

Ref-LTF/ SE/ 2024-25/

Date: September 03, 2024

To,

<b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers</b> <b>Dalal Street</b> <b>Mumbai- 400001</b>	<b>National Stock Exchange of India Ltd.</b> <b>Exchange Plaza, C-1, Block G,</b> <b>Bandra Kurla Complex,</b> <b>Bandra (E), Mumbai – 400 051</b>
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Ref. Code: 532783. Scrip ID: LTFOODS

**Sub: Notice of the 34<sup>th</sup> Annual General Meeting and Annual Report for the financial year 2023-24**

Dear Sir/ Madam,

In continuation of our earlier letter dated July 25, 2024 informing about the 34<sup>th</sup> Annual General Meeting ('AGM') of LT Foods Limited (the 'Company') scheduled to be held on **Thursday, September 26, 2024, at 12:00 Noon (IST)** through Video Conference ('VC') / Other Audio Visual Means ('OAVM'), to transact the business as set forth in the Notice of the AGM. Pursuant to Regulation 34 and other provisions, as applicable, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Notice for the 34<sup>th</sup> AGM and Annual Report for the financial year 2023-24, comprising Audited (Standalone and Consolidated) Financial Results of the Company for the financial year 2023-24 alongwith Auditor's Reports thereon, Director's Report, Business Responsibility and Sustainability Report and other reports required to be annexed thereto, is enclosed herewith.

The AGM Notice alongwith Annual Report for the financial year 2023-24 has also been uploaded on the Company's website viz. <http://www.ltgroup.in/index.html>.

In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act'), rules made thereunder, Listing Regulations and various circulars issued by the Ministry of Corporate Affairs and SEBI, the Notice convening the 34<sup>th</sup> AGM alongwith Annual Report for the financial year 2023-24 has been sent only through emails to all those shareholders whose email addresses are registered with the Company/ Registrar & Share Transfer Agent / Depository Participant(s).

The Company has engaged the services of National Securities Depository Limited ("NSDL") to provide remote e-voting facility to its members. The remote e-voting period commences from **Sunday, September 22, 2024 (9:00 AM) (IST) and ends on Wednesday, September 25, 2024 (5:00 PM) (IST)**. The e-voting module shall be disabled by NSDL thereafter. Voting rights of the members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the Cut-off date i.e. **Wednesday, September 18, 2024**.



**LT FOODS LIMITED**  
**CORPORATE OFFICE**  
MVL - I Park, 4th Floor Sector -15, Gurugram-122001,  
Haryana, India. T. +91-124-3055100 F. +91-124-3055199  
CIN No. : L74899DL1990PLCo41790  
**Registered Office**  
Unit No. 134, 1st Floor, Rectangle-1, Saket District Center, Saket,  
New Delhi -110017, India. T. +91-11-29565344 F. +91-1129563099

You are requested to take the above information and enclosed 34<sup>th</sup> AGM Notice alongwith Annual Report for the financial year 2023-24, on your record.

Thanking you.

Yours truly,

For **LT Foods Limited**

Monika Chawla Jaggia  
**Company Secretary**  
Membership No. F5150  
Encl:a/a

[www.ltgroup.in](http://www.ltgroup.in)



# LT FOODS LIMITED

**Regd. Office:** Unit No. 134, 1st Floor, Rectangle-1, Saket District Centre, New Delhi-110017

**Corporate Office:** 4th Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001

**CIN:** L74899DL1990PLC041790, **Website:-** [www.ltgroup.in](http://www.ltgroup.in)

**Telefax:** +91-11-26859344, **Email:-** [ir@ltgroup.in](mailto:ir@ltgroup.in)

## Notice

Notice is hereby given that 34<sup>th</sup> Annual General Meeting of the members of LT Foods Limited will be held on Thursday, September 26, 2024 at 12 Noon through Audio Visual Mode, to transact the following businesses:

### ORDINARY BUSINESS

#### 1. To consider and adopt:

- (a) **the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon; and**
- (b) **the Audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and Auditors Report thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors thereon as circulated to shareholders of the Company, be and are hereby received, considered and adopted."

#### 2. To appoint a Director in place of Mr. Surinder Kumar Arora (DIN: 01574728), who retires by rotation at this Annual General Meeting and being eligible offered himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Surinder Kumar Arora (DIN: 01574728) who retires by rotation at this Annual General Meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

#### 3. Declare final dividend of ₹ 1 (100%) per equity share of face value of ₹ 1 each for the financial year ended March 31, 2023 and to confirm the interim dividend of ₹ 0.50 (50%) per equity share, already paid during the financial year 2023-24.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the payment of final dividend at the rate of ₹ 1 (100%) per equity share of the face value of ₹ 1 each of the Company, for the financial

year 2023-24, as recommended by the Board of Directors, be and is hereby declared and the same be paid out of the profits of the Company.

**RESOLVED FURTHER THAT** the interim dividend at the rate of ₹ 0.50 (50%) per equity share of the face value of ₹ 1 each of the Company, paid during the financial year 2023-24, be and is hereby confirmed."

### SPECIAL BUSINESS

#### 4. To re-appoint Mr. Vijay Kumar Arora, as Managing Director of the Company.

To consider and, if thought fit, to pass the following resolution as an Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V thereof and Regulation 17(1C) and any other regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the Articles of Association of the Company, Nomination and Remuneration Policy and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof), and subject to Central Government approval and completion of all other necessary statutory formalities, if any, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vijay Kumar Arora (DIN - 00012203) as the Managing Director of the Company, for a period of 5 (five) years with effect from September 28, 2024, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment as it may deem fit.

**RESOLVED FURTHER THAT** the approval of the Members to the re-appointment of Mr. Vijay Kumar Arora, in terms of this resolution shall be deemed

to be their approval in terms of Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his continuation as a director not liable to retire by rotation for a period of 5 (five) years upto September 27, 2029.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things, as it may deem fit, desirable or necessary, including but not limited to obtain all necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, doubts, issues and questions, arising out of and incidental thereto, as may be necessary to give full effect to the foregoing resolution."

**5. To increase remuneration of Mr. Ritesh Arora, CEO- India & Far East Business, of the Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 ('Act') read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and other applicable provisions, if any, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee, Audit Committee and Board of Directors of the Company, consent of the shareholders of the Company be and is hereby accorded for increasing the annual remuneration of Mr. Ritesh Arora, CEO- India & Far East Business, of the Company, a relative of Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company, from the financial year 2024-25, from ₹ 80 lacs to ₹ 2 crores (₹ 1.40 crores will be fixed component and ₹ 60 lacs will be performance linked variable pay) which shall consist of basic salary, HR allowance, special allowance, annual bonus / variable pay, other allowances, contribution to provident fund, superannuation fund and gratuity apart from other benefits, amenities and facilities, commensurate with his qualification, knowledge, experience and contribution to the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, (hereinafter referred to as 'Board', which term shall, unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof), be and is hereby authorised to alter / vary / revise the annual remuneration of Mr. Ritesh Arora, CEO- India & Far East Business, from time to time, by such amount as may be considered appropriate, provided that his annual remuneration after such revision in remuneration, not to exceed ₹ 2 crores any time inclusive of all the benefits, perquisites, allowances, amenities and facilities as per rules and policies of the Company and to do

all such acts, deeds and things, including but not limited to authorizing any of the Directors and / or Officers of the Company to take such steps and to do all such acts and deeds as may be required, with the end intent that the approval of the shareholders shall be deemed to have been granted for any such revision in his annual remuneration and that any, and all such acts, deeds and things already done by the Board, be and are hereby ratified and confirmed."

**6. Approval for giving of loans, guarantee or security to any person in whom any of the Director of the Company is interested under Section 185 of the Companies Act, 2013.**

To consider and if thought fit, to pass the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 185 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by M/s Kameda LT Foods (India) Private Limited (Joint Venture Company of LT Foods Limited) for an amount of upto ₹ 20 Crores (Rupees Twenty Crores Only), in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans, advances, securities and/or corporate guarantee, as the case may be, are utilized by the M/s Kameda LT Foods (India) Private Limited for its principal business activities only.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

By Order of the Board  
For **LT Foods Limited**

Sd/-

**Monika Chawla Jaggia**

Company Secretary & Compliance Officer

Membership No. F 5150

Address: 4th Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001.

Place: Gurugram

Date: July 25, 2024

**Notes:**

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Item Nos. 4 to 6 as set out in the Notice is annexed hereto.
2. In compliance with the circular issued by the Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 9/2023 dated September 25, 2023, read alongwith General Circular Nos. 11/2022 dated December 28, 2022, 2/2022 dated May 05, 2022, 20/2021 dated December 8, 2021, 10/2021 dated June 23, 2021, 39/2020 dated December 31, 2020, 33/2020 dated September 28, 2020, 22/2020 dated June 15, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs ('MCA Circulars'), Circulars issued by the Securities and Exchange Board of India dated October 07, 2023 read with Circulars dated May 12, 2020, January 1, 2021, May 13, 2022, December 9, 2020 and January 05, 2023 (collectively referred to as 'SEBI Circulars') Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification or re-enactment thereof for the time being in force and as amended from time to time), the AGM of the Company is being held through Video Conferencing ('VC') / Other Audio- Visual Means ('OAVM'), without the physical presence of the members at a common venue. Deemed venue of the AGM shall be the Registered Office of the Company at Unit No. 134, 1st Floor, Rectangle-1, Saket District Centre, New Delhi-110017.
3. In compliance with the provisions of the Companies Act, 2013 (the '**Act**'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**Listing Regulations**') and MCA Circulars, 34th Annual General Meeting ('**AGM**') of the Company will be conducted through VC/OAVM.
4. Since, this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before the scheduled start time of the AGM, i.e., from 11.45 A.M. and will be available for 1,000 members on a first come first served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
6. Institutional Investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.
7. To avoid fraudulent transactions, the identity/ signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by National Securities Depository Limited ('**NSDL**')/ Central Depository Services (India) Limited ('**CDSL**') and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
8. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
9. In terms of Section-101 and 136 of the Act, read with the rules made thereunder, the Listed Companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular 2021 read with circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 date May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 05, 2023, Notice of 34th AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company/ depositories. Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website [www.ltgroup.in](http://www.ltgroup.in) under "Investors" section and also on the website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice will also be available on the website of NSDL (agency for providing e-voting facility) i.e [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
10. However, the shareholders of the Company may request physical copy of the Notice and Annual report from the Company by sending a request at [ir@ltgroup.in](mailto:ir@ltgroup.in), in case they wish to obtain the same.
11. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/ update their email address with their respective depository

- participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with RTA. Members are requested to register their email id and support the green initiative efforts of the Company.
12. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
  13. With a view to enable the Company to serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
  14. The recorded transcript of the forthcoming AGM scheduled to be held on September 26, 2024 shall also be made available on the website of the Company under "Investor Updates" section as soon as possible after the meeting.
  15. SEBI vide its notification dated June 08, 2018 as amended on 30 November 2018, has stipulated that w.e.f. April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialised form. The Company has complied with the necessary requirements as applicable, including sending letters to shareholders holding shares in physical form and requesting them to dematerialise their physical holdings.
  16. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  17. The Company has been maintaining, inter alia, the statutory registers at its registered office. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
  18. Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13. In respect of shares held in Electronic/ Demat form, the members may please contact their respective Depository participant.
  19. In terms of Section 124(5) of the Act, dividend amount for the financial year 2016-17 remaining unclaimed for a period of 7 years shall become due for transfer to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, in terms of Section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of 7 years, the corresponding shares shall be transferred to the IEPF demat account. Members who have not claimed dividends from the financial year 2017-18 onwards are requested to approach the Company/ RTA for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account.
  20. Since the meeting will be conducted through VC/ OAVM facility, the route map is not annexed to this Notice.
  21. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, such person may obtain the user id and password from our RTA by sending an email at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com).
  22. Members attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  23. **Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has agreed with NSDL to facilitate voting through electronic means, as an authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.**
  24. **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

The remote e-voting period begins on Sunday, September 22, 2024 at 09:00 A.M. and ends on Wednesday, September 25, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 18, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 18, 2024.

