.

Previous 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.

**** 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. 4.13 (Rs. 3.59 related to shortfall as on 31 March 2023), however the subsidiary company has spent excess amount of Rs. 0.13 (excess amount of Rs. 0.20 for the year ended 31 March 2023), hence accordingly arithmetically consolidated shortfall is appearing as Rs. 4.00 (Rs. 3.39 consolidated shortfall for the year ended 31 March 2023).

Details of Deposit in Unspent CSR Account

As per the requirements of Section 135(5) of The Companies Act, 2013, Rs. 5.46 (Rs.3.69 related to shortfall as on 31 March 2023) has been deposited in the special account (Mrs. Bectors Food Specialities Limited - Unspent CSR Account) on 18 April 2024 related to shortfall as on 31 March 2024, which will be spent in the coming years.

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 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.

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 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.

56 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 has not entered into any transactions with the struck off companies during current or previous financial year.
(x) 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

Gaurav Mahajan
Partner
Membership No.: 507857

Place: Chandigarh
Date: 30 May 2024

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 30 May 2024

Ishaan Bector
Director
DIN:-02906180

Place: Phillaur
Date: 30 May 2024

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 30 May 2024

Arnav Jain
Chief Financial Officer

Place: Phillaur
Date: 30 May 2024

B S R & Co. LLP
Chartered Accountants

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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

Place: Gurugram

Membership No.: 094549

Date: 25 May 2023

ICAI UDIN:23094549BGYNUR3637

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/Sub sidiaryAssocia te	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Mrs. Bectors English Oven Limited	U15412PB2013 PLC037958	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.

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 *(Continued)*

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

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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
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

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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	41		
[nominal value of Rs. 10 (previous year Rs.10)]			
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

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

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

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 (CIN: L74899PB1995PLC033417)
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					Total
		Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	
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

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

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

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
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 and capital 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)**
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**

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Notes:-		
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

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

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

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

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.

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 the 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;
- 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 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	**As at 31 March 2022**
Holding Company Mrs. Bectors Food Specialities Limited	India		
Subsidiaries Bakebest Foods Private Limited Mrs. Bectors English Oven Limited Mrs. Bectors Food International (FZE)	 India India UAE	 100 100 100	 100 100 100
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 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.

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 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 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:

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.

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.

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').

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.

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 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 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 sstatement 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 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.

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.

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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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.

(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**	**486.97**

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**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
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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	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.

*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%).

(All amounts are in rupees million, unless otherwise stated)

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.

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**

(All amounts are in rupees million, unless otherwise stated)

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**

(All amounts are in rupees million, unless otherwise stated)

5. Right-of-use assets and lease liabilities *(continued)*

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	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.

(All amounts are in million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
8a Equity accounted investment		
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.

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.

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.

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		
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**

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022
9	**Other non-current financial assets**		
	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.

		As at 31 March 2023	As at 31 March 2022
10	**Income tax assets (net)**		
	Advance income tax (net of provision for tax)	40.53	41.32
		40.53	**41.32**
11	**Other non-current assets**		
	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)		
	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.

		As at 31 March 2023	As at 31 March 2022
13	**Current investments**		
	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)		
	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
	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.

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022

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).

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**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
18 Other current financial assets		
(unsecured, considered good)		
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		
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.

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
20 Share capital		
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%**

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.

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022
21	**Other equity**		
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.

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.

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
22 Non-current borrowings		
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

(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)**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
23 Provisions		
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 (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	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				
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**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
25 Other non-current liabilities		
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		
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).

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		
Total outstanding dues of micro enterprises and small enterprises*	103.54	89.50
Total outstanding dues of creditors other than micro enterprises and small enterprises**	671.23	487.32
	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)

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
28 Other financial liabilities		
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		
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		
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*		
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)		
Income tax (net of advance tax)	9.23	0.68
	9.23	**0.68**

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
32 Revenue from operations		
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:

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 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	171.72	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

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**

\# 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

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
33 Other income		
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

	For the year ended 31 March 2023	For the year ended 31 March 2022
34 Cost of materials consumed		
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		
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		
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)**
37 Employee benefits expense		
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 *		
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

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
39 Depreciation and amotisation expense		
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		
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
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

(All amounts are in rupees million, unless otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
41	**Earning per share (EPS)**		
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**

(All amounts are in rupees million, unless otherwise stated)

42 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	As at 31 March 2023	As at 31 March 2022
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.		
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.

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.

(All amounts are in rupees million, unless otherwise stated)

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).

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.

(All amounts are in rupees million, unless otherwise stated)

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	As at 31 March 2023	As at 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.

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

(All amounts are in rupees million, unless otherwise stated)

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 year end has been made in the consolidated financial statements based on information available with the Group as under:

Particulars	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
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

(All amounts are in rupees million, unless otherwise stated)

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.

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**

(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
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	-	-	-
- 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	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	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.

	As at	
	31 March 2023	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%

(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		31 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

	As at	
Particulars	**31 March 2023**	**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.

(All amounts are in rupees million, unless otherwise stated)

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 firm
Sunshine Foods

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 year ended 31 March 2023	For 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**

(All amounts are in rupees million, unless otherwise stated)

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 year ended 31 March 2023	For 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	-
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.

(All amounts are in rupees million, unless otherwise stated)

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.

(All amounts are in rupees million, unless otherwise stated)

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.

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.

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 31 March 2023	Weighted average exercise price 31 March 2023	Number of options 31 March 2022	Weighted average exercise price 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.

(All amounts are in million, unless otherwise stated)

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.

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.

(All amounts are in million, unless otherwise stated)

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.

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**
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

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.

(All amounts are in million, unless otherwise stated)

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.

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

Recociliation of loss allowance provision

Particulars	**Trade Receivables**	**Total**
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**

(All amounts are in million, unless otherwise stated)

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**

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.

(All amounts are in million, unless otherwise stated)

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 11.40% 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 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:

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

(All amounts are in million, unless otherwise stated)

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.

	Profit or loss (net of tax)	
INR	**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

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%

Particulars	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.

(All amounts are in million, unless otherwise stated)

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

Particulars	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%**	

Reason for change more than 25%: Not applicable

Particulars	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 increased 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.

Particulars	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 increased from 12.70% in March 2022 to 17.78% in March 2023 due to increase in net profit.

Particulars	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

Particulars	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%**	

Reason for change more than 25%: Not applicable

(All amounts are in million, unless otherwise stated)

51 Ratios as per Schedule III requirements

Particulars	**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

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.

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

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.

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

(All amounts are in million, unless otherwise stated)

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
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**

(All amounts are in million, unless otherwise stated)

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 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

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

B S R & Co. LLP
Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase – II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

INDEPENDENT AUDITORS' 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"), 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 2022, 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 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year 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, 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 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 Matters

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.

Description of Key Audit Matter

Revenue Recognition
Refer to Note 2 (h) and Note 32 to the 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 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 (using random sampling). ▪ 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 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 consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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. If, based on the work we have performed and based on the audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's 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 included in the Group and 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 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 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 of its associate is 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 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 Matters

(a) We did not audit the financial statement of a subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.50 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 0.02 million and net cash inflows (before consolidation adjustments) amounting to Rs. 0.01 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 0.41 million for the year ended 31 March 2022, in respect of an associate, whose financial statement have not been audited by us. These financial statements have been audited by other auditors whose reports have 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 the subsidiary and an 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 subsidiary and an associate is based solely on the audit reports of the other auditors.

(b) The financial information of a subsidiary, whose financial information reflect total assets (before consolidation adjustments) of Rs.3.0 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 0.00 million and net cash flows (before consolidation adjustments) amounting to Rs.0.00 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by the other auditor. The unaudited financial information have 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 subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

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 and the financial information certified by the Management.

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 reports of the other auditors.

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 1 April 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company 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 2022 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, its subsidiary companies and an 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 Auditor's) 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 2022 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 year ended 31 March 2022.

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 year ended 31 March 2022.

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 56 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 56 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 such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) 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.

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 reports 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 company 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, 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) 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: 22094549AJUFJO4005

Place: Gurugram
Date: 28 May 2022

Annexure A to the Independent Auditor's Report on Consolidated Financial Statements

(Referred to in 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, qualifications 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/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Mrs. Bectors Food Specialities Limited	L74899PB1995PLC033417	Holding Company	ii (b), (iii)(a), (iii)(c), (iii)(d), (vii) (b), (x)(a)
2	Bakebest Foods Private Limited	U15412PB2009PTC033442	Subsidiary Company	(iii)(a), (iii)(c), (iii)(d)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
UDIN: 22094549AJUFJO4005

Place: Gurugram
Date: 28 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2022

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 Companies Act, 2013

(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 the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Mrs. Bectors Food Specialities Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and an associate company, as of that date.

In our opinion, 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 consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated 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 Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 auditors 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 consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN: 22094549AJUFJO4005

Place: Gurugram
Date: 28 May 2022

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,913.66	3,397.12
Capital work-in-progress	4	119.42	552.74
Right-of-use assets	5	192.32	142.01
Goodwill	6	3.95	3.95
Other intangible assets	7	1.62	0.41
Equity accounted investment	8	42.22	39.21
Financial assets			
(i) Other financial assets	9	39.11	35.62
Income tax assets (net)	10	41.32	28.70
Other non-current assets	11	109.00	70.37
Total non-current assets		**4,462.62**	**4,270.13**
Current assets			
Inventories	12	786.80	569.07
Financial assets			
(i) Investments	13	64.87	61.71
(ii) Trade receivables	14	749.65	719.72
(iii) Cash and cash equivalents	15	324.73	347.35
(iv) Bank balances other than (iii) above	16	506.07	500.11
(v) Loans	17	4.82	-
(vi) Other financial assets	18	178.38	253.57
Other current assets	19	143.61	89.97
Total current assets		**2,758.93**	**2,541.50**
Total assets		**7,221.55**	**6,811.63**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	588.15	587.47
Other equity	21	4,101.62	3,724.95
Total equity		**4,689.77**	**4,312.42**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	880.28	1,148.30
(ii) Lease liabilities	5	58.76	9.80
Provisions	23	65.49	74.14
Deferred tax liabilities (net)	24	99.24	94.83
Other non-current liabilities	25	85.33	104.33
Total non-current liabilities		**1,189.10**	**1,431.40**

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
Current liabilities			
Financial liabilities			
(i) Borrowings	26	405.20	156.68
(ii) Lease liabilities	5	11.19	5.58
(iii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises		89.50	52.69
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		487.32	519.94
(iv) Other financial liabilities	28	82.31	98.71
Other current liabilities	29	228.83	188.62
Provisions	30	37.65	30.12
Current tax liabilities (net)	31	0.68	15.47
Total current liabilities		**1,342.68**	**1,067.81**
Total liabilities		**2,531.78**	**2,499.21**
Total equity and liabilities		**7,221.55**	**6,811.63**
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: 28 May 2022

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 28 May 2022

Ishaan Bector
Director
DIN:-02906180

Place: Mumbai
Date: 28 May 2022

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 28 May 2022

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Phillaur
Date: 28 May 2022

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Statement of profit and loss for the year ended 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	32	9,881.73	8,807.26
Other income	33	62.76	101.26
Total income		**9,944.49**	**8,908.52**
Expenses			
Cost of materials consumed	34	5,360.31	4,678.21
Purchase of stock-in-trade	35	155.85	6.30
Changes in inventories of finished goods, stock-in- trade and work-in-progress	36	(4.98)	(67.98)
Employee benefits expense	37	1,377.72	1,268.56
Finance costs	38	70.80	95.20
Depreciation and amortisation expense	39	459.99	446.83
Other expenses	40	1,767.97	1,511.60
Total expenses		**9,187.66**	**7,938.72**
Profit before share of equity accounted investees and tax			
Share of net profit of associate accounted for using the equity method (net of tax)	8	0.41	0.93
Profit before tax		**757.24**	**970.73**
Tax expense	24		
Current tax		184.13	232.21
Deferred tax		1.68	15.76
		185.81	**247.97**
Profit for the year (A)		**571.43**	**722.76**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		10.85	(0.48)
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		(2.73)	0.11
Total other comprehensive income/ (loss) for the year (B)		**8.12**	**(0.37)**
Total comprehensive income for the year (A + B)		**579.55**	**722.39**
Earnings per equity share	41		
[nominal value of Rs. 10 (previous year Rs.10)]			
Basic		9.72	12.53
Diluted		9.72	12.52
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

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

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 28 May 2022

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 28 May 2022

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Company Secretary
M. No:- F10412

Place: Phillaur
Date: 28 May 2022

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Phillaur
Date: 28 May 2022

Mrs. Bectors Food Specialities Limited (CIN: L74899PB1995PLC033417)
Consolidated Statement of Changes in Equity for the year ended 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	5,87,46,514	587.47	5,72,67,922	572.68
Share based option exercised during the year	68,811	0.69	70,000	0.70
Shares issued during the year	-	-	14,08,592	14.09
Balance at the end of the year	**5,88,15,325**	**588.15**	**5,87,46,514**	**587.47**

(b) Other equity

Particulars	Note	Reserves & surplus					Total
		Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance at 1 April 2020		**8.33**	**13.17**	**243.92**	**18.88**	**2,337.24**	**2,621.54**
Profit for year		-	-	-	-	722.76	722.76
Other comprehensive (loss) / income for year*	21 c	-	-	-	-	(0.37)	(0.37)
Total comprehensive income for year		**-**	**-**	**-**	**-**	**722.39**	**722.39**
Shares issued during the year	21 b	-	-	391.31	-	-	391.31
Utilised for IPO expenses		-	-	(22.71)	-	-	(22.71)
Share based expense	21 d	0.90	-	-	-	-	0.90
Share based option forfeited during the year	21 d	(4.34)	-	15.86	-	-	11.52
Balance at 31 March 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: Final dividend for FY 2020-21	21 c	-	-	-	-	(141.11)	(141.11)
Less: Interim dividend for FY 2021-22	21 c	-	-	-	-	(73.52)	(73.52)
Balance at 31 March 2022		**0.30**	**13.17**	**644.72**	**18.88**	**3,424.55**	**4,101.62**

* Represents remeasurement of defined benefit plans (net of tax).

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: 28 May 2022

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 28 May 2022

Ishaan Bector
Director
DIN:-02906180

Place: Mumbai
Date: 28 May 2022

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 28 May 2022

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Phillaur
Date: 28 May 2022

Mrs. Bectors Food Specialities Limited
Statement of consolidated cash flows for the year ended 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	757.24	970.73
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	459.99	446.83
Allowances on trade receivable and other advances	0.32	42.67
Liabilities no longer required written back	-	(55.84)
Amortisation of government grants	(19.70)	(23.69)
Change in fair value of derivative contracts	(2.16)	(19.74)
Net unrealized foreign exchange (gain)/ loss	(2.23)	8.58
Net (profit)/ loss on sale/write off of property, plant and equipment	(4.73)	0.16
Share based payment to employees	0.43	0.90
Finance costs	70.80	95.20
Interest income	(37.25)	(19.90)
Share of profit of equity accounted investment	(0.41)	(0.93)
Operating profit before working capital changes	**1,222.30**	**1,444.97**
Movement in working capital:		
(Increase) in current loans	(4.82)	-
Decrease/ (increase) in other financial assets	71.98	(60.84)
(Increase) in other non-current assets	(0.21)	(0.75)
(Increase)/ decrease in other current assets	(53.64)	3.37
(Increase) in inventories	(217.73)	(135.34)
(Increase) in trade receivables	(28.10)	(21.43)
Increase in non current provisions	2.20	12.44
Increase/ (decrease) in current provisions	7.53	(70.93)
Increase in other liabilities	40.90	46.93
Increase in trade payables	4.19	102.36
Increase in other financial liabilities	9.46	5.71
Cash generated from operations	**1,054.06**	**1,326.49**
Income tax paid (net of refund)	(211.54)	(223.69)
Net cash from operating activities (A)	**842.52**	**1,102.80**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(602.99)	(811.66)
Purchase of intangible assets	(1.52)	-
Payment including advances for acquiring right-of-use assets	-	-
Proceeds from sale of property, plant and equipment (including capital work-in-progress)	12.03	13.42
Purchase of invesments	(5.76)	(61.71)
Net investments in bank deposits (having original maturity of more than three months)	(5.85)	(404.46)
Interest received	39.02	17.14
Net cash used in investing activities (B)	**(565.07)**	**(1,247.27)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares (including securities premium)	-	405.40
Proceeds from exercise of employee stock option (including securities premium)	12.01	12.22
Share premium utilised for IPO expenses	-	(22.71)
Proceeds from non-current borrowings *	142.09	521.33
Repayments of non-current borrowings *	(260.06)	(380.01)
Proceeds/ (repayments) of current borrowings (net)	98.47	(147.99)
Payment of lease liabilities (including interest on lease liabilities)**	(10.66)	(11.63)
Finance costs paid	(67.42)	(91.78)
Final dividend paid for FY 2020-21	(140.98)	-
Interim dividend paid for FY 2021-22	(73.52)	-
Net cash used in financing activities (C)	**(300.07)**	**284.83**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(22.62)**	**140.36**
Cash and cash equivalents at the beginning of the year	347.35	206.99
Cash and cash equivalents at the end of the year	**324.73**	**347.35**

Mrs. Bectors Food Specialities Limited
Statement of consolidated cash flows for the year ended 31 March 2022
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Notes:-		
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	158.61	181.48
- deposits with origianl maturity of less than three months	164.81	164.45
Cash on hand	1.31	1.42
	324.73	**347.35**

* 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: 28 May 2022

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 28 May 2022

Ishaan Bector
Director
DIN:-02906180

Place: Mumbai
Date: 28 May 2022

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 28 May 2022

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Phillaur
Date: 28 May 2022

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. During the previous year, the equity shares of the Company have been 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 28 May 2022.

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.

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 the 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 49 - Fair value measurement of financial instruments.
- Note 12 – Valuation of inventories
- Note 2(i) & 25 – Accounting for Government grant
- Note 2(o), 10, 24- Recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

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;
- 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.

(All amounts are in rupees million, unless otherwise stated)

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 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 2022	**As at 31 March 2021**
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 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.

(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 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).

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.

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 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 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:

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.

<u>Financial assets</u>

i) Initial recognition and measurement

The Group and its associate initially recognises financial assets on the date on which they are originated. The Group and its associate recognises the financial assets on the trade date, which is the date on which the Group and its associate becomes a party to the contractual provision of the instrument.

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except assets measured at fair value through profit or loss

ii) Classifications and subsequent measurement

<u>Classifications</u>

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.

<u>Business model assessment</u>

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.

<u>Assessment whether contractual cash flows are solely payments of principal and interest</u>

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.

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').

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.

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.

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) 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 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.

p) 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 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 sstatement of Profit or Loss over the lease term.

<u>*As lessor*</u>

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 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.

q) 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.

r) Share issue expenses

The share issue expenses incurred by the Group and its associate on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Group and its associate on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as IPO expenses recoverable under other current financial assets.

s) 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.

t) 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.

u) 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.

v) 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.

w) 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.

x) Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

y) Recent pronouncements

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1st April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment (PPE) – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.

- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

- Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

- Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

  The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions	Disposals/ adjustments during the year	As at 31 March 2022	As at 1 April 2021	Charge for year	Disposals/ adjustments during the year	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**

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2020	Additions	Disposals/ adjustments during the year	As at 31 March 2021	As at 1 April 2020	Charge for year	Disposals/ adjustments during the year	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Own assets										
Freehold land	177.70	-	8.74	168.96	-	-	-	-	177.70	168.96
Leasehold improvements	1.08	-	1.08	-	0.99	-	0.99	-	0.09	-
Buildings @	1,390.26	7.14	-	1,397.40	141.88	47.54	-	189.42	1,248.38	1,207.98
Plant and machinery #	2,837.88	424.71	14.04	3,248.55	987.16	359.92	10.06	1,337.02	1,850.72	1,911.53
Furniture and fixtures	44.18	0.45	-	44.63	15.21	4.54	-	19.75	28.97	24.88
Vehicles	85.09	26.66	-	111.75	36.35	10.31	-	46.66	48.74	65.09
Office equipment	26.29	2.33	0.43	28.19	12.61	3.77	0.19	16.19	13.68	12.00
Computer	18.61	2.95	-	21.56	11.19	3.69	-	14.88	7.42	6.68
Total	**4,581.09**	**464.24**	**24.29**	**5,021.04**	**1,205.39**	**429.77**	**11.24**	**1,623.92**	**3,375.70**	**3,397.12**

a) Refer note 22 and 26 for charge created on property, plant and equipment.

b) Freehold land includes land having gross block amounting to Rs. Nil (31 March 2021 Rs. 2.59) in the state of Himachal Pradesh, pending to be registered in the name of the Company.

c) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2021 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2021 Rs. 0.03) are pending to be registered in the name of the Company.

d) 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. 1,575.80 (31 March 2021 Rs. 1,524.65), net value of Rs. 919.45 (31 March 2021 Rs. 1,025.80) which are partially given under lease arrangement. Also refer note – 32.

@ Buildings includes amount of gross value Rs. 565.71 (31 March 2021 Rs. 565.68), net value of Rs. 479.18 (31 March 2021 Rs. 498.95) which are partially given under lease arrangement. Also refer note – 32.

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4. Capital work-in-progress

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

Particulars	As at 1 April 2020	Additions	Capitalised during the year	As at 31 March 2021
Capital work-in-progress*	66.55	859.20	373.01	552.74

Capital work in progress (CWIP) ageing schedule
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
Total	**111.35**	**7.44**	**0.63**	**-**	**119.42**

As at 31 March 2021

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Noida (Bun and bakery line)	512.75	23.72	4.88	-	541.35
Misc projects lying at various locations	10.76	0.63	-	-	11.39
Total	**523.51**	**24.35**	**4.88**	**-**	**552.74**

*Detail of preoperative expenses included in CWIP	As at 31 March 2022	As at 31 March 2021
Opening for the year	**18.09**	**5.21**
Additions as per consolidated statement of profit and loss during the year		
- Interest and processing charges # (Refer note 38)	20.23	24.12
- Bank charges (Refer note 40)	0.01	0.18
- Power & fuel (Refer note 40)	1.31	1.07
- Employee benefits expense (Refer note 37)	1.55	-
- Legal & professional expense (Refer note 40)	0.06	-
- Travelling and conveyance (Refer note 40)	0.50	0.91
- Miscellaneous expenses (Refer note 40)	1.65	0.29
Subtotal	**25.31**	**26.57**
Less:- Capitalised to respective property, plant and equipment	39.40	13.69
Closing for the year	**4.00**	**18.09**

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. 8.70 at interest rate range of 6% to 7% (31 March 2021 Rs. 4.48 at interest rate of 8.75%).