## INSTRUCTIONS FOR REMOTE E-VOTING

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on the Company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

NSDL Mobile App is available on



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a>, thereafter click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. After clicking on e-Voting option, you will be redirected to NSDL/CDSL Depository site, after successful authentication, wherein you can see e- Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & casting vote during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911.

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 130625 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- below in process for those shareholders whose email ids are not registered.

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e- Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [fcsdebasis@gmail.com](mailto:fcsdebasis@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will

need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). For any grievances connected with the facility for remote e-voting please contact: Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, A Wing, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 or email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on 022 - 4886 7000 and 022 - 2499 7000.

### Process for those shareholders whose Email IDs are not registered with the Depositories for procuring User ID and Password and Registration of E-mail IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [ir@ltgroup.in](mailto:ir@ltgroup.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [ir@ltgroup.in](mailto:ir@ltgroup.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for members for e-voting on the day of the AGM are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM. However, members who have voted through remote e-voting may attend the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**Instructions for members for attending the AGM through VC/OAVM are as under:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended

to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [ir@ltgroup.in](mailto:ir@ltgroup.in) by Wednesday, September 18, 2024. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [ir@ltgroup.in](mailto:ir@ltgroup.in) on or before Wednesday, September 18, 2024.

**Miscellaneous:**

25. Upon declaration by the Chairman about the commencement of e-voting at AGM, members shall click on the thumb sign on the left bottom corner of the video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.
26. Members to click on 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.
27. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 19, 2024 to Thursday, September 26, 2024 (both days inclusive) for AGM and determining entitlement of the members of the final dividend (if declared at the AGM).
28. Kindly note that once you have cast your vote through e-voting process, you cannot modify or vote on poll during the AGM. However, you can attend the meeting and participate in the discussions, if any
29. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Shareholders(s) on the cut-off date, i.e. Wednesday, September 18, 2024.
30. The Scrutinizer will submit his report to the Managing Director or the Company Secretary of the Company after completion of the scrutiny of the e-voting and the results of the e-voting will be announced at both the registered office and Corporate office on or before September 30, 2024. The results of the e-voting will also be

posted on the Company's website [www.ltgroup.in](http://www.ltgroup.in) and communicated to the stock exchanges where the Company's shares are listed.

31. As required by Rule 20(3)(V) and Rule 22(3) of the Companies (Management & Administration) Rules 2014, details of dispatch of AGM Notice to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in Delhi.
32. The Final Dividend for the financial year 2023-24, as recommended by the Board of Directors, if approved at the AGM, would be paid / credited to the shareholders or their mandates:
  - (a) whose names appear as Beneficial Owners as at the end of the business hours on Wednesday, September 18, 2024, in the list of Beneficial Owners to be furnished by NSDL and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - (b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / RTA on or before Wednesday, September 18, 2024.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

The Board of Directors of the Company ("Board"), at its meeting held on July 25, 2024 has, subject to the approval of Members and subject to Central Government approval, approved the re-appointment of Mr. Vijay Kumar Arora (DIN: 00012203) as the Managing Director of the Company, for a period of 5 (five) years from the expiry of his present term, i.e. with effect from September 28, 2024, on the terms and conditions as recommended by the Nomination and Remuneration Committee ("Committee") of the Board.

The Members may note that Mr. Vijay Kumar Arora, will be drawing remuneration from the Subsidiary Company / Step Down Subsidiary Company.

Terms of his re-appointment:

He shall perform such duties as shall from time to time be entrusted to him by the Board, subject to guidance and control of the Board.

He shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 ("the Act") with regard to duties of directors.

He shall adhere to the Company's Code of Conduct.

The Company has grown multifold under his leadership and it would be in the interest of the Company that he continues to lead the Company even after he attains the age of seventy years. Mr. Vijay Kumar Arora, will attain the age of seventy years on January 16, 2028. Accordingly, approval of the Members is sought for passing the resolution proposed at Item No. 4 as a Special Resolution in terms of Section 196(3) of the Act. Mr. Vijay Kumar Arora being a non-resident his appointment is also subject to Central Government approval. He satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for his re-appointment, except as mentioned above.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Vijay Kumar Arora under Section 190 of the Act.

In terms of Article 111(a) of the Articles of Association of the Company, Mr. Vijay Kumar Arora is not liable to retire by rotation. Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") provides that in such cases, the continuation of the director shall be subject to the approval by the shareholders in a general meeting once in every five years. Accordingly, approval of the Members to the re-appointment of Mr. Vijay Kumar Arora in terms of the resolution at Item No. 4 shall be

deemed to be their approval in terms of Regulation 17(1D) of the Listing Regulations for his continuation as a Director not liable to retire by rotation for 5 (five) years upto September 28, 2029.

The requisite details and information pursuant to the provisions of (i) the Listing Regulations and (ii) the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to the Notice.

Mr. Vijay Kumar Arora is interested in the resolution set out at Item No. 4 of the Notice. Mr. Surinder Kumar Arora, Managing Director and Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company being related to Mr. Vijay Kumar Arora, are interested in this resolution.

The other relatives of Mr. Vijay Kumar Arora may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

### Item No. 5

Mr. Ritesh Arora is son of Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company. He is Masters in Business and Managerial Development, from University of Glasgow, UK. He is heading India Business and Far East business. He is also driving the project of digital transformation to enable the growth of the Company. In addition to this, he is also spearheading the Joint venture with Kameda group.

Being related Party, an increase in his remuneration, as per the provisions of Sections 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board & Its Power) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), requires shareholders' consent. The remuneration is proposed to be increased from ₹ 80 lacs to ₹ 2 crores (₹ 1.40 crores will be fixed component and ₹ 60 lacs will be Performance linked variable pay).

Considering the qualification, knowledge, expertise, and the responsibilities being handled by Mr. Ritesh Arora, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and Audit Committee, increased the annual remuneration of Mr. Ritesh Arora, CEO- India & Far East Business, subject to the approval of shareholders, from the financial year 2024-25 from ₹ 80 lacs to ₹ 2 crores (₹ 1.40 crores will be fixed component and ₹ 60 lacs will be Performance linked variable pay) which shall consist of basic salary, HR allowance, special allowance, annual bonus / variable

pay, other allowances, contribution to provident fund, superannuation fund and gratuity apart from other benefits, amenities and facilities, commensurate with his qualification, knowledge, experience and contribution to the Company. Since the aforesaid increase in his annual remuneration exceeds the previously approved limit of ₹ 80 lacs, it is therefore, in terms of the provisions of Section 188(1)(f) of the Act read with Section 2(76), Rule 15 of Rules and Listing Regulations, approval of the shareholders is being sought for such increase in his annual remuneration alongwith further authorisation to the Board of Directors (including any committee thereof) to alter / vary / revise her annual remuneration, from time to time, by such amount as may be considered appropriate provided that his annual remuneration after such revision in remuneration shall not exceed the aforementioned limit.

Information as per Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014

Name of the related party	Mr. Ritesh Arora
Name of the director or key managerial personnel who is related, if any	Mr. Vijay Kumar Arora, Chairman & Managing Director, Mr. Ashwani Kumar Arora, Managing Director & CEO and Mr. Surinder Kumar Arora, Managing Director
Nature of relationship	Son of Mr. Ashwani Kumar Arora, Managing Director & CEO
Nature, material terms, monetary value and particulars of the contract or arrangements	As disclosed in the explanatory Statement
Any other information relevant or important for the members to take a decision on the proposed resolution	As disclosed in the explanatory Statement

Information as per SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 DATED 22ND NOVEMBER 2021, SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 and provisions of Companies Act, 2013.

A. The following information were provided by the management of the listed entity to the audit committee at the time of approval of the proposed Related Party Transactions.

a. Type, material terms and particulars of the proposed transaction:

The proposed transaction is to increase the remuneration of Mr. Ritesh Arora, CEO-India & Far East Business of the Company.

b. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise):

Mr. Ritesh Arora belongs to Promoter Group, he is son of Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company

c. Tenure of the proposed transaction: Till further decision in this regard.

d. Value of the proposed Transaction: ₹ 2 crores (Proposed maximum amount of remuneration payable per annum)

e. The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction: 0.03% approximately

B. Justification for why the proposed transaction is in the interest of the listed entity:

He is Masters in Business and Managerial Development, from University of Glasglow, UK. He is heading India Business and Far East business. He is also driving the project of digital transformation to enable the growth of the Company. In addition to this, he is also spearheading the Joint venture with Kameda group.

C. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:

The proposed transactions do not involve any transaction in relation to loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.

D. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders:

In order to have a remuneration benchmarking for the executive level roles and to ensure that the remuneration remains fair and updated with current market trends, Company has approached external agencies. They have benchmarked the remuneration of CEO's of the similar profile, of other FMCG companies, and have proposed the said remuneration of Mr. Ritesh Arora. Therefore, the proposed remuneration payable to Mr. Ritesh Arora seems to be at par with the professionals of his profile and skill sets.

None of the Directors except Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora and Mr. Surinder Kumar Arora are interested in the resolution.

The relatives of Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora and Mr. Surinder Kumar Arora may be deemed to be interested in the resolutions set-out respectively at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board recommends the Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

#### Item No. 6

As per the provisions of Section 185 of the Companies Act, 2013 (the "Act"), no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person.

In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution.

M/s Kameda LT Foods (India) Private Limited (hereinafter referred as "Kameda"), Joint Venture Company of LT Foods Limited (the "Company"). Kameda has approached LT Foods Limited to provide corporate guarantee on their behalf for availing credit facilities / loans, etc. from banks / financial institutions. Owing to the restrictions specified under the provisions of Section 185 of the Act, Company was unable to extend financial assistance by way of loan, guarantee or security to Kameda.

Accordingly, the Board of Directors of the Company on the recommendation of Audit Committee at their meetings held on July 25, 2024 had considered and approved, subject to the approval of shareholders of the

Company, to provide financial assistance to Kameda by way of giving or providing loan, security or guarantee for an amount of upto ₹ 20,00,00,000/- (Rupees Twenty Crores Only) in order to meet their financial requirements for their principal business activities.

The brief particulars as per the requirements of the first proviso of Section 185(2)(a) is as follows:-

S. No.	Particulars
1.	Name of the borrower and relationship with the Company
2.	Amount of loan / Security/Guarantee proposed to be given or provided
3.	Purpose for which loan / Security/Guarantee is proposed to utilized by the recipient

Kameda LT Foods (India) Private Limited –Joint Venture Company of LT Foods Limited holding its 51% shareholding and Kameda Seika Co. Limited holding remaining 49% shareholding.  
Upto ₹ 20,00,00,000/- (Rupees Twenty Crores Only)  
The proposed loan / Security/Guarantee is to be utilized by Kameda for its business operations / principal business activities.

None of the Directors except Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora and Mr. Surinder Kumar Arora are interested in the resolution.

The relatives of Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora and Mr. Surinder Kumar Arora may be deemed to be interested in the resolutions set-out respectively at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board recommends the Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

**Information as per regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard -2 with respect to Mr. Ashwani Kumar Arora, is as follows-**

Disclosure	Vijay Kumar Arora	Surinder Kumar Arora
Age	66	61
Brief Resume	An Alumni of Harvard Business School and a Commerce graduate, is the Managing Director of the Company. He is having more than 41 years of rich experience in running the Company's business which includes driving the strategy, business performance, operations, finance and marketing.  He is also responsible for business' strategy formulation exercise and cascade the same into operational plans for the business.	A matriculate with an experience of over 37 years, joined the partnership firm (LCTR) consisting of family members and has been associated with the Company since its inception. He has vast experience in procurement, production and plant operations.
Nature of expertise in specific functional area	Finance, Marketing and Business Management	Promoter having vast experience in running the state of art plant at optimum cost while delivering best quality across complete value chain
Relationship between Directors inter-se and KMP	Brother of Mr. Surinder Kumar Arora, Managing Director and Mr. Ashwani Kumar Arora, Managing Director & CEO	Brother of Mr. Vijay Kumar Arora, Managing Director and Mr. Ashwani Kumar Arora, Managing Director & CEO
No of Board Meetings attended	4	4
Name of Listed Companies in which the person holds directorship and the membership of the committee of the board.	None	None
Shareholding of Executive and Non-Executive Director including Shareholding as beneficial owner	2,29,86,920 shares	2,29,86,920 shares
Other Directorships	Daawat Foods Limited Nature Bio-Foods Limited LT Agri Services Private Limited Raghuvesh Holdings Private Limited LT International Limited Kameda LT Foods (India) Private Limited Deva Singh Sham Singh Exports Private Limited Vijran Group Holdings Private Limited G D Arora Family Enterprises Private Limited LT Overseas North America INC LT Foods USA LLC Universal Traders INC LT Foods Middle East DMCC LT Foods International Limited LT Foods America INC Sona Global Limited	Daawat Foods Limited Ecopure Specialities Limited Nature Bio-Foods Limited Raghuvesh Holdings Private Limited Surisa Groups Holdings Private Limited L T International Limited Vijran Group Holdings Private Limited LT Foundation



Disclosure	Vijay Kumar Arora	Surinder Kumar Arora
Details of Remuneration	Remuneration details are given in Corporate Governance Report	Remuneration details are given in Corporate Governance Report
Remuneration last Drawn	₹ 2.48 crores per annum	₹ 2.30 crores per annum
Date of First Appointment	September 29, 2004	June 22, 2007
Terms and Condition of appointment	As per appointment letter	As per appointment letter

For **LT Foods Limited**

Sd/-

**Monika Chawla Jaggia**

Company Secretary & Compliance Officer

Membership No.-F-5150

Address: 4th Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001

Place: Gurugram

Date: July 25, 2024



# Going Beyond

# Going Beyond

As we reflect on our journey and achievements over the past year, this theme serves as a guiding principle that underscores our commitment to surpassing expectations, breaking boundaries, expanding geographies and elevating consumer experience.

**Going Beyond Consumer Expectations:** Consumer preference is a constantly shifting landscape. Consumers are always on the lookout for fulfilling their evolving needs. By leveraging brand equity, global distribution and innovation, we continually develop and introduce new offerings that capture consumer interests and keep them engaged, fostering brand loyalty and driving sales.

**Going Beyond Nourishment:** We recognise that food is more than just sustenance; it is a way of expressing emotion and bringing people together. Our products offer finest experience and joy to everyday family meals and social gatherings, creating memorable experiences that strengthen the bonds between people.

**Going Beyond Legacy:** We are a more than 70 years old Indian origin global FMCG Company in the consumer food space. Our

legacy is not just a reflection of the past but a foundation for a promising future. Our adaptability to the ever-evolving business scenarios and technology has not only kept us relevant but has propelled us into a future-ready state. We are dynamic, agile and poised to navigate the complexities of tomorrow's business environment, leveraging technology, embracing change and seizing opportunities with renewed vigour.

**Going Beyond Borders:** What started as a trading Company in India has now grown into a global FMCG Company with a presence in more than 80 countries. While our flagship brand, DAAWAT®, is one of the most loved and consumed brands in India and other geographies. Similarly, our brand, 'Royal'® commands more than 50% market share in North America. Moving forward, we

continue to tap the geographies that are politically stable and with high growth potential for all our business categories through organic growth and inorganic routes.

**Going Beyond Sustainability:** Acknowledging our responsibility towards people, planet and community, we have intensified our commitment to sustainable practices. We have implemented initiatives that minimise our environmental impact, promote ethical sourcing and contribute positively to the communities we touch.

## Conclusion

As we navigate the dynamic landscape of the FMCG sector in the consumer food space, we remain steadfast in our commitment of going beyond to create a future where every consumer experience is exceptional.



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For more information, visit



[www.ltgroup.in](http://www.ltgroup.in)



or scan QR code

### Financial highlights

Revenue

**₹6,979 Cr**

▲ FY23

**₹7,822 Cr**

12% ▲ FY24

Gross Profit

**₹2,401 Cr**

▲ FY23

**₹2,544 Cr**

6% ▲ FY24

EBITDA

**₹744 Cr**

▲ FY23

**₹988 Cr**

33% ▲ FY24

EBIT

**₹617 Cr**

▲ FY23

**₹835 Cr**

35% ▲ FY24

PBT

**₹535 Cr**

▲ FY23

**₹752 Cr**

42% ▲ FY24

PAT

**₹423 Cr**

▲ FY23

**₹598 Cr**

41% ▲ FY24



## Integrated Thinking and Approach

This report is LT Foods' 2<sup>nd</sup> Integrated Report which complies with the reporting framework developed by the International Integrated Reporting Council (IIRC).



This is a comprehensive document that attempts to offer stakeholders a holistic view of your Company's value creation narrative. It integrates financial and non-financial data, as well as Environmental, Social and Governance (ESG) factors to provide a 360-degree overview of our Company's performance and impact.

The objective of this report is to give stakeholders a clear understanding of how the Company creates value and how it manages its risks and opportunities in the short, medium and long term. It also demonstrates the Company's commitment to sustainability and responsible business practices.

### Reporting Approach and Framework

This report has been prepared in accordance with several regulatory frameworks, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides guidelines for listed companies on disclosure and reporting requirements. Additionally, it abides by the Provisions of Companies Act, 2013 which sets out the legal requirements for companies in India and the accounting principles and practices to be followed in accordance with the norms of Indian Accounting Standards.

The report aims to ensure compliance with legal and regulatory requirements for transparency and accountability.

## Our Six Capitals



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Social and Relationship Capital



Natural Capital

### Reporting Cycle

The information provided pertains to the period April 01, 2023 to March 31, 2024.

### Scope and Boundary

The report encompasses the business activities of LT Foods and its subsidiaries across all their operations.

### Forward-Looking Statements

This report may contain forward looking statements which can be identified by specific terminology such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'should', 'could', 'will', or negative variations. These statements are subject to risks and opportunities beyond the Company's control, or the Company's current beliefs and assumptions about future events. The actual performance of the Company may differ from expected outcomes stated in this report. There is no guarantee that future results will be achieved as envisaged.

### Feedback

We understand that stakeholder feedback is crucial to our sustainability efforts. It enables us to identify areas that require improvement so we can address them promptly. Hence, we appreciate all feedback, suggestions or concerns from our stakeholders. We consider stakeholder-engagement a collaborative process and maintain open communication with all. Stakeholders may send their feedback to:

#### Email:

ir@ltgroup.in

#### Contact:

+91 124 3055100



Facebook



Instagram



LinkedIn



Website



X



## About LT Foods

# Serving Goodness for More Than 70 Years

**LT Foods has built a legacy of excellence, spanning more than seven decades, establishing itself as a leading, global-FMCG Company in the consumer food space, specialising in Basmati and other specialty rice, Organic Foods and Ingredients as well as Ready-to-Eat and Ready-to-Cook segments.**

Our flagship brands include 'DAAWAT', one of India's most loved and globally consumed Basmati brands and 'Royal', North America's No. 1 Basmati brand. In addition to this, our diversified portfolio consisting of renowned brands- Golden Star, 817 Elephant, Devaaya, Ecolife, Heritage, Leev, Rozana, Kari Kari and Gold Seal Indus Valley- has made a special place in the hearts of our valued consumers, providing quality and variety over the years.

With a footprint spanning more than 80 countries, including India, the United States, the United Kingdom, Europe, the Middle East and the Far East, we serve millions of households through our well-established distribution network. Our state-of-the-art manufacturing facilities in India, the United States, the United Kingdom, Africa and Europe adhere to global quality benchmarks upholding the highest standards of excellence.

As we look forward, we are dedicated to delivering delicious meal experiences that go beyond expectations. We are constantly evolving to meet consumer needs, leveraging brand equity and a strong infrastructure to introduce innovative products.

We are nurturing goodness for people by ensuring nutritious, high-quality food; for communities by empowering farmers and supporting local development; and for the planet by embracing sustainable farming and eco-friendly practices. We value strong partnerships and are committed to going beyond in the value chain of our business. We are continuously pushing boundaries and setting new benchmarks in the food industry.

FY24 Revenue

**₹7,822 Cr**  
17% ▲ 4-year CAGR

FY24 Gross Profit

**₹2,544 Cr**  
21% ▲ 4-year CAGR

FY24 Net Profit

**₹598 Cr**  
32% ▲ 4-year CAGR

### Our Vision

To be a leading food Company with global presence in specialty rice, rice-based food, organic food and complementary categories that creates sustainable growth, has a positive impact on the society and generates value for its internal as well as external stakeholders.



### Our Mission



Maintain leadership in our flagship rice-based business while striving to deliver the finest and most consistent food experiences.



Diversify and innovate into complementary food categories based on emerging consumer habits.



Continuously strive to give back to our community in the best way we can.



Contribute to the shared growth of our people and deliver superior value to our stakeholders.





## Core Values

### Consumer Centricity

We exist to create delightful meal experiences for families, while preserving and further strengthening their bonds. We strive to provide them the goodness of through our nutritious, health focused and other high-quality food.

### Committed To Excellence

We are committed to doing our best and what is right. For us, excellence is a responsibility that it translates into delightful and sustainable products, processes and overall organisation.

### Continuous Innovation

We believe continuous innovation that elevates consumer experiences and caters to evolving consumer needs. We are on a journey of innovating at every level across our value chain, from farming, sustainability processes, packaging and variety of products to newer food experiences.

### Integrity

We continuously strive to work towards trust and transparency. By honouring our commitments, we aim to embody our values when working with consumers, partners, team members and other stakeholders.