(All amounts are in rupees million, unless otherwise stated)

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 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**

Particulars	**Category of Right-of-use assets**		
	Leasehold land	**Building**	**Total**
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2020	136.98	16.02	153.00
Addition/ reclassification of leases	1.71	-	1.71
Depreciation charge for year	(1.59)	(9.75)	(11.34)
Deletions for terminated leases	-	(1.36)	(1.36)
Balance as on 31 March 2021	**137.10**	**4.91**	**142.01**

The aggregate depreciation expense on ROU assets amounting to Rs. 11.86 (31 March 2021 Rs. 11.34) 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 2022**	**As at 31 March 2021**
Balance at the beginning	15.38	26.81
Addition for new leases	62.17	-
Accredition of interest	3.06	1.64
Payment of lease liabilities	(10.66)	(11.63)
Deletions for terminated leases	-	(1.44)
Balance at the end	**69.95**	**15.38**

As at balance sheet date, the Group is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

(All amounts are in rupees million, unless otherwise stated)

5. Right-of-use assets and lease liabilities *(continued)*

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2022	As at 31 March 2021
Maturity analysis – contractual undiscounted cash flows		
Less than one year	15.24	6.39
After one year but not longer than five years	44.35	3.24
More than five years	90.45	74.46
Total	**150.04**	**84.09**
Lease liabilities included in the statement of financial position		
Current	11.19	5.58
Non- current	58.76	9.80
Total	**69.95**	**15.38**

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 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. 22.34 (31 March 2021 Rs. 19.63) 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. 33.00 (31 March 2021 Rs. 31.26) during the year.

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6. Goodwill

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**

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Adjustments	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
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 is the higher of the fair value less cost to sell and the value in use; where the value in use is the present value of the future 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.

Particulars	As at 31 March 2022	As at 31 March 2021
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 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**

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Charge for year	Deletions	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Computer softwares	27.56	-	-	27.56	21.43	5.72	-	27.15	6.13	0.41
Total	**27.56**	**-**	**-**	**27.56**	**21.43**	**5.72**	**-**	**27.15**	**6.13**	**0.41**

(All amounts are in million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
8 Equity accounted investment		
Investment in associate		
Quoted investment in equity share at cost *#		
1,937,268 (31 March 2021: 1,937,268) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited	39.62	39.21
Unquoted investment in equity share at cost		
260,000 (31 March 2021: Nil) equity shares of Rs.10/- each fully paid up of Solarstream Renewable Services Private Limited	2.60	-
	42.22	**39.21**

* Listed on Metropolitan Stock Exchange on 16 July 2018.

Quoted		
Aggregate book value of quoted investments	**39.62**	**39.21**
Aggregate market value of quoted investments	*	*
Aggregate amount of impairment in value of investments	Nil	Nil

Not traded since the date of listing.

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.

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.

Percentage ownership interest	**43.09%**	**43.09%**
Non-current assets	33.16	42.26
Current assets (including cash and cash equivalents – 31 March 2022: 55.59, 31 March 2021: 6.49)*	59.69	58.69
Current liabilities (including current financial liabilities – 31 March 2022: 0.58 31 March 2021: 9.70)	(0.91)	(9.96)
Net assets (100%)	**91.94**	**90.99**
Group's share of net assets	39.62	39.21
Carrying amount of interest in equity accounted investment	39.62	39.21

* Certain deposit accounts and a bank account having balance as at 31 March 2022: Rs. Nil (31 March 2021: Rs. Nil) of the associate company, i.e. Cremica Agro Foods Limited were freezed by the Board of Directors due to dispute among some of the Directors of the associate company w.e.f. 6 January 2016. These accounts were unfreezed on 4 February 2021.

Carrying amount of the interest in equity accounted investment

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue	-	0.14
Other income	3.09	2.15
Depreciation and amortisation expense	0.04	0.05
Income tax expense	0.32	0.13
Profit	0.96	2.16
Total comprehensive income (net of tax)	**0.96**	**2.16**
Group's share of profit	**0.41**	**0.93**
Group's share of other comprehensive income	**-**	**-**
Group's share of total comprehensive income	**0.41**	**0.93**

No dividend has been received from the associate for the year ended 31 March 2022 and 31 March 2021.

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
9 Other non-current financial assets		
Deposits with maturity of more than 12 months		
Margin money deposit*	-	0.11
Security deposits	39.11	35.51
	39.11	**35.62**

*Margin money deposits with carrying amount of Rs. 0.00 (31 March 2021 Rs. 0.11) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

	As at 31 March 2022	As at 31 March 2021
10 Income tax assets (net)		
Advance income tax (net of provision for tax)	41.32	28.70
	41.32	**28.70**
11 Other non-current assets		
Prepaid expenses	1.25	1.04
Capital advances	107.75	69.33
	109.00	**70.37**
12 Inventories *(valued at the lower of cost and net realisable value)*		
Raw material and packing material	489.16	275.20
Work-in-progress	1.46	1.41
Finished goods - Manufactured goods (including stock in transit Rs. 117.88 (31 March 2021 Rs. 128.07))*	264.51	259.58
Stores and spares	31.67	32.88
	786.80	**569.07**

*The write-down of inventories to net realisable value during the year amounted to Rs. 3.51 (31 March 2021 Rs. 3.70) and are included in changes in inventories of finished goods and work-in-progress.

	As at 31 March 2022	As at 31 March 2021
13 Current investments		
Deposits with financial institution-unquoted		
- 5.20%-5.30% (31 March 2021 : 5.20%) deposit with Housing Development Finance Corporation Limited	64.87	61.71
	64.87	**61.71**
Unquoted current investments		
Aggregate book value	64.87	61.71
Aggregate market value	Nil	Nil
Aggregate amount of impairment in value of investments	Nil	Nil
14 Trade receivables (Unsecured, considered good, unless otherwise stated)		
Trade receivables*	813.98	804.52
Less: Loss allowance**	(64.33)	(84.80)
	749.65	**719.72**
Break-up of trade receivables:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	751.09	721.36
Trade receivables which have significant increase in credit risk	43.49	64.99
Trade receivables – credit impaired	19.40	18.17
Total	**813.98**	**804.52**
Less: Expected credit loss allowance		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	(1.44)	(1.64)
Trade receivables which have significant increase in credit risk	(43.49)	(64.99)
Trade receivables – credit impaired	(19.40)	(18.17)
Total trade receivables	**749.65**	**719.72**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

(All amounts are in rupees million, unless otherwise stated)

Trade receivable ageing schedule

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**

As at 31 March 2021	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	11.91	466.70	241.61	0.22	0.69	0.23	-	721.36	1.64	719.72
Undisputed trade receivable - which have significant increase in credit risk	-	-	3.61	4.19	4.50	32.59	1.53	46.42	46.42	-
Undisputed trade receivable - credit impaired	-	0.71	3.57	7.88	0.69	5.32	-	18.17	18.17	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	0.26	1.97	7.62	2.53	6.19	18.57	18.57	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**11.91**	**467.41**	**249.05**	**14.26**	**13.50**	**40.67**	**7.72**	**804.52**	**84.80**	**719.72**

15 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
In current account#	158.61	181.48
Cash on hand	1.31	1.42
Deposits with banks for original maturity of less than three months	164.81	164.45
	324.73	**347.35**

#Includes debit balance of working capital facility availed from HDFC Bank Limited amounting to Rs. 127.44 (31 March 2021 Rs. 52.87) and from ICICI Bank Limited amounting to Rs. Nil (31 March 2021 Rs. 58.29).

16 Bank balances other than cash and cash equivalents above

	As at 31 March 2022	As at 31 March 2021
Margin money deposit *	71.17	65.04
Deposits due to be matured within 12 months of the reporting date	434.90	435.07
	506.07	**500.11**

*Margin money deposits with carrying amount of Rs. 71.17 (31 March 2021 Rs. 65.04) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

17 Current loans
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021
Loans to employees	4.82	-
	4.82	**-**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
18 Other current financial assets		
(unsecured, considered good)		
Forward exchange contracts used for hedging	9.40	7.24
Export incentive receivable	133.43	139.19
Security deposits	27.03	27.03
Claims receivable on export	5.02	2.08
Interest accrued but not due on fixed deposits with banks	2.48	4.25
Other advances	1.02	0.76
IPO expenses recoverable @	-	73.02
	178.38	**253.57**

@ In relation to the IPO expenses incurred for the secondary sales of shares by certain shareholders of the Holding Company during the year ended 31 March 2019, the selling shareholders at that time had confirmed that the expenses incurred by the Holding Company till date and future expenses (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the respective shares sold in the offer for sale portion of the IPO by such selling shareholders). These expenses had been approved by the selling shareholders in accordance with the agreement and such reimbursements will be recovered through cashflows received from such exit. However, the said secondary sale was cancelled and the aforesaid selling shareholders bore the aforesaid IPO expenses.

Management revived its Initial Public Offer (IPO) plan by way of primary and secondary sales of shares during the year ending 31 March 2021. Further, in relation to the fresh IPO expenses incurred till date and future expenses (including any tax reimbursements), the Holding Company and the selling shareholders had confirmed that the expenses incurred by the Holding Company will be shared between the Holding Company and the selling shareholders in proportion to the number of shares issued in case of a fresh issue or offered for sale portion of the IPO by such selling shareholders. These expenses had been approved by the selling shareholders in accordance with the agreement and such reimbursements were be recovered through cashflows received from such exit. Refer note 55.

19 Other current assets		
Advances recoverable in cash or kind		
-Unsecured and considered good	81.92	65.74
-Consider doubtful	13.07	11.90
Less: Provision for doubtful advances recoverable in cash or kind	(13.07)	(11.90)
Prepaid expenses	17.62	13.77
Right to recover returned goods	6.48	6.40
Balances with statutory/government authorities		
- Considered good	37.59	4.06
	143.61	**89.97**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
20 Share capital		
Authorised		
65,000,000 (As at 31 March 2021: 65,000,000) equity shares of Rs. 10/- each	650.00	576.00
Issued, subscribed and paid-up		
58,815,325 (as at 31 March 2021: 58,746,514) equity shares of Rs. 10/- each	588.15	587.47
	588.15	**587.47**

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 2020	**5,72,67,922**	**572.68**
Shares issued during the year	**14,08,592**	**14.09**
Share based options exercised during the year	**70,000**	**0.70**
Outstanding as at 31 March 2021	**5,87,46,514**	**587.47**
Shares issued during the year	**-**	**-**
Share based options exercised during the year	**68,811**	**0.69**
Outstanding as at 31 March 2022	**5,88,15,325**	**588.15**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	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	21.36%
Anoop Bector (AB Family Trust)	59,55,462	10.13%	59,55,462	10.14%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	47,63,111	8.11%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	47,63,111	8.11%
GW Crown Pte Limited	47,12,163	8.01%	47,12,163	8.02%
Linus Private Limited	46,13,846	7.84%	46,13,846	7.85%

d. Promotor Shareholding

Promoter Name	As at 31 March 2022			As at 31 March 2021		
	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	21.36%	-45.07%
Anoop Bector HUF	20,05,970	3.41%	0.00%	20,05,970	3.41%	0.00%
Ishaan Bector	100	0.00%	0.00%	100	0.00%	-100.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	-99.99%
Suvir Bector	100	0.00%	0.00%	100	0.00%	-99.99%
Anoop Bector (AB Family Trust)	59,55,462	10.13%	0.00%	59,55,462	10.14%	0.00%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.11%	0.00%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.11%	0.00%
Total	**3,00,38,754**	**51.07%**	**0.00%**	**3,00,38,754**	**51.13%**	**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 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	31 March 2017 Numbers of shares
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	2,86,33,811	-
	-	**-**	**-**	**-**	**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.

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2022	As at 31 March 2021
21	**Other equity**		
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	628.38	243.92
	Add:- Shares issued during the year	-	391.31
	Add:- Share based options exercised during the year	16.34	15.86
	Less: Utilised for IPO expenses	-	(22.71)
	Balance at the end of the year	**644.72**	**628.38**
c	**Retained earnings**		
	Balance at the beginning of the year	3,059.63	2,337.24
	Add: Profit for the year	571.43	722.76
	Add: Other comprehensive (loss) for the year	8.12	(0.37)
	Less: Final dividend for FY 2020-21	(141.11)	-
	Less: Interim dividend for FY 2021-22	(73.52)	-
	Balance at the end of the year	**3,424.55**	**3,059.63**
d	**Share options outstanding account**		
	Balance at the beginning of the year	4.89	8.33
	Share based expense	0.43	0.90
	Employee stock option exercised during the year	(5.02)	(4.34)
	Balance at the end of the year	**0.30**	**4.89**
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	**4,101.62**	**3,724.95**

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.

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.

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 2022	As at 31 March 2021
Dividends		
The following dividends were declared by the Company during the year:		
Interim Dividend - Rs. 1.25 per equity share (31 March 2021: Rs. Nil)	73.52	-
Final Dividend - Rs. 1.25 per equity share (31 March 2021: Rs. 2.40)	73.52	141.11
Total	**147.04**	**141.11**
Dividend paid during the year		
Interim Dividend	73.52	-
Final Dividend*	140.98	-
Total	**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.

(All amounts are in rupees million, unless otherwise stated)

22 Non-current borrowings

	As at 31 March 2022	As at 31 March 2021
Term loans (Refer note (a))		
From banks (Secured) @	1,131.62	1,253.08
Vehicle loans (Refer note (a))		
From banks (Secured)	13.83	21.45
From Others (Secured)	11.43	-
Total non-current borrowings	**1,156.88**	**1,274.53**
Less: Current maturities of long term debt @	(274.21)	(124.16)
Less: Interest accrued but not due on borrowings @	(2.39)	(2.07)
Non-current borrowings	**880.28**	**1,148.30**

(a) Terms and conditions of outstanding borrowings are as follows:

Particulars	**ICICI Bank Limited***	**HDFC Bank Limited****	**Vehicle loans*****	**Interest accrued but not due**	**Total**
Principal amount					
As at 31 March 2022	563.20	566.14	25.15	2.39	1,156.88
As at 31 March 2021	611.36	639.77	21.33	2.07	1,274.53
Year of maturity	2028-29	2027-28	2024-25	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	6.00% - 6.90%	6.00% - 7.20%	7.25% - 9.10%	-	-

* The term loan of ICICI Bank Limited is secured by exclusive 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 exclusive 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.

***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

@ Reserve Bank of India had granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks, the Group had availed the option in the term loans from ICICI Bank Limited and HDFC Bank Limited. However, the interest and principal amount of the moratorium period had been already paid by the Group.

(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 2022	As at 31 March 2021
Cash and cash equivalents	324.73	347.35
Bank balances other than cash and cash equivalents	506.07	500.11
Other financial assets	39.11	35.62
Lease liabilities (current and non-current)	(69.95)	(15.38)
Current borrowings	(405.20)	(156.68)
Non-current borrowings (excluding interest accured)	(1,154.49)	(1,272.46)
Interest accrued but not due on borrowings	(2.39)	(2.07)
Net debt	**(762.12)**	**(563.51)**

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	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**	**35.62**	**(1,272.46)**	**(156.68)**	**(2.07)**	**(15.38)**	**(563.51)**
Cash flows	(22.62)	5.96	3.49	117.97	(248.52)	-	10.66	(133.06)
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**	**39.11**	**(1,154.49)**	**(405.20)**	**(2.39)**	**(69.95)**	**(762.12)**

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Interest on borrowings	Lease liabilities (current and non-current)	**Total**
Net debt as at 1 April 2020	**206.99**	**95.50**	**0.26**	**(1,131.14)**	**(180.51)**	**(2.41)**	**(26.81)**	**(1,038.12)**
Cash flows	140.36	404.61	35.36	(141.32)	23.83	-	11.63	474.47
Interest expense	-	-	-	-	-	(95.20)	(1.64)	(96.84)
Interest paid	-	-	-	-	-	95.54	-	95.54
Other non-cash movements								
- Deletions	-	-	-	-	-	-	1.44	1.44
Net debt as at 31 March 2021	**347.35**	**500.11**	**35.62**	**(1,272.46)**	**(156.68)**	**(2.07)**	**(15.38)**	**(563.51)**

(All amounts are in rupees million, unless otherwise stated)

23 Provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Compensated absences (refer note 46)	18.11	21.06
Gratuity (refer note 46)	47.38	53.08
	65.49	**74.14**

24 Income Tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense		
Current year	198.84	238.03
Tax adjustment for earlier years	(14.71)	(5.82)
	184.13	**232.21**
Deferred tax credit		
Changes in recognised temporary differences	1.68	15.76
	1.68	**15.76**
Total Tax Expense	**185.81**	**247.97**

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
	10.85	(2.73)	8.12	(0.48)	0.11	(0.37)
Defined benefit plan	**10.85**	**(2.73)**	**8.12**	**(0.48)**	**0.11**	**(0.37)**

C. Reconciliation of effective tax rate

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Profit before tax	**25.17%**	**757.24**	**25.17%**	**970.73**
Tax using the Group's domestic tax rate		190.58		244.31
Tax effect of:				
Non-deductible expenses	0.48%	3.62	0.39%	3.75
Tax adjustments related to earlier years	-1.11%	(8.41)	0.00%	-
Others	0.00%	0.02	-0.01%	(0.09)
Tax expense	**24.54%**	**185.81**	**25.54%**	**247.97**

D. Movement in deferred tax balances

	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	24.05	11.60	(2.73)	32.92
Allowances on doubtful receivables	24.34	(4.86)	-	19.48
Deferred income on grants	31.51	(4.96)	-	26.55
Others	10.74	13.98	-	24.72
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**

	As at 1 April 2020	Recognized in P&L	Recognized in OCI	As at 31 March 2021
Deferred Tax Liability				
Property, plant and equipment	200.73	(18.94)	-	181.79
Right-of-use assets	6.47	(2.79)	-	3.68
Sub- Total (a)	**207.20**	**(21.73)**	**-**	**185.47**
Deferred Tax Assets				
Provisions - employee benefits	20.89	3.05	0.11	24.05
Allowances on doubtful receivables and advances	25.58	(1.24)	-	24.34
Deferred income on grants	37.47	(5.96)	-	31.51
Others	44.08	(33.34)	-	10.74
Sub- Total (b)	**128.02**	**(37.49)**	**0.11**	**90.64**
Deferred tax Liabilities (net) (a)-(b)	**79.18**	**15.76**	**(0.11)**	**94.83**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
25 Other non-current liabilities		
Deferred income on government grants	85.33	104.33
	85.33	**104.33**

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 not received any grant of capital nature during the year ended 31 March 2022 and 31 March 2021. 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.

	As at 31 March 2022	As at 31 March 2021
26 Current borrowings		
Loans from banks repayable on demand (secured)*	130.99	32.52
Current maturities of long-term debt (refer note 22)	274.21	124.16
	405.20	**156.68**

* 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% @ ranging from 6.00% to 7.20% per annum (MCLR + 0.30% @ ranging from 7.20% to 8.75% per annum for the year ended 31 March 2021). (Refer Note 15 cash and cash equivalents).

The Group has also taken the working capital limits from ICICI Bank Limited which are secured by exclusive 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 exclusive 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 7.00% per annum (MCLR + 0.60% ranging from 7.50% to 8.75% per annum for the year ended 31 March 2021).

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% ranging from 3.60% to 5.20% per annum (Nil per annum for the year ended 31 March 2021).

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 2022	As at 31 March 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises*	89.50	52.69
Total outstanding dues of creditors other than micro enterprises and small enterprises**	487.32	519.94
	576.82	**572.63**

Trade payable ageing schedule

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	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 small enterprises	-	-	-	-	-	-	-
Total	**100.33**	**304.82**	**170.57**	**0.46**	**0.06**	**0.58**	**576.82**

As at 31 March 2021	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	-	42.67	9.74	-	0.28	-	52.69
Total outstanding dues of creditors other than micro and small	171.01	254.46	91.48	1.01	1.52	0.46	519.94
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro small enterprises	-	-	-	-	-	-	-
Total	**171.01**	**297.13**	**101.22**	**1.01**	**1.80**	**0.46**	**572.63**

* Refer note 45 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

(All amounts are in rupees million, unless otherwise stated)

28 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	2.39	2.07
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises*	8.65	16.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	30.46	48.88
Unpaid dividends	0.13	-
Security and other trade deposits	40.68	31.22
	82.31	**98.71**

* Refer note 45 for disclosures required under MSMED Act.

29 Other current liabilities

Deferred income		
Government grants (refer note 25)	20.15	20.86
Advances from customers (Contract liability)	48.77	41.31
Refund liability	10.69	17.47
Statutory dues payable	21.37	20.24
Employee payable*	127.85	88.74
	228.83	**188.62**

*Includes dues to related parties (refer note 47)

30 Provisions

Provision for employee benefits (refer note 46)		
Compensated absences	4.24	1.68
Gratuity	6.92	3.30
Others:		
Provision for litigation (refer note (a))	26.49	25.14
	37.65	**30.12**

a) Provision for litigation*

Balance at the commencement of the year	25.14	145.42
Add: Provision made during the year	1.73	4.52
Less: Provision utilised/reversed during the year	(0.38)	(124.80)
Balance at the end of the year	**26.49**	**25.14**

*refer note 42A(c) for details of pending litigation

31 Current tax liabilities (net)

Income tax (net of advance tax)	0.68	15.47
	0.68	**15.47**

(All amounts are in rupees million, unless otherwise stated)

32 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	9,035.12	8,085.61
Sale of services*		
Job work income	490.27	410.25
Total (A)	**9,525.39**	**8,495.86**
Other operating revenue		
Export incentives #	136.26	153.84
Net gain on account of foreign exchange fluctuations	67.23	37.49
Sale of scrap	68.20	44.31
Others*	84.65	75.76
Total (B)	**356.34**	**311.40**
Total revenue from operations (A + B)	**9,881.73**	**8,807.26**

Reconciliation of revenue recognized with the contracted price is as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contracted price	9,976.33	8,913.99
Reductions towards variable consideration components (discounts, rebates and others)	450.94	418.13
Revenue recognised	**9,525.39**	**8,495.86**

The Group has accrued following export incentives of Rs. 136.26 (31 March 2021 Rs. 153.84).
a) Incentive under Merchandise Exports from India Scheme of Rs. 0.94 (31 March 2021 Rs. 53.97)
b) Duty Free Import Authorization of Rs. 113.79 (31 March 2021 Rs. 93.43)
c) Incentive under Transport and Market Assistance Scheme of Rs. 21.53 (31 March 2021 Rs. 6.44)

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 2022	As at 31 March 2021
Contract liabilities		
- Advances from customer	48.77	41.31
- Refund liability	10.69	17.47
Contract Assets		
- Receivables, which are included in trade receivables	749.65	719.72

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.