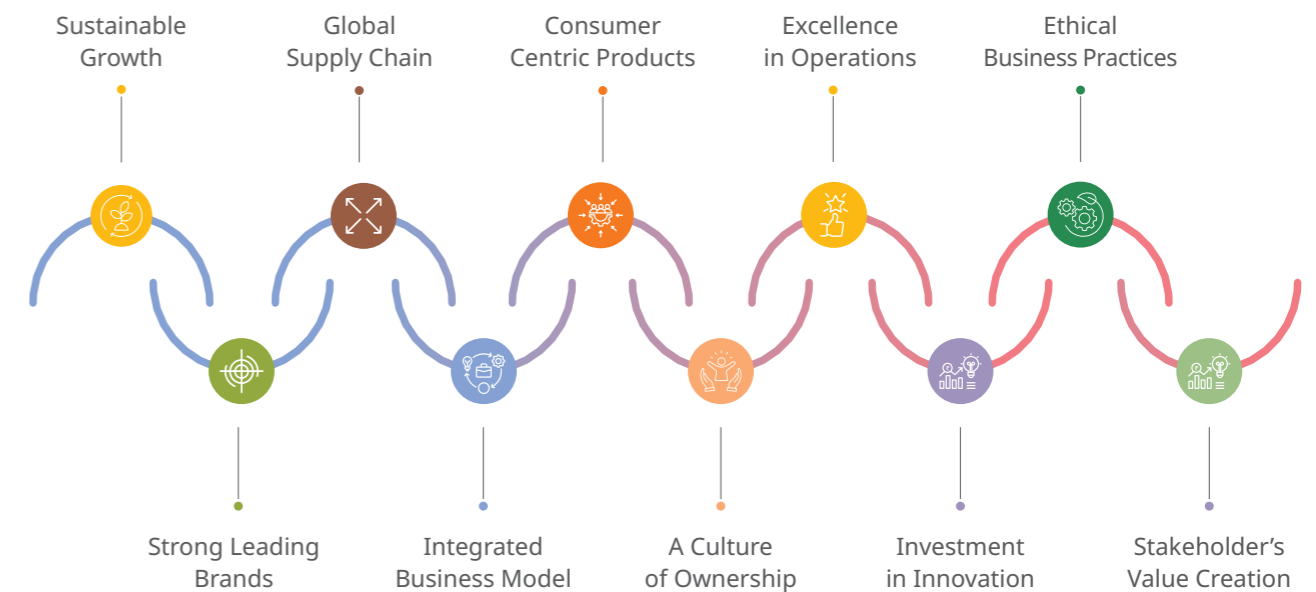
### Respect for People

We treat our consumers, partners, team members and other stakeholders with trust and respect. We follow fair practices and nurture fulfilling, amicable relationships with all our stakeholders.

### Responsibility

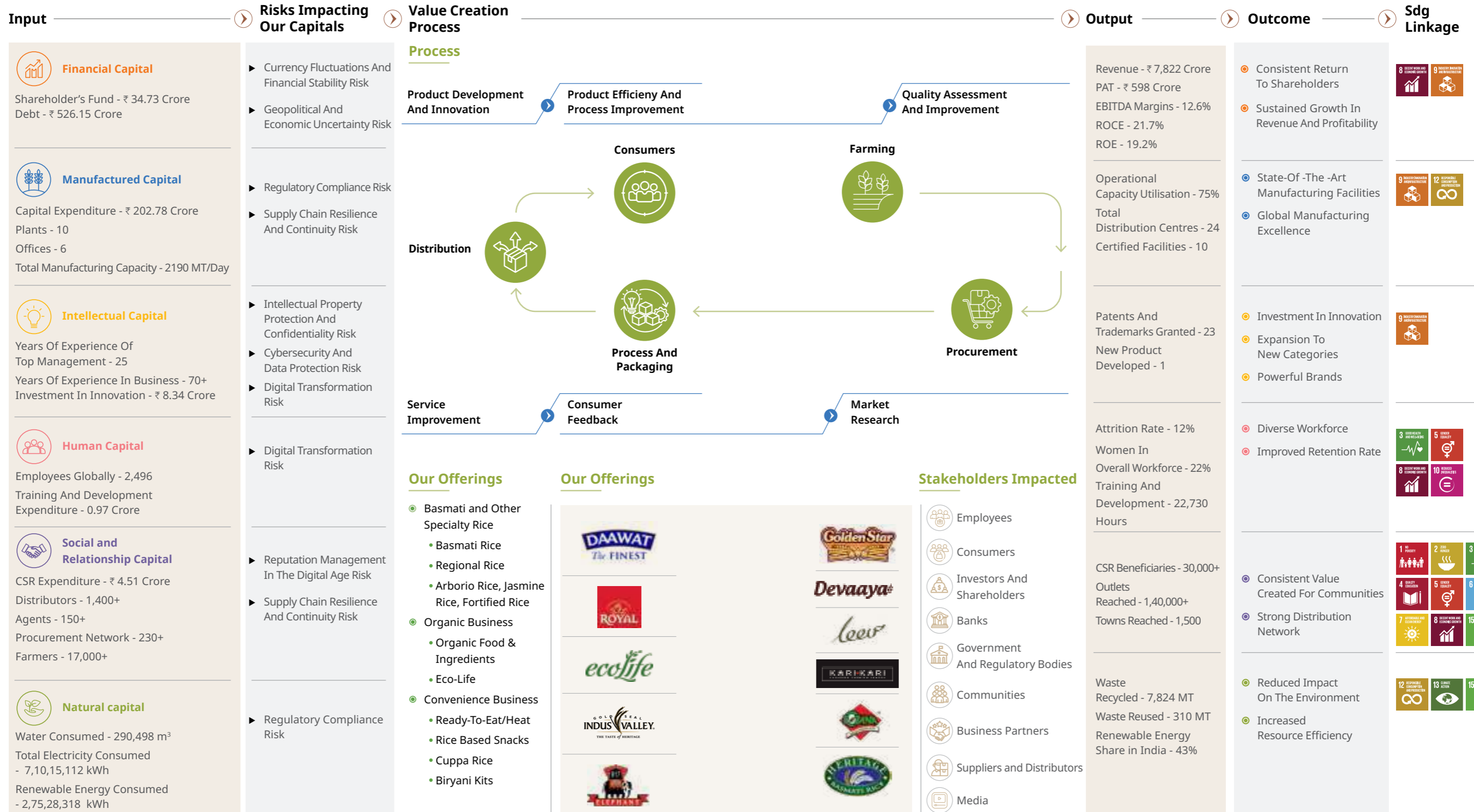
We are responsible for the betterment and growth of our stakeholders and respond to consumer issues proactively. We constantly endeavour to ensure safety and sustainability in our systems to meet our ESG (Environmental, Social, Governance) goals.

## What Defines Us



## Business Model

# Going Beyond the Ordinary





## Leadership Message

# Moving Ahead with Prudence and Agility



Food has always played an important role in making people feel connected and building strong relationships and we take pride in creating products that add warmth and joy to everyday family meals and social gatherings, creating memorable experiences.

### Dear Stakeholders,

Food has always played an important role in making people feel connected and building strong relationships and we take pride in creating products that add warmth and joy to everyday family meals and social gatherings, creating memorable experiences. As we present the annual report for the FY 2023-24, it brings us immense pleasure to reflect back upon our journey

in the year gone by and share with you yet another significant year at LT Foods.

### Our robust performance

FY 2023-24 has been a milestone year for LT Foods, marked by a robust 12% Y-o-Y revenue growth and an impressive 33% growth in EBITDA, expanded by 190 bps as compared to the previous year. We have consistently outperformed industry

benchmarks over the years, with an 18-year revenue CAGR of 36% and a PAT CAGR of 26%. Our innovative products and geography-specific strategies have facilitated diversified growth, margin expansion and improved operating efficiencies. Simultaneously, premium offerings as per the evolving consumer trends and strategic investments on the brands for new consumer acquisition

have helped us to stay relevant to our consumers.

Our strategies have allowed us to sail through the challenging circumstances. While there was persistent geopolitical turmoil, supply chain disruptions and rising inflation, our proactive financial strategies, industry expertise, operational excellence, a global distribution network, our portfolio of most-loved brands and prudent investment strategies have enabled us to sustain our positive growth trajectory.

We have built a legacy founded on values of innovation, integrity, consumer-centricity, our commitment to excellence, respect for people and responsibility; as a result this foundation positions us for a future filled with growth, expansion and exciting opportunities.

### Riding the tide

Basmati, renowned for its fragrant aroma, long grains and fluffy texture, has always been an aspirational product. Driven by growing consumption and evolving trends, our basmati category has recorded robust growth over the years.

The basmati market in India is growing at a healthy CAGR of 7-8% over the past decade. Despite this growth, basmati is still only c4% of

the total rice consumed in India, up from about 2.5% a decade ago. This growth can be attributed to a variety of factors, especially a rise in per capita income, resulting in more Basmati consumption. This has also steadily increased basmati consumption among current non-basmati consuming homes.

In addition to this, the industry is observing a paradigm shift towards packaged and branded offering from loose and unbranded basmati packets. It is further anticipated that with the Government encouraging consumer-oriented approach and food safety-oriented policies such as GST Rate Equalisation, FSSAI notification on Basmati Standards, it will further encourage consumers to avail consistent value offered by the established brands.

### Delivering goodness worldwide

Our diversified portfolio consists of products that have become synonymous with quality and excellence. We have consistently developed food brands that have catered to evolving consumer preferences and have become beloved household brand for speciality rice.

Our flagship brand, DAAWAT®, has now emerged as one of India's most loved and consumed Basmati brands,

commanding a 30%<sup>1</sup> market share and leading in more than 80 countries. On the other hand, our flagship brand, Royal®, continues to command more than 50% of the market share in the United States (U.S.) and gained leadership position in other geographies as well.

We also recorded that the number of households consuming LT Foods products increased by 10.2% (vs. branded packaged rice growth of 2.8%) to reach 50.22 Lakh households in India<sup>2</sup>. Similarly, in the Middle East and Europe, we reported a growth of 42% and 11%, respectively. Globally, our premium segment grew by 9.7% during the year under review.

In addition to our established operations in the U.S., Europe and the Middle East, we also have recently inaugurated a state-of-the-art facility in the United Kingdom (U.K.), to tap into the growing demand for authentic and premium rice and rice-based food products.

### Synergising innovation and deliciousness

We always cater to consumer's requirements and uphold the highest standards of excellence and quality. During the year, we remained focused on understanding the ever-evolving consumer requirements and providing products that provide convenience to the consumers.

<sup>1</sup> MAT March'24; AC Nielsen Retail Survey Audit

<sup>2</sup>Source: Kantar Households Panel Branded Basmati Rice MAT March'24

The packaged food industry is witnessing a surge, fuelled by consumers who are seeking healthier and more convenient cooking options, that can be enjoyed on the go. This has been especially beneficial for our RTE/ RTC food offerings.

Our 'DAAWAT® Quick Cooking Red Rice,' rich in phytonutrients and fibre, offers multiple health benefits, has received an overwhelming response from consumers.

This product is part of our broader RTE and RTC offerings, which also include DAAWAT® Quick Cooking Brown Rice, DAAWAT® Quick Cooking Black Rice, DAAWAT® Cuppa Rice and DAAWAT® Biryani Kit. Additionally, our Kari Kari (Japanese Rice Snacks) has continued to delight consumers with its unique flavor and quality. In the US market, our Royal Ready-to-Heat range has also seen significant growth. Collectively, our RTE and RTC offerings contributed to a 23% Y-o-Y increase in revenue for FY 2024, amounting to ₹ 202 Crore.

#### Leveraging our expansive distribution network

We are witnessing positive trends across the world that

are proving to be beneficial for categorical growth. The increasing immigration of South Asians, Middle Eastern Arabs and Iranians to regions like the West and Australia is steadily increasing the demand of basmati across the world. As immigrants are introducing their food to the mainstream local population, basmati rice is increasingly becoming a staple in mainstream homes and local cuisines of the host country.