***** Also refer note 44

33 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from financial assets at amortized cost	36.30	18.76
Interest income from others	0.95	1.14
Government grants (refer note 25)	19.70	23.69
Net profit on sale/write off of property, plant and equipment	4.73	0.28
Liabilities no longer required written back*	-	55.84
Other miscellaneous income **	1.08	1.55
	62.76	**101.26**

***** Also refer note 42
****** Also refer note 44

(All amounts are in rupees million, unless otherwise stated)

		For the year ended 31 March 2022	For the year ended 31 March 2021
34	**Cost of materials consumed**		
	Raw materials (including purchased components and packing material consumed)		
	Opening inventories	275.20	209.28
	Add: Purchases (net)	5,574.27	4,744.13
	Less: Closing inventories	489.16	275.20
		5,360.31	**4,678.21**
35	**Purchase of stock-in-trade**		
	Purchase of stock-in-trade	155.85	6.30
		155.85	**6.30**
36	**Changes in inventories of finished goods, stock-in- trade and work-in-progress**		
	Opening inventories		
	Finished goods	259.58	192.11
	Work-in-progress	1.41	0.48
	Stock-in-trade	-	0.42
	Total (A)	**260.99**	**193.01**
	Closing inventories		
	Finished goods	264.51	259.58
	Work-in-progress	1.46	1.41
	Stock-in-trade	-	-
	Total (B)	**265.97**	**260.99**
	Total (A-B)	**(4.98)**	**(67.98)**
37	**Employee benefits expense**		
	Salaries and wages	1,278.92	1,175.76
	Contribution to provident and other funds (refer note 46)	66.66	57.34
	Share-based payment to employees (refer note 48)	0.43	0.90
	Staff welfare expenses	31.71	34.56
		1,377.72	**1,268.56**
38	**Finance costs ***		
	Interest expense on financial liabilities measured at amortised cost :		
	Loan from banks	57.47	79.33
	Lease liabilities (refer note 5)	3.06	1.64
	Others	10.27	14.23
		70.80	**95.20**
	* Also refer note 4		
39	**Depreciation and amotisation expense**		
	Depreciation on property, plant and equipment	447.82	429.77
	Depreciation on right-of-use assets (refer note 5)	11.86	11.34
	Amortisation on other intangible assets	0.31	5.72
		459.99	**446.83**

(All amounts are in rupees million, unless otherwise stated)

40 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent (refer note 5 and note 44)	22.34	19.63
Rates and taxes	10.47	10.34
Power and fuel #	485.49	386.65
Repair and maintenance:		
Plant and machinery	54.63	63.75
Buildings	11.89	10.92
Others	7.28	7.69
Travelling and conveyance #	81.00	59.68
Payment to auditor (refer note (a) below)	7.26	6.46
Legal and professional fees #	24.05	18.29
Printing and stationery	4.36	3.36
Net change in fair value of financial assets measured at fair value through profit and loss	-	-
Advertisement and sales promotion	73.37	104.42
Consumption of stores and spare parts	50.60	39.86
Commission and brokerage	6.63	6.46
Communication costs	9.62	7.80
Directors' remuneration	72.57	56.62
Freight and forwarding	779.99	607.18
Insurance	25.40	20.60
Net loss on sale of property, plant and equipment	-	0.44
Allowances on trade receivable and other advances	0.92	42.67
Bank charges #	2.95	3.72
Expenditure on Corporate social responsibility (refer note 53)	13.98	11.61
Miscellaneous expenses #	23.17	23.45
	1,767.97	**1,511.60**

(a) Payment to auditors*		
As auditor		
Statutory audit	5.02	5.48
Limited review	1.72	0.65
Certification	0.15	0.23
Reimbursement of expenses	0.37	0.10
	7.26	**6.46**

* Excludes fees paid to statutory auditor of Rs. Nil (previous year - Rs. 17.17) including reimbursement of expenses amounting Rs. Nil (previous year - Rs. 0.67) for IPO related expenses,. Also refer note 55.

Also refer note 4

(All amounts are in rupees million, unless otherwise stated)

		For the year ended 31 March 2022	For the year ended 31 March 2021
41	**Earning per share (EPS)**		
A.	**Basic earnings per share**		
i.	*Profit for basic earning per share of Rs. 10 each*		
	Profit for year	571.43	722.76
ii.	*Weighted average number of equity shares for (basic)*		
	Balance at the beginning of the year	58.75	57.27
	Effect of issue of shares	-	0.39
	Effect of issue of ESOP shares	0.05	0.02
		58.79	**57.68**
	Basic Earnings per share (face value of Rs 10 each)	**9.72**	**12.53**
B.	**Diluted earnings per share**		
i.	*Profit for diluted earning per share of Rs. 10 each*		
	Profit for year	571.43	722.76
ii.	*Weighted average number of equity shares for (diluted)*		
	Balance at the beginning of the year	58.75	57.27
	Effect of issue of shares	-	0.39
	Effect of issue of ESOP shares	0.05	0.02
	Effect of employee stock options	0.00	0.04
		58.80	**57.72**
	Diluted Earnings per share (face value of Rs. 10 each)	**9.72**	**12.52**

42 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	**As at 31 March 2022**	**As at 31 March 2021**
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.		
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) Sales Tax demand for assessment year 2012-13 on account of sales tax liability on taxable sales not deposited in the state of Maharashtra	-	0.88
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.	11.13	26.63
Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Group has submitted bonds 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 Group'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. In response, MPIDC vide letter dated 27 May 2022 has advised the Group that now, Group still has time till October 2022 to commence commercial production after considering notifications already issued granting extensions owing to COVID 19. Per management’s discussions with the government officials, extension as requested will be granted to the Group nearer to the above end date. The Board of Directors in its meeting held on 28 May 2022 have approved the aforesaid revised plan for construction of the manufacturing facility at Indore and are confident that the Group will be able to obtain extension as may be required in due course without any significant penalty / charge levied by MPIDC.

On 31 March and 1 April 2022, a team of officers headed by Superintendent CGST, Gautam Budh Nagar (Noida) reached the Noida Factory of the Group to conduct search proceedings in factory. As part of the process, a stock take was performed, and no discrepancies were identified. Further, no goods were seized. The Officers took photocopies of sample purchase order/ sales invoice and the sales register for 2020-2021 and 2021 -2022. As part of the Panchnama, the offices alleged that the Kulcha and Buns should be subjected to GST and directed the plant head to deposit INR 1.5 crores within the same date i.e. 1 April 2022 and the remaining amount along GSTR returns.
The department also issued summons to tender statements, provide evidence of amount deposited, receive sale register from Jul 2017 till March 2022. As a next step, the Group deposited Rs. 30 lakhs as amount paid under protest on 2 April 2022. On 4 April 2022, Group CFO has submitted to department, basis legal opinion obtained, that Kucha and Bunfills are both tax free and officer tried to recover the amount without adjudication which is not permissible under the CGST Act. Recovery of amount without adjudication amounts to denial of justice and denial of principals of natural justice which is enshrined in constitution of India. Group has further submitted, process flow of bread and kulcha along with extract of sale ledger to the department on 7 April 2022. The Group does not expect any liability to arise on this matter.

(All amounts are in rupees million, unless otherwise stated)

c. Other pending litigations

(a) The Group had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and thereafter increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter in an earlier year. The Group had provided for the estimated amount of entry tax including interest in the books of account. During previous year ended 31 March 2021, the Group has opted for the H.P. (Legacy Cases Resolution) Scheme 2019 and paid Rs. 65.70 as full and final settlement towards the entry tax liability as against Rs. 123.79 provision in the books of account. Accordingly, an amount of Rs. 55.43 had been written back and disclosed under "Liabilities no longer required written back" in Other Income and an amount of Rs. 2.60, representing interest accrued on the principal amount for the current year, was netted from "Others" in Finance costs.

(b) 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 2022 of Rs. 4.83 (31 March 2021 Rs. 4.52) (including interest of Rs. 3.14 (31 March 2021 Rs. 2.82)) has been provided in the books of accounts.

(c) 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. 6.20 (31 March 2021 Rs. 5.77) and Rs. 10.45 (31 March 2021 Rs. 9.78) includes an interest of Rs. 3.83 (31 March 2021 Rs. 3.40) and Rs. 6.70 (31 March 2021 Rs. 6.03) respectively.

(d) A demand of Rs. 1.91 (31 March 2021 Rs. 1.91), 1.60 (31 March 2021 Rs. 1.60), 0.09 (31 March 2021 Rs. 0.09) and 0.16 (31 March 2021 Rs. Nil) 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.

(e) A demand of Rs. 0.12 (31 March 2021 Rs. 0.12), 0.82 (31 March 2021 Rs. 0.82) and 0.15 (31 March 2021 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 uncertanity 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 has filed for receiving grant from Ministry of Food Processing Industries under Scheme for Cold Chain and Value Addition Infrastructure amounting to Rs. 96.88. The Group has received grant amounting to Rs. 61.81 till period ended 31 March 2022 (Rs. 61.81 till the year ended 31 March 2021). This grant is conditional upon fulfillment of conditions specified in the scheme and as approved by the authorities. The Group expects that it is more likely than not that, it will receive the balance instalment of grant amounting to Rs. 35.07 in future periods as and when approved.

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 131.47 (as on 31 March 2021 Rs. 35.13).

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 2022**	**For the year ended 31 March 2021**
Revenue from food products*	9,525.39	8,495.86
Total	**9,525.39**	**8,495.86**

*excludes other operating revenues.

(All amounts are in rupees million, unless otherwise stated)

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 2022	For the year ended 31 March 2021
Within India	7,146.18	6,457.56
Outside India	2,379.21	2,038.30
Total	**9,525.39**	**8,495.86**

ii) Receivables	As at 31 March 2022	As at 31 March 2021
Within India	476.16	492.29
Outside India	273.49	227.43
Total	**749.65**	**719.72**

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 2022, 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 2021).

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 2022	For the year ended 31 March 2021
6 months or less	9,525.39	8,495.86
Total	**9,525.39**	**8,495.86**
Major product/ service line		
Sale of products	9,035.12	8,085.61
Sale of services		
Job work income	490.27	410.25
Total revenue	**9,525.39**	**8,495.86**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	As at 31 March 2022	As at 31 March 2021
Receivables, which are included in trade receivables	749.65	719.72
Contract liabilities	48.77	41.31
Refund liability	10.69	17.47

(All amounts are in rupees million, unless otherwise stated)

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 2022, lease rentals of Rs. 79.74 (31 March 2021: Rs. 73.23) 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 2022	For the year ended 31 March 2021
Income generated from lease of building, plant and machinery under job work arrangement	79.61	73.10
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 year end has been made in the consolidated financial statements based on information available with the Group as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	88.65	51.86
Capital creditors	4.45	12.36
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	0.85	0.83
Capital creditors	4.20	4.18
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	0.85	0.83
Capital creditors	4.20	4.18
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	0.85	0.83
Capital creditors	4.20	4.18

(All amounts are in rupees million, unless otherwise stated)

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 2022	For the year ended 31 March 2021
Contribution to provident fund	56.08	47.20

(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.