LT Foods has established its foothold in more than 80 countries through a well-entrenched Distribution Network and Global Supply Chain Hubs, backed by state-of-the-art, automated and strategically located processing units in India the U.S., the UK, Europe and Africa. With the increase in demand for basmati rice across the world, we believe our robust global network of 1,850+ distributors across the globe will ensure a consistent supply of our brands across geographies.

#### Striding towards a digital future

Our digital transformation efforts are a key enabler of future growth, connecting our global operations and

providing real-time in-sight, improved governance, controls and enhanced operational efficiency. Our expertise in adopting advanced technologies enables us to assess market trends and respond more efficiently, ensuring we remain ahead of the curve.

LT Foods takes pride in having a digitally enabled Real-Time Marketing (RTM) and unique consumer and distributor servicing model through user-friendly digital interfaces. This distribution model helps us to further accelerate growth and facilitate newer consumer acquisitions.

#### Mapping our stepping stones to success

We will continue to strengthen our beloved brands through well-crafted marketing campaigns designed to engage consumers globally. We believe that this will help in improving our market share, expanding our geographical footprint and increasing our market share across geographies. As we continue to grow from strength-to-strength, we will continue to evolve and adapt to the changing market dynamics and consumer trends.

Our strategic focus will remain on further nurturing our beloved brands, building a robust supply chain network, expanding global distribution networks, embracing digitisation and incorporating sustainable practices while investing in global talent pool; we will continue to strengthen our position as a global FMCG Company in the consumer food space.

#### A token of our appreciation

Food is more than sustenance—it is an expression of love, care and creativity. We recognise the power of food to bring people together. We, therefore, relentlessly strive to deliver products that synergise rich flavours and culinary craftsmanship. We remain resolute in our commitment to going beyond, embracing change, seizing opportunities, navigating the dynamic landscape and providing exceptional consumer experience.

Lastly, we would like to extend our heartfelt gratitude to our team members, shareholders,



We are witnessing positive trends across the world that are proving to be beneficial for category growth. The increasing immigration of South Asians, Middle Eastern Arabs and Iranians to regions like the West and Australia is steadily increasing the demand of basmati across the world.

business partners and key advisors for their unwavering support and trust in the vision of LT Foods.

Thanks and Regards,

#### Vijay Kumar Arora

Chairman and Managing Director

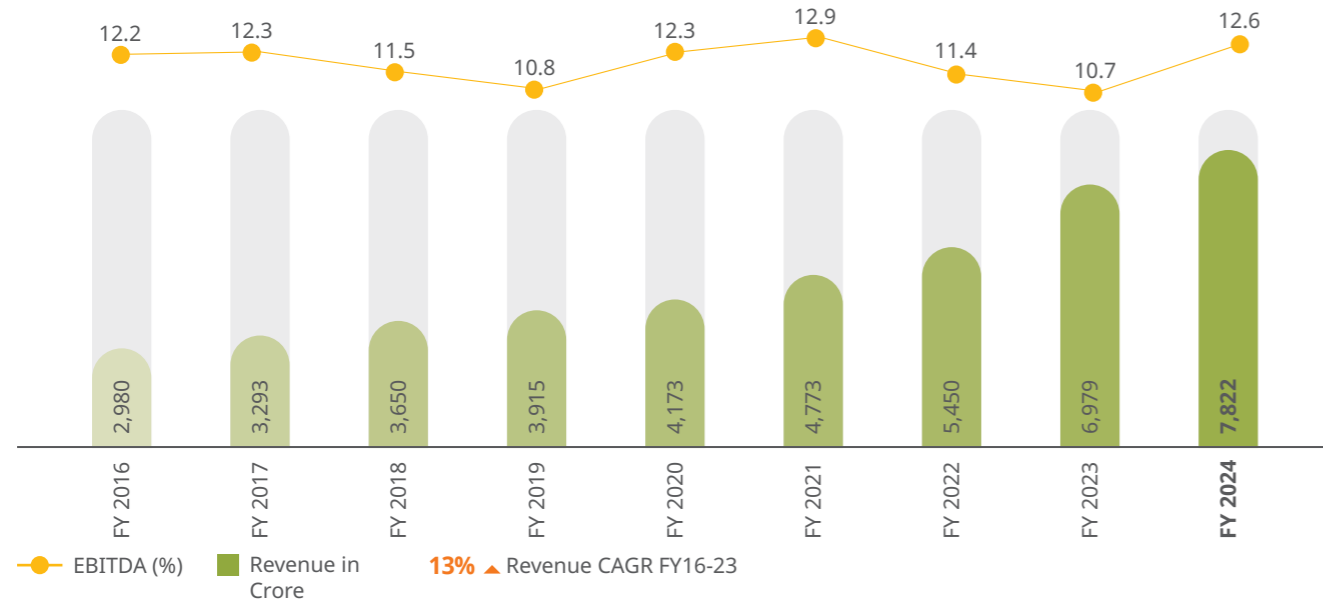
#### Ashwani Kumar Arora

Managing Director and Chief Executive Officer

## Key Performance Highlights

# Breaking New Grounds

### Net Sales (₹ Crore)



#### Revenue up by 12%

Revenue up by 12% y-o-y aided by accelerated brand investments and scaling of distribution in Basmati and Other Specialty Rice segment

#### Gross Profit up by 6%

Gross Profit up by 6% y-o-y and Gross Profit margin contracted by 190 bps (from 34.4% to 32.5%) on account of an increase in input costs

#### EBITDA up by 33%

EBITDA up by 33%, Margins expanded by 190 bps (from 10.7% to 12.6%) due to:

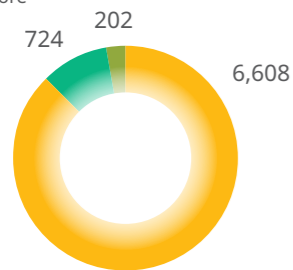
- Reduction in freight cost
- Efficiencies at the manufacturing level and benefits of scale

#### PAT up by 41%

PAT up by 41% y-o-y at ₹ 598 Crore

### Revenue

In Crore

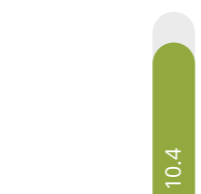


- Basmati and Other Specialty Segment
- Organic Food and Ingredient Segment
- Ready to Heat & Ready to Cook Segment