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 2022 and 31 March 2021. 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 2022	As at 31 March 2021
Net defined benefit liability		
Liability for Gratuity	54.30	56.38
Total employee benefit liabilities	**54.30**	**56.38**
Non-current	47.38	53.08
Current	6.92	3.30

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 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
	25.41	**4.11**	**21.30**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	(6.21)	(0.95)	(5.26)
- demographic adjustments	-	-	-
- 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**

(All amounts are in rupees million, unless otherwise stated)

Particulars	For the year ended 31 March 2021		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
Balance as at 1 April 2020	97.42	53.26	44.16
Included in Profit or loss			
Current service cost	17.72	-	17.72
Interest cost (income)	6.74	3.68	3.06
Past service cost	-	-	-
	24.46	**3.68**	**20.78**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	1.52	(0.58)	2.10
- demographic adjustments	-	-	-
- experience adjustment	(1.62)	-	(1.62)
	(0.10)	**(0.58)**	**0.48**
Other			
Return			
Contributions paid by the employer	-	7.00	(7.00)
Benefits paid	(5.02)	(2.98)	(2.04)
	(5.02)	**4.02**	**(9.04)**
Balance as at 31 March 2021	**116.76**	**60.38**	**56.38**

C. Plan assets

Plan assets comprise of the following	As at	
	31 March 2022	**31 March 2021**
Investments with Life insurance corporation	85.85%	85.13%
Investments with SBI life insurance	14.15%	14.87%

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 2022	**31 March 2021**
Discount rate	7.22%	6.80%
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.

	As at	
	31 March 2022	**31 March 2021**
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	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

(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 2022		**31 March 2021**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.50% movement)	(7.03)	7.70	(7.04)	7.75
Expected rate of future salary increase (0.50% movement)	7.48	(6.89)	7.52	(6.90)

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

	As at	
Particulars	**31 March 2022**	**31 March 2021**
Duration of defined benefit payments		
Less than 1 year	6.92	3.30
Between 1-2 years	4.51	6.31
Between 2-5 years	14.34	13.89
Over 5 years	96.63	93.26
Total	**122.40**	**116.76**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 17.42 years (31 March 2021: 17.50 years).
Expected contribution to post-employment benefit plans in the next year is Rs. 26.08 (31 March 2021: Rs. 25.33).

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 2022, the Group has incurred an expense on compensated absences amounting to Rs. 6.13 (31 March 2021 Rs. 5.79). 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.

(All amounts are in rupees million, unless otherwise stated)

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
Parveen Kumar Goel	Executive Director and CFO
Nem Chand Jain	Independent Director till 16 March 2021
Subhash Agarwal	Independent Director
Rajeev Dewan	Independent Director
Rajni Bector	Non-executive Director till 31 March 2021
Tarun Khanna	Additional Director till 5 February 2021
Pooja Luthra	Independent Director w.e.f. 19 September 2020
Alok Kumar Misra	Independent Director w.e.f. 11 February 2022
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 firm
Sunshine Foods

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 year ended 31 March 2022	For year ended 31 March 2021
Short-term employee benefits	83.36	65.80
Post-employment defined benefit	0.79	0.47
Director sitting fees	0.40	0.43
Total compensation	**84.55**	**66.70**

(All amounts are in rupees million, unless otherwise stated)

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 year ended 31 March 2022	For year ended 31 March 2021
Employee stock option exercised		
- Parveen Kumar Goel	0.73	2.25
Reimbursement of IPO expense received		
- Anoop Bector	-	2.95
Unsecured loan repaid to		
- Anoop Bector	-	14.02
- Ishaan Bector	-	1.39
- Rajni Bector	-	0.03
Finance cost on loan taken		
- Anoop Bector	-	0.25
- Ishaan Bector	-	0.02
- Rajni Bector	-	0.00
Others		
Rent paid		
- Anoop Bector	4.62	4.62
- Anoop Bector HUF	3.00	3.00
Rent received		
- Cremica Agro Foods Limited	0.06	0.06
- Mrs. Bectors Cremica Dairies Private Limited	-	0.05
Contribution to provident and other funds		
- Rashmi Bector	1.04	0.96
- Neha Gupta Bector	0.32	0.60
- Suvir Bector	-	1.06
- Mannat Jain Bector	0.04	-
- Atul Sud	0.02	0.02
Interim dividend paid		
- Anoop Bector	45.81	-
- Anoop Bector HUF	7.32	-
- Ishaan Bector	0.00	-
- Rashmi Bector	0.00	-
- Suvir Bector	0.00	-
- Anoop Bector (AB Family Trust)	21.74	-
- Ishaan Bector (IB Family Trust)	17.39	-
- Suvir Bector (SB Family Trust)	17.39	-
- Parveen Kumar Goel	0.06	-
Consultancy charges paid		
- Subhash Agarwal	-	0.45
Professional charges		
- Rajni Bector	-	1.80
Amount paid for CSR expenditure		
Mrs. Bector Foundation	11.67	7.69
Salary paid		
- Rashmi Bector	9.24	8.25
- Rajni Bector	3.60	1.80
- Neha Gupta Bector	5.40	5.10
- Suvir Bector	-	9.00
- Mannat Jain Bector	0.37	-
- Atul Sud	1.19	1.07

* Transactions are net off goods and services tax wherever applicable.

(All amounts are in rupees million, unless otherwise stated)

G. Related party balances as at year end:

Outstanding balances	**As at 31 March 2022**	**As at 31 March 2021**
Trade and other payables		
- Anoop Bector	1.26	2.98
- Anoop Bector HUF	0.90	0.26
- Ishaan Bector	0.80	0.85
- Parveen Kumar Goel	0.60	0.90
- Mannat Jain Bector	0.20	-
- Rashmi Bector	0.51	0.04
- Neha Gupta Bector	0.20	0.28
- Suvir Bector	0.58	0.40
- Rajni Bector	0.20	0.39
- Ram Sanjeevan Verma	0.17	0.32
- Nem Chand Jain	-	0.02
- Subhash Agarwal	0.02	0.05
- Rajeev Dewan	0.02	0.05
- Pooja Luthra	0.02	0.05
- Atul Sud	0.07	0.06
Advances and other receivables		
- Cremica Agro Foods Limited	-	0.04
- Mrs. Bectors Cremica Dairies Private Limited	-	0.13
Non current investments		
- Cremica Agro Foods Limited	39.62	39.21

Note : Refer note 18 for IPO expenses recoverable from selling shareholders.

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

(All amounts are in rupees million, unless otherwise stated)

48 Share-based payment to employees

A. Description of share-based based payment to employees

i. Share option programme (equity-settled)

On 30 September 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.

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.

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 31 March 2022	Weighted average exercise price 31 March 2022	Number of options 31 March 2021	Weighted average exercise price 31 March 2021
Employees Stock Option Plan-2017				
Options outstanding at the beginning of the year	72,871	174.62	1,31,417	174.62
Add: Options granted during the year	-	-	11,454	174.62
Less: Options forefeited during the year	-	-	-	-
Less: Options exercised during the year	68,811	-	70,000	174.62
Less: Options expired during the year	-	-	-	-
Options outstanding at the end of the year	**4,060**	**174.62**	**72,871**	**174.62**
Exercisable at the end of the year	**3**	**174.62**	**38,748**	**174.62**

The options outstanding at 31 March 2022 had an exercise price of Rs. 174.62 and a weighted-average contractual life of 0.05 years.

D. Expense recognised in statement of profit and loss

For details of the employee benefit expenses, refer note 37.

(All amounts are in million, unless otherwise stated)

49 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	As at 31 March 2022		As at 31 March 2021	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial assets				
Other non-current financial assets	-	39.11	-	35.62
Investments	-	64.87	-	61.71
Trade receivables	-	749.65	-	719.72
Cash and cash equivalents	-	324.73	-	347.35
Bank balances other than cash and cash equivalents	-	506.07	-	500.11
Current loans	-	4.82	-	-
Other current financial assets	9.40	168.98	7.24	246.33
	9.40	**1,858.23**	**7.24**	**1,910.84**
Financial liabilities				
Non-current borrowings	-	880.28	-	1,148.30
Short term borrowings	-	405.20	-	156.68
Non-current lease liabilities	-	58.76	-	9.80
Current lease liabilities	-	11.19	-	5.58
Trade payables	-	576.82	-	572.63
Other financial liabilities	-	82.31	-	98.71
	-	**2,014.56**	**-**	**1,991.70**

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 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 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Derivatives				
Foreign exchange forward contracts	-	9.40	-	**9.40**

Particulars	As at 31 March 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Derivatives				
Foreign exchange forward contracts	-	7.24	-	**7.24**

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 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
Non-current borrowings (including current maturities)*	3	1,115.96	1,276.00	1,156.88	1,274.53

*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.

(All amounts are in million, unless otherwise stated)

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. 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.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2022		As at 31 March 2021	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Other non-current financial assets	39.11	39.11	35.62	35.62
Investments	64.87	64.87	61.71	61.71
Trade receivables	749.65	749.65	719.72	719.72
Cash and cash equivalents	324.73	324.73	347.35	347.35
Bank balances other than cash and cash equivalents	506.07	506.07	500.11	500.11
Current loans	4.82	4.82	-	-
Other current financial assets	168.98	168.98	246.33	246.33
	1,858.23	**1,858.23**	**1,910.84**	**1,910.84**
Financial liabilities				
Non-current borrowings	880.28	880.28	1,148.30	1,148.30
Short term borrowings	405.20	405.20	156.68	156.68
Non-current lease liabilities	58.76	58.76	9.80	9.80
Current lease liabilities	11.19	11.19	5.58	5.58
Trade payables	576.82	576.82	572.63	572.63
Other current financial liabilities	82.31	82.31	98.71	98.71
	2,014.56	**2,014.56**	**1,991.70**	**1,991.70**

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

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. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(All amounts are in million, unless otherwise stated)

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.

Loss allowance as per expected credit loss

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	813.98	804.52
Export incentives receivables	133.43	139.19

Recociliation of loss allowance provision

Particulars	**Trade Receivables**	**Total**
Loss Allowance on 1 April 2020	**99.90**	**99.90**
Change in Loss allowance	(15.10)	(15.10)
Loss Allowance on 31 March 2021	**84.80**	**84.80**
Change in Loss allowance	(20.47)	(20.47)
Loss Allowance on 31 March 2022	**64.33**	**64.33**

(All amounts are in million, unless otherwise stated)

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.