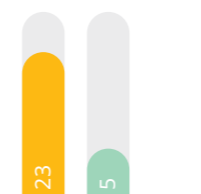
### Basmati and Other Specialty Segment



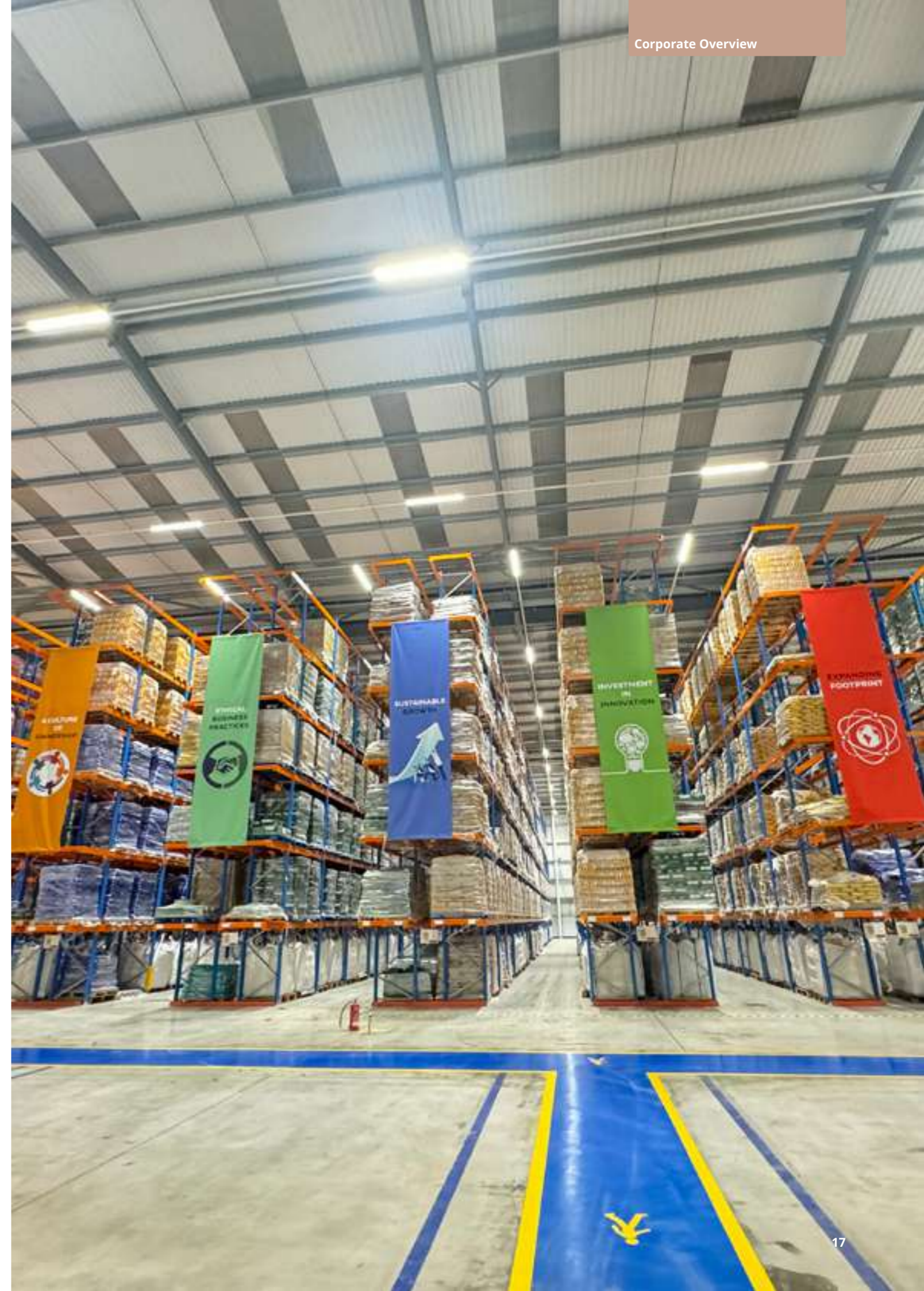
### Organic Food and Ingredient Segment



### Ready to Heat & Ready to Cook Segment



- Revenue Growth %
- Volume Growth
- EBITDA Margin



## Our Offerings

# Delighting Consumers with Our Innovative Products

### Basmati and Other Specialty Rice Segment



### Ready to Heat & Ready to Cook Segment

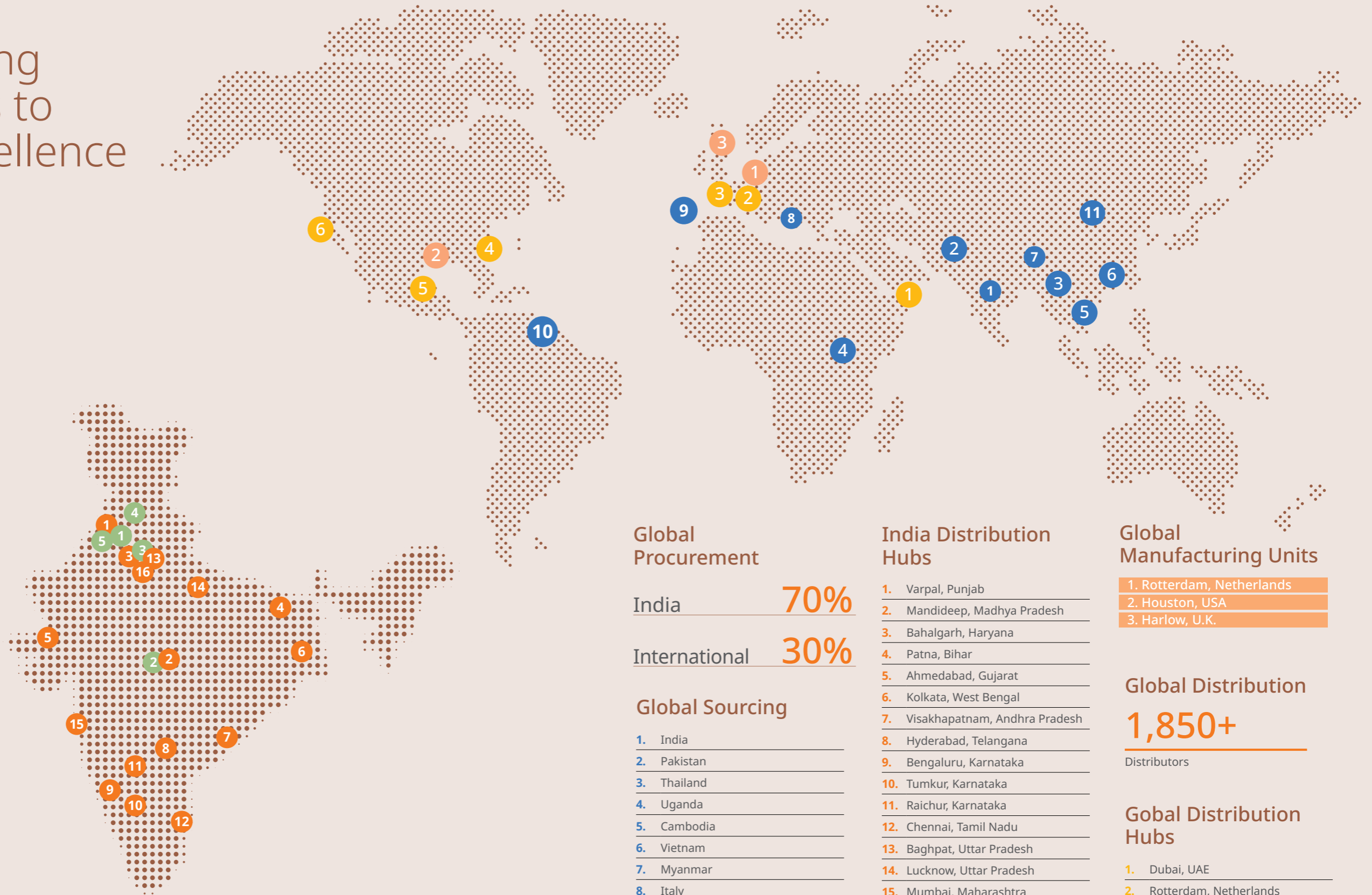


### Organic Food and Ingredient Segment



## Global Presence

Transcending Boundaries to Deliver Excellence



### India Manufacturing Units

1. Bahalgarh, Haryana
2. Mandideep, Madhya Pradesh
3. Kamaspur, Haryana
4. Varpal, Punjab
5. Bhikhiwind, Punjab

### Global Procurement

India **70%**

International **30%**

### Global Sourcing

1. India
2. Pakistan
3. Thailand
4. Uganda
5. Cambodia
6. Vietnam
7. Myanmar
8. Italy
9. Spain
10. Guyana
11. China
12. Japan

### India Distribution Hubs

1. Varpal, Punjab
2. Mandideep, Madhya Pradesh
3. Bahalgarh, Haryana
4. Patna, Bihar
5. Ahmedabad, Gujarat
6. Kolkata, West Bengal
7. Visakhapatnam, Andhra Pradesh
8. Hyderabad, Telangana
9. Bengaluru, Karnataka
10. Tumkur, Karnataka
11. Raichur, Karnataka
12. Chennai, Tamil Nadu
13. Baghpat, Uttar Pradesh
14. Lucknow, Uttar Pradesh
15. Mumbai, Maharashtra
16. New Delhi, Delhi
17. Pune, Maharashtra
18. Thane, Maharashtra
19. Nagpur, Maharashtra
20. Kamrup, Assam

### Global Manufacturing Units

1. Rotterdam, Netherlands
2. Houston, USA
3. Harlow, U.K.

### Global Distribution

**1,850+**

Distributors

### Global Distribution Hubs

1. Dubai, UAE
2. Rotterdam, Netherlands
3. Harlow, Essex, UK
4. New Jersey, US
5. Houston, US
6. California, US

## Strategy

# Pushing the Limits to Accelerate Sustainable Growth

At LT Foods, our path to sustainable growth is anchored in strategic excellence, with initiatives that enhance our global leadership, fuel investments in critical growth areas and optimise operational efficiencies. We are resolute in our commitment to meeting the evolving needs of our consumers while consistently delivering strong financial performance across all our business segments and regions.

### Growing through Organic and Inorganic Strategies

Our approach to global leadership blends organic growth with strategic acquisitions, extending the influence and reach of our flagship brands. By prioritising innovation and entry into new markets, we not only aim to broaden our global footprint but also strengthen our presence in established territories. This dual strategy ensures our brands resonate across diverse cultures and regions. Through targeted acquisitions, we integrate complementary businesses that align with our vision, enhancing our capabilities and expanding our market presence.

### Investing in Strategic Drivers / Initiative

Our investment strategy is carefully designed to harness key growth drivers essential for gaining competitive edge and ensuring long-term success. By directing resources into high-potential areas, we position ourselves to seize emerging opportunities. Whether diversifying our product portfolio with a focus on premiumisation, enhancing distribution channels or adopting advanced technologies, our investments are focused on maximising value for our stakeholders. This approach enables us to navigate industry challenges effectively, ensuring agility and responsiveness in a rapidly changing market landscape.

### Enhancing Operational Efficiency for Margin Expansion

Operational excellence is the cornerstone of our strategy, driving profitable growth while maintaining the highest standards of quality. By consistently optimising our processes, we ensure our operations are efficient, scalable and sustainable. This focus on operational efficiency not only boosts profitability but also preserve the superior quality of our products across all segments. We embrace advanced technologies and lean methodologies, we streamline operations, reduce waste and improve resource utilisation, meeting growing consumer demand without compromising on quality.

### Judicious Capital Allocation and Improved Capital Efficiency

Our approach to capital management is disciplined and strategic, balancing growth investments with the goal of delivering sustained, strong returns to our shareholders. Our capital allocation is aligned with long-term growth objectives, ensuring we maintain a robust financial position. By prioritising high-return investments, we generate significant value for shareholders while funding growth initiatives. This careful planning and execution ensures that our capital is deployed effectively, supporting our strategic goals and driving long-term value creation.

## Risk Management

# Mitigating Risks with Expertise and Vigilance

Our approach to risk management is proactive, structured and embedded across all levels of the organisation. We focus on identifying, assessing and mitigating risks in a way that aligns with our strategic goals, while also seizing opportunities that arise from these challenges. By maintaining a robust risk management framework, we ensure that we are well-equipped to navigate uncertainties, protect our stakeholders' interests and drive sustainable value creation.

### A Never Ending Process

We believe that in current environment, risk is embedded in business. Effectively managing risk is a competitive necessity and an integral part of creating shareholder value through good business practices designed to ensure that

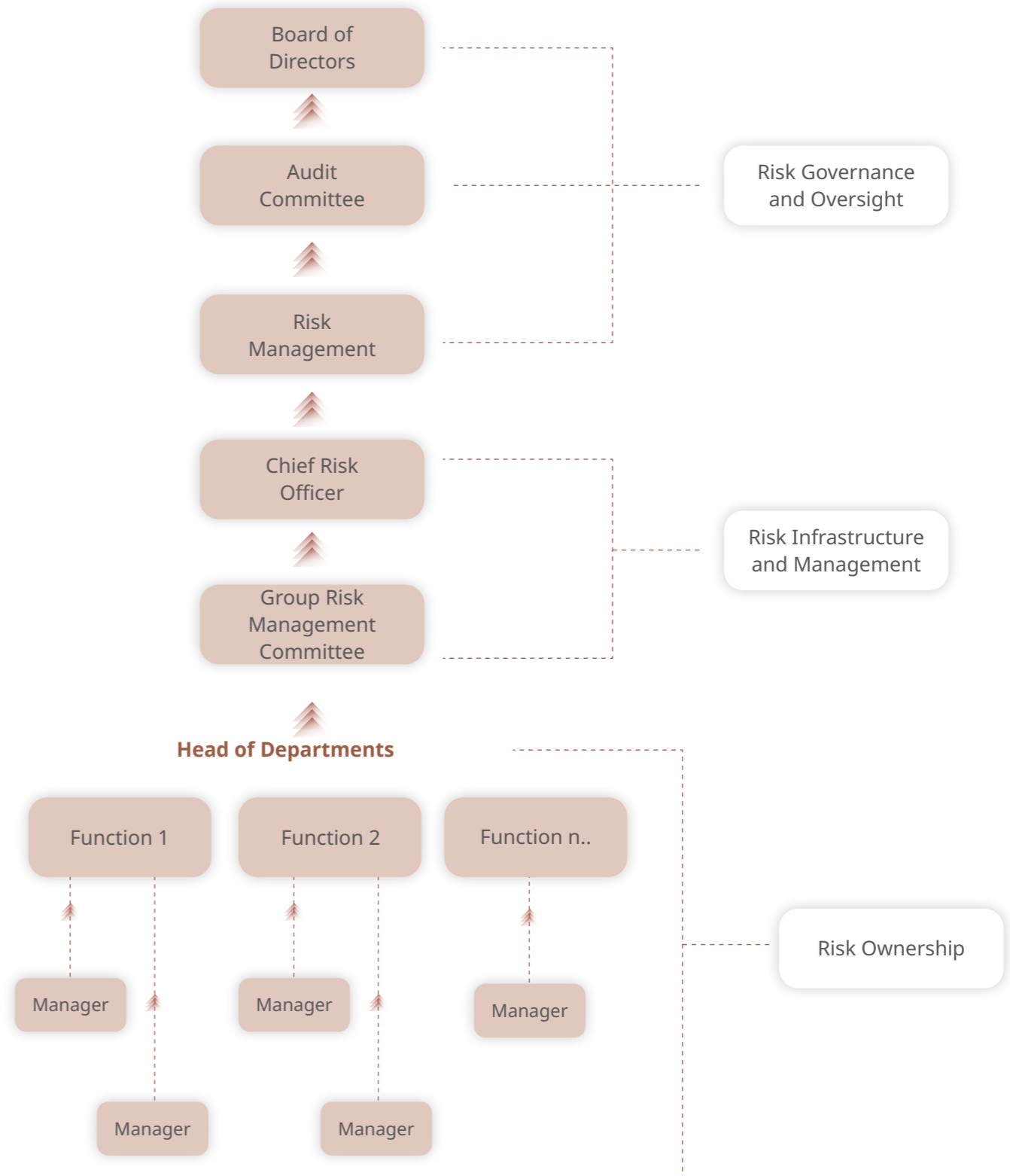
Company achieves its strategic, business and governance objectives as well as protects its corporate reputation, values and integrity. In this section, we delve into our risk management framework, highlighting the proactive measures undertaken to identify, assess

and mitigate potential threats. By embracing this framework, we strive to enhance value creation, safeguard assets and capitalise on opportunities amid an ever-evolving business landscape.



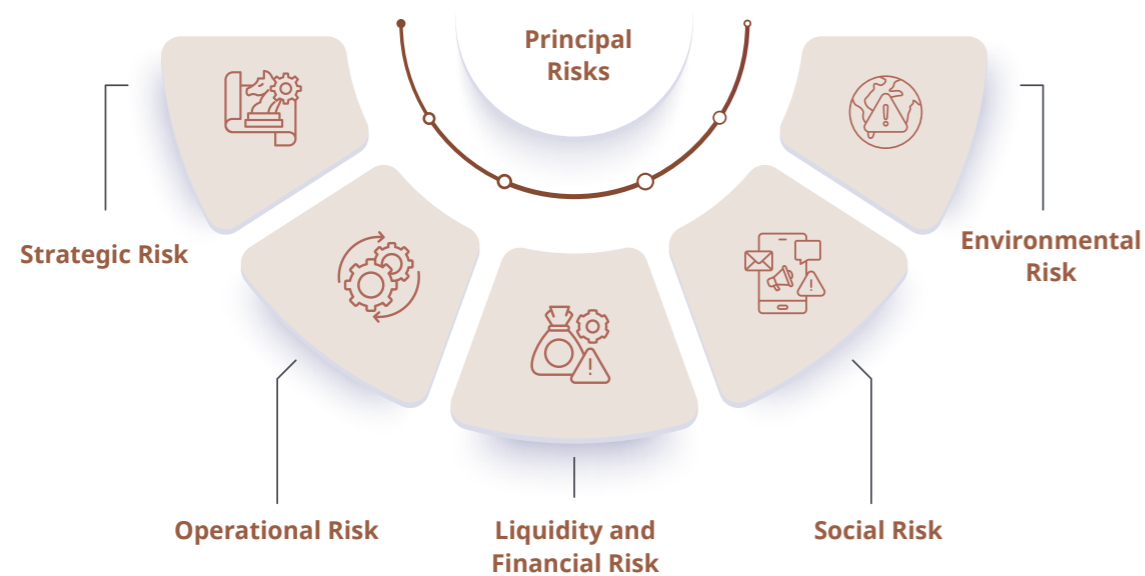
### Governance Structure

The Company has established three levels of risk management responsibilities in its Governance structure as Risk Oversight, Risk Infrastructure and Management and Risk Ownership.



### Principal Risks

In the following pages, we have identified the risks that we currently regard as the most relevant to our business. These are the risks that we see as most material to our business and performance at this time. There may be other risks that could emerge in the future.



### Compliance Risk

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Stricter maximum residue levels (MRL) and FSSAI norms may impact sales growth	Frequent change in a country's MRLs can pose as a threat to the business performance of a Company	<ul style="list-style-type: none"> <li>▶ LT Foods worked extensively at the back end with farmers to give them a know-how on the use of pesticides so as to ensure residue compliant paddy to meet the global standards as well as ensuring the farmers income</li> <li>▶ The Company has trained 13,000+ farmers under the SRP (Sustainable Rice Platform) programme to grow residue compliant paddy</li> <li>▶ The Company is a leading partner of Sustainable Rice Platform (SRP), a UN Environment and International Rice Research Institute initiative and has become the first Company globally to be certified with highest level of verification – L3, by UN-backed Sustainable Rice Platform (SRP) ecolabel. The L3 SRP certification is the highest level of verification for sustainable cultivation of rice</li> </ul>	<ul style="list-style-type: none"> <li>▶ Consumers</li> <li>▶ Shareholders</li> <li>▶ Value Chain Partners</li> </ul>

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Compliance with various Regulatory requirements	Compliance issue on any account can expose the Company to legal consequences thereby causing financial loss and penalty. The same can also adversely impact the reputation of the Company	<ul style="list-style-type: none"> <li>▶ LT Foods has invested in an extensive IT enabled global compliance tool that has all the requisite compliances mapped across geographies and are monitored on regular basis with a two-step authentication for each completed compliance.</li> <li>▶ Regular workshops are held across all offices and production facilities to emphasise on the importance of the compliance framework and how non-compliance can severely impact the reputation of the organisation.</li> <li>▶ Compliance resource hiring for betterment of the compliance process.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Government Body</li> <li>▶ Members</li> </ul>

### Strategic Risk

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Intellectual property rights and confidentiality of product recipes	Intellectual property protection (IPRs) can safeguard many things right from the foremost step of manufacturing, i.e., production of ingredients, creation of recipes, to the last steps such as labeling, marketing and branding of the final product. IP protection in the food industry includes Trademarks, Copyright, Industrial Designs, Patents and Trade Secrets. Further, Company has plans to make yearly R&D spend of ~ ₹ 80 Crore for new product development, thus it is more important to have the recipes, trade secrets, processing technique protected through IPRs and establish adequate controls within the Company to safeguard such confidential data.	<ul style="list-style-type: none"> <li>▶ The Company has Established adequate internal controls on confidentiality of trade secrets or recipes.</li> <li>▶ IPRs to be reviewed geographically and accordingly actions to be taken basis strategic goal and cost benefit analysis.</li> <li>▶ For Health and Convenience segment, we have third party contractual arrangement wherein there are adequate safeguards and only one aspect of overall finished goods lies with them.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Consumers</li> <li>▶ Shareholders</li> </ul>



## Strategic Risk

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Monitoring of social media activities and negative news	The convenience and health segment of the Company is expected to grow from ₹ 300 Crore to ₹ 860 Crore in next 5 years and per companies studies this segment will be driven by Millennials and GenZ who are more active on social media platforms. This can be critical regarding the overall success of the business – in a study conducted by Trustpilot, 90% of consumers reported not frequenting a business with a bad reputation.	<ul style="list-style-type: none"> <li>▶ LT Foods recruited a new digital agency for social media monitoring and management.</li> <li>▶ Formulated process or committee to address accidental imagery risk.</li> <li>▶ Company is ramping up marketing spend from ₹ 12 Crore to ₹ 80 Crore for this segment and dedicated focus can be on social media.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Shareholders</li> <li>▶ Members</li> </ul>
Digitisation plans not comprehensively defined and nonalignment between geographies	Company has invested and plans to invest significantly on digital transformation journey to bring in efficiency, scalability of business operations, cost optimisation and fuel the growth forecasted.	<ul style="list-style-type: none"> <li>▶ LT Foods constituted digitalisation steering committee (representatives from each geography) meets every 15 days to monitor and discuss progress and take decisions accordingly.</li> <li>▶ Project roadmap (definitive) has been defined for next 2 years (i.e. FY 24 and FY25) with phase wise implementation plans.</li> <li>▶ Draft framework for utilisation and effectiveness of digital interventions will be adopted in subsequent steering committee and information will be published during the FY'25.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Shareholders</li> <li>▶ Members</li> </ul>

## Operational Risk

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Prevention/ respond to cyber security incidence in timely manner	Cybercrime costs the global economy about \$ 1 trillion and is more than 1% of the global GDP where LT Foods also being exposed to the cyber attacks and other security issues.	<ul style="list-style-type: none"> <li>▶ A detail action plan has been created via Chief Technology Officer covering risk associated with cyber related incidence.</li> <li>▶ Maximum steps defined for the cyber security out of which few related to cloud, software patches, VAPT and MDM are either in progress or implemented</li> <li>▶ LT Foods has implemented tools such as TendMicro Gateway Security, SanerNow and Zscaler for further stentheging their cyber security"</li> </ul>	<ul style="list-style-type: none"> <li>▶ Shareholders</li> <li>▶ Members</li> </ul>
Impact on growth strategy due to non-availability of adequate and right talent in timely manner	Over the past two years, the number of organisations in the country experiencing difficulties attracting and retaining talent has increased manifold, with 78 percent experiencing talent attraction challenges this year and 64 percent facing pressure in retaining employees.	<ul style="list-style-type: none"> <li>▶ HR Transformation journey was launched two years back to continuously enhance people strategies. However, the developments are still in nascent stages and need to ramp up.</li> <li>▶ Campus to Corporate' initiative is there for recruitment of new talent into the organisation. L&amp;D framework (LT University) has multiple academies that include self-paced e-learning courses, sponsored programmes, training on newly implemented organisational changes, Leadership Development, Skill-Based Programmes and programmes tailored to specific cohorts.</li> <li>▶ Collaborations with premier business and engineering institutes to recruit Management and Engineer trainees.</li> <li>▶ New Performance management system (PMS) is anticipated to improve role clarity and boost levels of accountability and ownership.</li> <li>▶ Amber, an AI-based employee engagement tool, is also being introduced to employees in sequential phases to connect and engage with them.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Shareholders</li> <li>▶ Members</li> </ul>

## Financial Risk

Type of Risk	Description	Mitigation Plan	Stakeholders Impacted
Impact on margins and product quality due to various reasons (climatic change, government policies, farmer shift to alternate profitable crops, etc.)	Major factors which impacts the availability of quality material and prices volatility which may impact on operations, revenue and profit margins are – pre and post harvesting climatic conditions. local unorganised players drives prices basis market sentiments government policies on incentivising farmers to adopt alternate crops such as Millet due to rice being water intensive crop. Shift by farmers for better margins / high yield in alternate crops. natural calamity and other weather conditions.	<ul style="list-style-type: none"> <li>▶ LT Foods has done lots of development accross gegraphies for mitigating this risk such as;                             <ul style="list-style-type: none"> <li>a) Identifying Jasmine rice market</li> <li>b) UK operation development</li> <li>c) Building a central storage hub in Dubai etc.</li> </ul> </li> <li>▶ Apart from aboveLT Foods efforts visible in procurement, operation and distribution end;                             <ul style="list-style-type: none"> <li>a) Crop survey is done to understand the pattern of crop availability, improved variety, climate impact, etc.</li> <li>b) Sustainable farming goals are focused on –                                     <ul style="list-style-type: none"> <li>- building direct connect with farmers</li> <li>- Increase the farmer’s income by increasing productivity at farm, reducing chemical consumption, reduction in other costs, better soil health amongst others.</li> <li>- reduction in water consumption</li> </ul> </li> <li>c) Expertise of promotors, senior management leads to efficient buying.</li> <li>d) Strong network of 260+ agents having access to 230 + government approved mandis to secure commodity at right quality and price.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Community</li> <li>▶ Shareholders</li> <li>▶ Consumers</li> </ul>