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 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	58.76	-	25.34	33.42
Current lease liabilities	11.19	11.19	11.19	-	-
Trade payables	576.82	576.82	576.82	-	-
Other current financial liabilities	82.31	82.31	82.31	-	-
Total	**2,014.56**	**2,014.56**	**1,075.52**	**854.31**	**84.73**

	Carrying amount	Contractual cash flows			
	As at 31 March 2021	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	1,148.30	1,148.30	-	992.98	155.32
Short term borrowings	156.68	156.68	156.68	-	-
Non-current lease liabilities	9.80	9.80	-	-	9.80
Current lease liabilities	5.58	5.58	5.58	-	-
Trade payables	572.63	572.63	572.63	-	-
Other current financial liabilities	98.71	98.71	98.71	-	-
Total	**1,991.70**	**1,991.70**	**833.60**	**992.98**	**165.12**

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.

(All amounts are in million, unless otherwise stated)

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 forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of directors.

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:

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)**

As at 31 March 2021	**USD**	**Euro**
Financial asset		
Trade receivables	3.44	0.14
Forward contracts receivables (including above trade receivables)	6.23	-
Total	**9.67**	**0.14**
Financial liabilities		
Payable for capital assets	0.01	0.33
Total	**0.01**	**0.33**
Net exposure to foreign currency risk	**9.66**	**(0.19)**

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 2022				
USD (1% movement)	11.20	(11.20)	8.38	(8.38)
EUR (1% movement)	(0.13)	0.13	(0.10)	0.10
31 March 2021				
USD (1% movement)	7.06	(7.06)	5.28	(5.28)
EUR (1% movement)	(0.16)	0.16	(0.12)	0.12

(All amounts are in million, unless otherwise stated)

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 and ICICI Bank Limited.

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 2022	**31 March 2021**
Fixed-rate instruments		
Financial assets	508.55	504.47
Financial liabilities	-	-
	508.55	**504.47**

Particulars	**Amount as at**	
	31 March 2022	**31 March 2021**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,290.26)	(1,309.12)
	(1,290.26)	**(1,309.12)**

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.3.81 after tax (31 March 2021 Rs. 3.78). 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.

	Profit or loss (net of tax)	
INR	**100 bp increase**	**100 bp decrease**
31 March 2022		
Variable-rate instruments	(9.66)	9.66
Cash flow sensitivity (net)	(9.66)	9.66
31 March 2021		
Variable-rate instruments	(9.80)	9.80
Cash flow sensitivity (net)	(9.80)	9.80

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 2022	**As at 31 March 2021**
Total liabilities	2,531.78	2,499.21
Less: Cash and cash equivalents	324.73	347.35
Less: Bank balances other than cash and cash equivalents	506.07	500.11
Less: Fixed deposits with banks with maturity period for more than 12 months	39.11	35.62
Adjusted total liabilities (a)	1,661.87	1,616.13
Total equity (b)	4,689.77	4,312.42
Capital gearing ratio (a/b)	35.44%	37.48%

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Borrowings (including interest accrued but not due on borrowings)	1,562.08	1,431.21
Less: Cash and cash equivalents	324.73	347.35
Less: Bank balances other than cash and cash equivalents	506.07	500.11
Less: Fixed deposits with banks with maturity period for more than 12 months	39.11	35.62
Adjusted net debt	692.17	548.13
Total equity	4,689.77	4,312.42
Adjusted net debt to equity ratio	**0.15**	**0.13**

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

(All amounts are in million, unless otherwise stated)

51 Ratios as per Schedule III requirements

Particulars	31 March 2022	31 March 2021
a) Current Ratio = Current assets divided by current liabilities		
Current Assets	2,758.93	2,541.50
Current Liabilities	1,342.68	1,067.81
Current Ratio	**2.05**	**2.38**
% Change from previous year	**-13.67%**	

Reason for change more than 25%: Not applicable

Particulars	31 March 2022	31 March 2021
b) Debt Equity Ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings		
Total Debt	1,285.48	1,304.98
Total Equity	4,689.77	4,312.42
Debt Equity Ratio	**0.27**	**0.30**
% Change from previous year	**-9.42%**	

Reason for change more than 25%: Not applicable

Particulars	31 March 2022	31 March 2021
c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments		
Profit after tax	**571.43**	**722.76**
Add: Non cash operating expenses and finance cost	**530.79**	**542.03**
-Depreciation and amortisation	459.99	446.83
-Finance costs	70.80	95.20
Earnings available for debt services	**1,102.22**	**1,264.79**
Interest cost on borrowings	57.47	79.33
Principal repayments	274.21	124.16
Total Interest and principal repayments	**331.68**	**203.49**
Debt Service Coverage Ratio	**3.32**	**6.22**
% Change from previous year	**-46.53%**	

Reason for change more than 25%:
This ratio has decreased from 6.22 times in March 2021 to 3.32 times in March 2022 due to fall in net profit. Also there is increase in principal repayments due to end of moratorium period of term loans.

Particulars	31 March 2022	31 March 2021
d) Return on Equity Ratio = Net profit after tax divided by average Equity		
Net profit after tax	571.43	722.76
Average Equity	4,501.10	3,753.32
Return on Equity Ratio	**12.70%**	**19.26%**
% Change from previous year	**-34.07%**	

Reason for change more than 25%:
This ratio has decreased from 19.26% in March 2021 to 12.70% in March 2022 due to fall in net profit. Although sales has increased during the year but net profit has fallen due to increase in prices of raw material.

Particulars	31 March 2022	31 March 2021
e) Inventory Turnover Ratio = Revenue from operations divided by average inventory		
Revenue	9,881.73	8,807.26
Average Inventory	677.94	501.40
Inventory Turnover Ratio	**14.58**	**17.57**
% Change from previous year	**-17.02%**	

Reason for change more than 25%: Not applicable

Particulars	31 March 2022	31 March 2021
f) Trade Receivables Turnover Ratio = Revenue from operations divided by average trade receivables		
Revenue	9,881.73	8,807.26
Average Trade Receivables	734.69	734.98
Trade Receivables Turnover Ratio	**13.45**	**11.98**
% Change from previous year	**12.24%**	

Reason for change more than 25%: Not applicable

(All amounts are in million, unless otherwise stated)

51 Ratios as per Schedule III requirements

Particulars	31 March 2022	31 March 2021
g) Trade Payables Turnover Ratio = Purchases divided by average trade payables		
Purchases	5,730.12	4,750.43
Other expenses #	1,767.97	1,511.60
Total	7,498.09	6,262.03
Average Trade Payables	574.73	521.45
Trade Payables Turnover Ratio	**13.05**	**12.01**
% Change from previous year	**8.64%**	

Excluding Net loss on sale of property, plant and equipment Rs. Nil (previous year 0.44) & Allowances on trade receivable and other advances of Rs. 0.92 (previous year 42.67).

Reason for change more than 25%: Not applicable

Particulars	31 March 2022	31 March 2021
h) Net Capital Turnover Ratio = Revenue divided by Working capital where working capital= current assets - current liabilities		
Revenue	9,881.73	8,807.26
Working Capital	1,416.25	1,473.69
Net Capital Turnover Ratio	**6.98**	**5.98**
% Change from previous year	**16.75%**	

Reason for change more than 25%: Not applicable

Particulars	31 March 2022	31 March 2021
i) Net Profit Ratio = Net profit after tax divided by revenue from operations		
Net profit after tax	571.43	722.76
Revenue	9,881.73	8,807.26
Net Profit Ratio	**5.78%**	**8.21%**
% Change from previous year	**-29.53%**	

Reason for change more than 25%:
This ratio has decreased from 8.21% in March 2021 to 5.79% in March 2022 due to fall in net profit. Although sales has increased during the year but net profit has fallen due to increase in prices of raw material.

Particulars	31 March 2022	31 March 2021
j) Return on Capital Employed = Earnings before interest and taxes (EBIT) divided by Capital Employed		
Profit before tax (A)	**757.24**	**970.73**
Finance costs (B)	70.80	95.20
EBIT (D) = (A)+ (B)	**828.04**	**1,065.93**
Total Assets (E)	7,221.55	6,811.63
Total Liabilities (F)	2,531.78	2,499.21
Intangible Assets (G)	5.57	4.36
Tangible Net Worth (H)	4,695.34	4,316.78
Total Debt (I)	1,285.48	1,304.98
Deferred Tax Liability (J)	99.24	94.83
Capital employed (K) = (H) + (I) + (J)	**6,080.06**	**5,716.59**
Return on Capital Employed	**13.62%**	**18.65%**
% Change from previous year	**-26.96%**	

Reason for change more than 25%:

This ratio has decreased from 18.65% in March 2021 to 13.62% in March 2022 due to fall in net profit. Although sales has increased during the year but net profit has fallen due to increase in prices of raw material.

Particulars	31 March 2022	31 March 2021
k) Return on treasury investments = Interest income/ total investment		
Interest income on bank deposits	36.30	18.76
Total Investments	769.32	423.87
Return on Investment	4.72%	4.43%
% Change from previous year	**6.61%**	

Reason for change more than 25%: Not Applicable

(All amounts are in million, unless otherwise stated)

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 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
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**

As at 31 March 2021

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	91.57%	3,948.89	93.83%	678.20	164.86%	(0.61)	93.80%	677.59
Subsidiaries								
Bakebest Foods Private Limited	7.51%	323.83	6.04%	43.62	-64.86%	0.24	6.07%	43.86
Mrs Bectors English Oven Limited	0.01%	0.49	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	0.91%	39.21	0.13%	0.93	0.00%	-	0.13%	0.93
Elimination	0.00%	0.00	0.00%	0.01	-	-	0.00%	0.01
Total	**100%**	**4,312.42**	**100%**	**722.76**	**100%**	**(0.37)**	**100%**	**722.39**

(All amounts are in million, unless otherwise stated)

53 Corporate Social Responsibility

S.No.	Particulars	As at 31 March 2022	As at 31 March 2021
i	Amount required to be spent by the company during the year	13.98	11.61
ii	Amount of expenditure incurred	13.98	11.61
iii	Shortfall at the end of the year	-	-
iv	Total of previous years shortfall	-	-
v	Reason for shortfall	-	-
vi	Nature of CSR activities*		
vii	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	7.69
viii	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	-	-

* Current year - On promoting education, eradicating hunger and malnutrition, environment sustainability and preventive health care.
Previous year - On promoting education, eradicating hunger and malnutrition, on environment sustainability and preventive health care.

54 Impact of COVID 19 (Global Pandemic) on Business

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these audited financial statements including but not limited to the recoverability of carrying amounts of financial and non-financial assets, its assessment of liquidity and going concern assumption. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these audited financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered.

The Group continues to take adequate safety precautions and will continue to closely monitor future economic conditions to ensure business continuity.

55 (a) Share issue expenses

During the previous year, 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 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 upto 31 March 2021	Unutilized amount as at 31 March 2021	Utilization during the year ended 31 March 2022	Unutilized amount as at 31 March 2022
Financing the project cost towards Rajpura extension project	405.40	-	405.40	142.04	263.36
Total fresh proceeds	**405.40**	**-**	**405.40**	**142.04**	**263.36**

IPO proceeds which were unutilized as at 31 March 2022 were temporarily invested in deposits with banks.

56 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.

57 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.

58 Relationship with Struck off Companies

Transactions with the companies struck off under section 248 of the companies Act, 2013 or section of the companies Act, 1956 are as follows :-

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

Year ended 31 March 2021 :

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	0.37 0.01	Third party
Truckpur Solutions Private Limited	No transactions during the year Payables	- 0.02	Third party
Gateway Resorts Private Limited	No transactions during the year Receivables (Amount provided for during the year)	- 0.02	Third party

59 The Company has filed quarterly statement of current assets with banks and these are in agreement with books of account for all quarters in the current year and previous year, except for:

Quarter End Date	Bank Name	Particulars	Amount as per books of account (in millions)	Amount as reported in quarterly statements (in millions)	Excess/Shortage (in millions)	Reason for Material discrepancy
30-Jun-21	ICICI	Inventory	510.48	371.07	139.41	Difference is on account of stock in transit, valuation of inventory and provision
		Trade Receivables	662.39	872.97	(210.58)	Difference is on account of stock in transit, unbilled revenue and claims provision
30-Sep-21	ICICI	Inventory	522.23	341.63	180.60	Difference is on account of stock in transit, valuation of inventory and provision
		Trade Receivables	771.43	993.46	(222.03)	Difference is on account of stock in transit, unbilled revenue and claims provision
31-Dec-21	ICICI	Inventory	521.28	370.18	151.10	Difference is on account of stock in transit, valuation of inventory and provision
		Trade Receivables	796.39	1,000.67	(204.28)	Difference is on account of stock in transit, unbilled revenue and claims provision
31-Mar-22	ICICI	Inventory	681.14	682.26	(1.12)	Difference is on account of stock in transit, valuation of inventory and provision
		Trade Receivables	665.81	677.67	(11.86)	Difference is on account of unbilled revenue and claims provision

*The Company submits summary of Inventory and receivables position (stock statements) on monthly basis to ICICI Bank by 15th to 20th of the next month, which is required as per the terms and conditions of the sanction letter. The difference between stock statements and financial statement arise since stock statements are prepared before adjusting certain items of inventory (such as stock in transit, valuation of inventory and provision) and debtors (such as stock in transit, unbilled revenue and claims provision).

(All amounts are in million, unless otherwise stated)

60 Reclassification done in current year balance sheet, to the figures of previous year, as per Schedule III Amendments:

Particulars	Amount as on year ended 31 March 2021	Presented as, in financial of year ended 31 March 2021	Reclassified as, in financial of year ended 31 March 2022	Remarks
Security Deposits	35.51	Non-current financial assets - Loans	Other non-current financial assets	Reduction in Non-current financial assets - Loans by Rs.33.51 and equivalent addition in Other non-current financial assets for the figures of year ended 31 March 2021.
Security Deposits	27.03	Financial Assets - Loans	Other current financial assets	Reduction in Financial Assets - Loans by Rs.27.03 and equivalent addition in Other current financial assets for the figures of year ended 31 March 2021.
Current maturities of long-term debt	124.16	Other financial liabilities - Current	Financial liabilities - Borrowing	Reduction in Other financial liabilities (Current) by Rs. 124.16 and equivalent addition in Financial assets - Trade Receivable for the figures of year ended 31 March 2021.

61 Regulatory informations :

(i) The Group does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property.

(ii) The Group does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

(iii) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

(iv) The Group does not have 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 (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: 28 May 2022

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

Anoop Bector
Managing Director
DIN:-00108589

Place: Phillaur
Date: 28 May 2022

Ishaan Bector
Director
DIN:-02906180

Place: Mumbai
Date: 28 May 2022

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 28 May 2022

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Phillaur
Date: 28 May 2022

GENERAL INFORMATION

Our Company was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Limited pursuant to a resolution of the shareholders dated December 7, 2001 and a fresh certificate of incorporation dated December 10, 2001 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The Equity Shares are listed on BSE and NSE since December 24, 2020.

1. Our Company's Registered office is located at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India.

2. Our Company's Corporate Office is located at Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61,Gurugram 122 102, Haryana, India.

3. The CIN of our Company is L74899PB1995PLC033417.

4. The website of our Company is www.bectorfoods.com.

5. The authorized share capital of our Company as of the date of this Preliminary Placement Document is ₹650,000,000 divided into 65,000,000 Equity Shares of ₹10 each.

6. This Issue was authorized and approved by our Board of Directors on June 21, 2024 and approved by our Shareholders through a special resolution (*passed through postal ballot*) on July 26, 2024.

7. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares, issued pursuant to the Issue, on NSE and BSE each dated September 5, 2024. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.

8. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours between 10.00 A.M. to 5.00 P.M. any weekday (except Saturdays and public holidays) during Issue Period at our Registered and Corporate Office.

9. No change in the control of our Company will occur consequent to the Issue.

10. Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

11. Except as disclosed in this Preliminary Placement Document, there has been no material change in financial or trading position of our Company since the date of the latest financial statements prepared and included herein.

12. There have been no defaults in the annual fillings of our Company under the Companies Act, 2013 or the rules made thereunder.

13. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see "***Legal Proceedings***" on page 292.

14. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

15. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Ratings Limited as the Monitoring Agency for monitoring the utilisation of the Gross proceeds in relation to this Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

16. The Floor Price for the Issue is ₹ 1,577.85 per Equity Share, calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations, as certified by SCV & Co. LLP, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations in accordance with the approval of the Shareholders accorded through a special resolution passed through postal ballot dated July 26, 2024.

17. Our Company and the BRLMs accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including the websites of our Company, our Subsidiary, or any other website linked (directly or indirectly) to the websites of our Company and our Subsidiary, would be doing it at his or her own risk.

18. Our Company Secretary and Compliance Officer is Atul Sud. His contact details are as follows:

Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Tel: +91 124 4096 300
E-mail: atul.sud@bectorfoods.com

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares pursuant to this Issue shall be made at the sole and absolute discretion of our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only.

The names of the proposed Allottees and the percentage of post-Issue share capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them, is set forth below:

S. No.	Name of the proposed Allottee#	Percentage of the post-Issue share capital (%)*
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]

* *Based on the beneficiary position as on [●], 2024 (adjusted for Equity Shares Allocated in the Issue).*
\# *The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.*

\#*The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.*

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been compiled with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

____

Authorised Signatory
DIN: 00007297
Date: September 5, 2024
Place: Phillaur

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

FOR AND BEHALF OF THE BOARD OF DIRECTORS:

Authorised Signatory
DIN: 00007297
Date: September 5, 2024
Place: Phillaur

I am authorized by the QIP Committee, a committee constituted by the Board of Directors, vide resolution dated September 5, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Authorised Signatory
DIN: 00007297
Date: September 5, 2024
Place: Phillaur

MRS BECTORS FOOD SPECIALITIES LIMITED

CIN: L74899PB1995PLC03341

Registered Office
Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Corporate Office:
Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61,Gurugram 122 102, Haryana, India
Contact Person: Atul Sud, Company Secretary and Compliance Officer
Address: Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Email: atul.sud@bectorfoods.com
Tel: +91 124 4096 300

BOOK RUNNING LEAD MANAGERS

ICICI SECURITIES LIMITED
ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi,
Mumbai – 400025, Maharashtra, India

SBI CAPITAL MARKETS LIMITED
Unit No. 1501, 15th floor, A&B Wing, Parinee Crescenzo
Bandra Kurla Complex, Bandra (East), Mumbai- 400 051

LEGAL COUNSEL TO THE COMPANY AS TO INDIAN LAW

SHARDUL AMARCHAND MANGALDAS & CO
Amarchand Towers, 216 Okhla Industrial Estate, Phase III,
New Delhi - 110 020, India

LEGAL COUNSEL TO THE COMPANY AS TO INTERNATIONAL LAW

HOGAN LOVELLS LEE & LEE
50 Collyer Quay #10-01 OUE Bayfront
Singapore 049321

STATUTORY AUDITORS

BSR & Co. LLP
Unit No. A505, 5th Floor, Plot No. 178-179 A, Industrial & Business Park, Phase-1 Chandigarh 160 002, India

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SAMPLE APPLICATION FORM

Name of Bidder: ________________

Form No: ______________________

Date: __________________________

MRS BECTORS FOOD SPECIALITIES LIMITED

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

CIN: L74899PB1995PLC03341; **Registered Office:** Theing Road, Phillaur, Jalandhar 144 410, Punjab, India; **Corporate Office:** Emaar Digital Greens, Tower-A, First Floor, Unit No. 22-27, Sector 61,Gurugram 122 102, Haryana, India; **Telephone**: +91 124 4096 300; **Email**: atul.sud@bectorfoods.com; **Website**: www.bectorfoods.com; **LEI Code:** 335800TWJ1MO9UMQPJ22; **ISIN:** INE495P01012

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH BY MRS BECTORS FOOD SPECIALITIES LIMITED (THE "COMPANY") (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] MILLION UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") (HEREINAFTER REFERRED TO AS THE "ISSUE").

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES OF FACE VALUE OF ₹10 EACH IS ₹1,577.85 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions*" in the accompanying preliminary placement document dated September 5, 2024 (the "PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM

RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
Mrs Bectors Food Specialities Limited
Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Funds
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with ICICI Securities Limited and SBI Capital Markets Limited (the "**Book Running Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**"), and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if we withdraw the Bid before Issue Closing Date, or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details, email- id, and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Chandigarh (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the

Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Book Running Lead Managers, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled "***Risk Factors***" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Book Running Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Book Running Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Book Running Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. **By signing this Application Form and checking the applicable box above, we hereby represent, warrant, acknowledge and agree that we are located outside the United States and purchasing the Equity Shares in an "offshore transaction" (as defined in, and in reliance on, Regulation S) complying with Rule 903 or Rule 904 of Regulation S and the applicable laws of the jurisdictions where such offers and sales are made.**

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
TELEPHONE NO.		**FAX.**	
EMAIL			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NUMBER: ________________________________		

FOR MF	SEBI MF REGISTRATION NUMBER: ________________________________
FOR SI-NBFCs	RBI REGISTRATION DETAILS: ________________________________
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS: ________________________________
FOR AIFs* **	SEBI AIF REGSITRATION NUMBER: ________________________________
FOR VCFs* **	SEBI VCF REGISTARION NUMBER: ________________________________
FOR INSURANCE COMPANIES	IRDAI REGISTRATION NUMBER: ________________________________

[*]Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the Book Running Lead Managers.

[**]In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.

[***]Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Book Running Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS									
Depository Name (Please ✓)	National Security Depository Limited								Central Depository Services (India) Limited
Depository Participant Name									
DP – ID	I	N							
Beneficiary Account Number									(16 digit beneficiary account. No. to be mentioned above)

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**

ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3:30 P.M. (IST), [•], 2024	
Name of the Account	MRS BECTORS FOOD SPECIALITIES LIMITED QIP ESCROW ACCOUNT
Name of the Bank	ICICI BANK LIMITED
Address of the Branch of the Bank	NEHRU SIDHANT KENDER TRUST BUILDING F.G.MAR, LUDHIANA, 141001
Account Type	Escrow Account
Account Number	001705015910
IFSC	ICIC0000017

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "MRS BECTORS FOOD SPECIALITIES LIMITED QIP ESCROW ACCOUNT". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

You are responsible for the accuracy of the bank account details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the Book Running Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICEPER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In figures)	(In words)

DETAILS OF CONTACT PERSON	
NAME	

ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
LEI	
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following:
☐ Copy of PAN Card or PAN allotment letter
☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ FIRC
☐ Copy of IRDAI registration certificate
☐ Intimation of being part of the same group
☐ Certified true copy of Power of Attorney
☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and the Placement Document, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the Book Running Lead Managers.

(3) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.