## Materiality

# Identifying Material Aspects Diligently

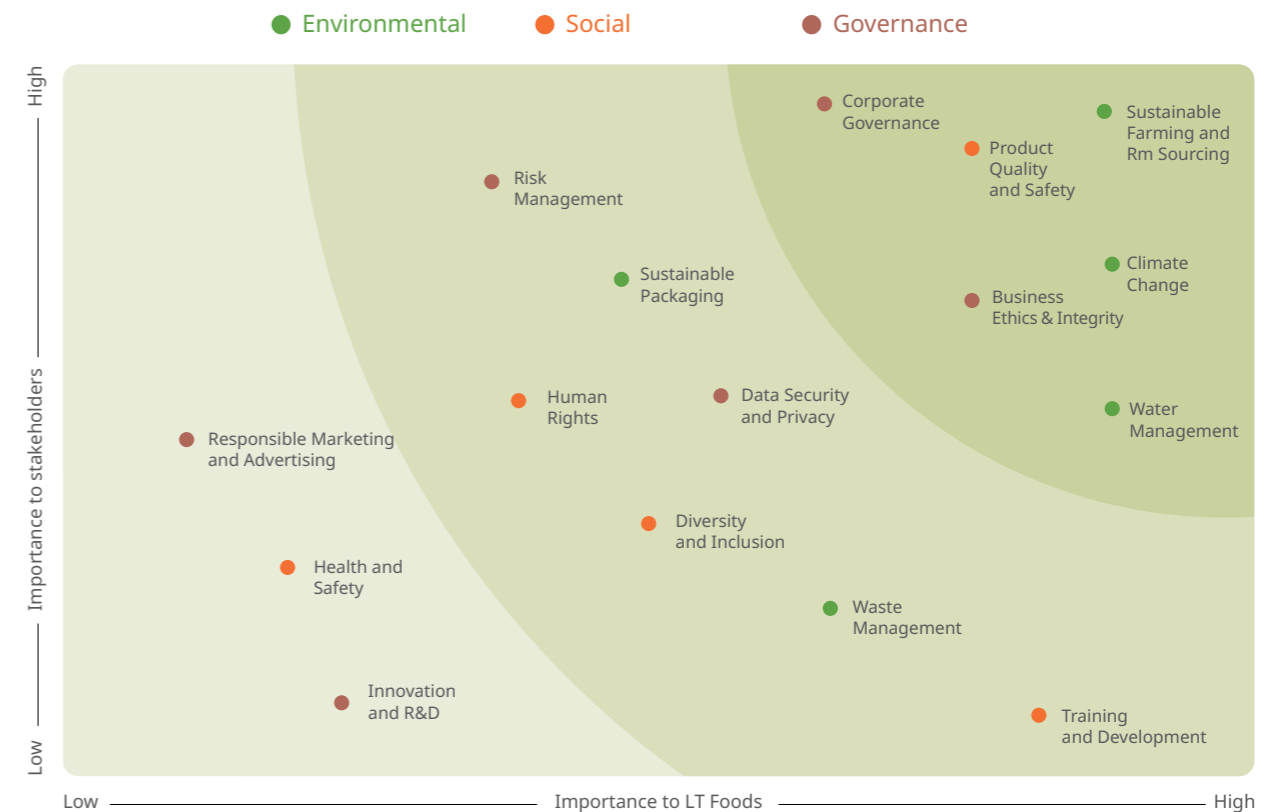
**In our quest to achieve operational excellence, we ensure that we do not deviate from our path to positively impact the society. We recognise that addressing key Environmental, Social And Governance (ESG) issues is not just about compliance but about giving back to the communities we operate in. Our materiality assessment helps us to identify and prioritise these critical issues, ensuring that our strategies are aligned with both our business objectives and the expectations of our stakeholders.**

Our materiality assessment spans a comprehensive range of ESG topics crucial to our operations. This process begins by identifying sustainability issues that are pertinent to our business operations. Our robust and efficient cross-functional internal team, then, prioritises the material topics while keeping the best interests of the

stakeholders at the heart of our decision-making. This foundational step has been essential in shaping our corporate strategy, guiding our business practices and accelerating our progress.

We ensure that insights from industry best practices and feedback from our stakeholders are

incorporated into this interactive and data-driven process. This helps in building a balanced and comprehensive approach, addressing the relevant areas across our value chain. The critical issues for stakeholders, identified through this process, guide our decision-making process and shape our ESG goals as well.



## Stakeholder Engagement

# Upholding Integrity and Transparency

● Financial ● Social ● Human ● Natural

### Upstream Activities

#### Business Partners and Suppliers

##### ● Material Needs

- Encouraging transparency in supply chain
- Cost-benefit terms and payment modalities
- Commitments on responsible sourcing, circular economy, human rights and resource efficiency

##### ● Engagement Objectives

- Ensure supply chain efficiency and reliability
- Develop strong, long-term relationships
- Align with sustainability goals and practices

##### ● How We Engage

- Supplier and Vendor Meets
- Contract Meetings
- Workshops
- Training Sessions

##### ● Frequency

- Continuous

##### ● Capital Linkages



#### Banks and Other Financial Institutions

##### ● Material Needs

- Responsible investment practices
- Financial stability and risk management

##### ● Engagement Objectives

- Ensure transparent and timely financial reporting
- Align with financial strategies and goals
- Collaborate on sustainable finance initiatives

##### ● How We Engage

- Public Disclosures
- Regular Interactions
- Emails
- Consortium Meetings

##### ● Frequency

- Quarterly, half-yearly or annually (financial calendar)

##### ● Capital Linkages



● Financial ● Social ● Human ● Natural

### Core Operations

#### Employees

##### ● Material Needs

- Employee engagement and retention
- Competitive compensation and benefits
- Continuous learning and development
- Work-life balance initiatives

##### ● Engagement Objectives

- Enhance employee satisfaction and morale
- Support for career growth and development

##### ● How We Engage

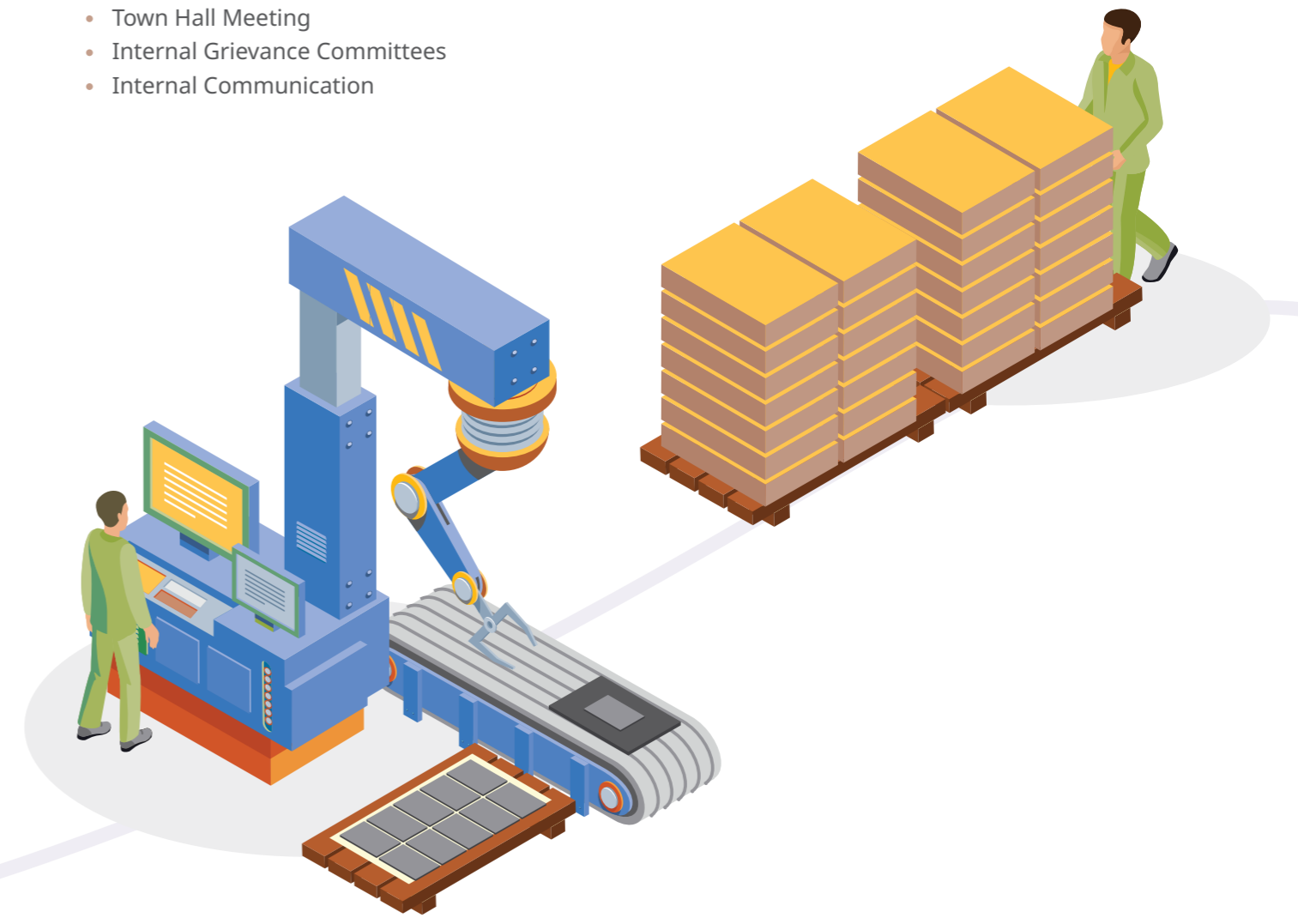
- Town Hall Meeting
- Internal Grievance Committees
- Internal Communication

- HR Team Meets
- Training and Development Activities
- Out-bound Activities
- Social Media and Blogs

##### ● Frequency

- Continuous

##### ● Capital Linkages



● Financial ● Social ● Human ● Natural

### Downstream Activities

#### Consumers

- **Material Needs**
  - Consistent product availability and reliable supply
  - Diverse product offerings catering to different dietary needs and preferences
  - Clear labelling and accurate product information
- **Engagement Objectives**
  - Innovate based on dynamic consumer preferences and trends
  - Enhance consumer satisfaction and loyalty
- **How We Engage**
  - Consumer Satisfaction Surveys
  - Consumer Research
  - Organised and Spontaneous Feedback
  - Social Media
  - Website
- **Frequency**
  - Continuous
- **Capital Linkages**
  - ●

#### Media

- **Material Needs**
  - Engaging and informative content
  - Access to Company updates and news
- **Engagement Objectives**
  - Maintain a positive public image
  - Highlight Company achievements and milestones
- **How We Engage**
  - Newspaper
  - Brand Building and Marketing Initiatives
  - Press Conference
  - Quarterly/Annual Results
  - Social Media
  - Media Interactions
- **Frequency**
  - Continuous
  - Need basis
- **Capital Linkages**
  - ●

● Financial ● Social ● Human ● Natural

### External Engagement and Support

#### Communities

- **Material Needs**
  - Educational and skill development programmes
  - Access to healthcare and nutrition
  - Support for local businesses and economies
- **Engagement Objectives**
  - Enhance community resilience and quality of life
  - Support local economic development
- **How We Engage**
  - CSR Initiatives
  - Farmer Training
  - Satisfaction Survey
  - Agri-extension Services
- **Frequency**
  - Continuous
- **Capital Linkages**
  - ●

#### Government and Regulatory Bodies

- **Material Needs**
  - Regulatory approvals and licensing
  - Transparent and ethical business practices
- **Engagement Objectives**
  - Influence policy for better industry standards
  - Ensure regulatory compliance
- **How We Engage**
  - Public Disclosures
  - Newspapers
  - Statutory Filings
  - Email
  - Social Media
  - Website
- **Frequency**
  - Need basis
- **Capital Linkages**
  - ●

### Financial Stakeholders

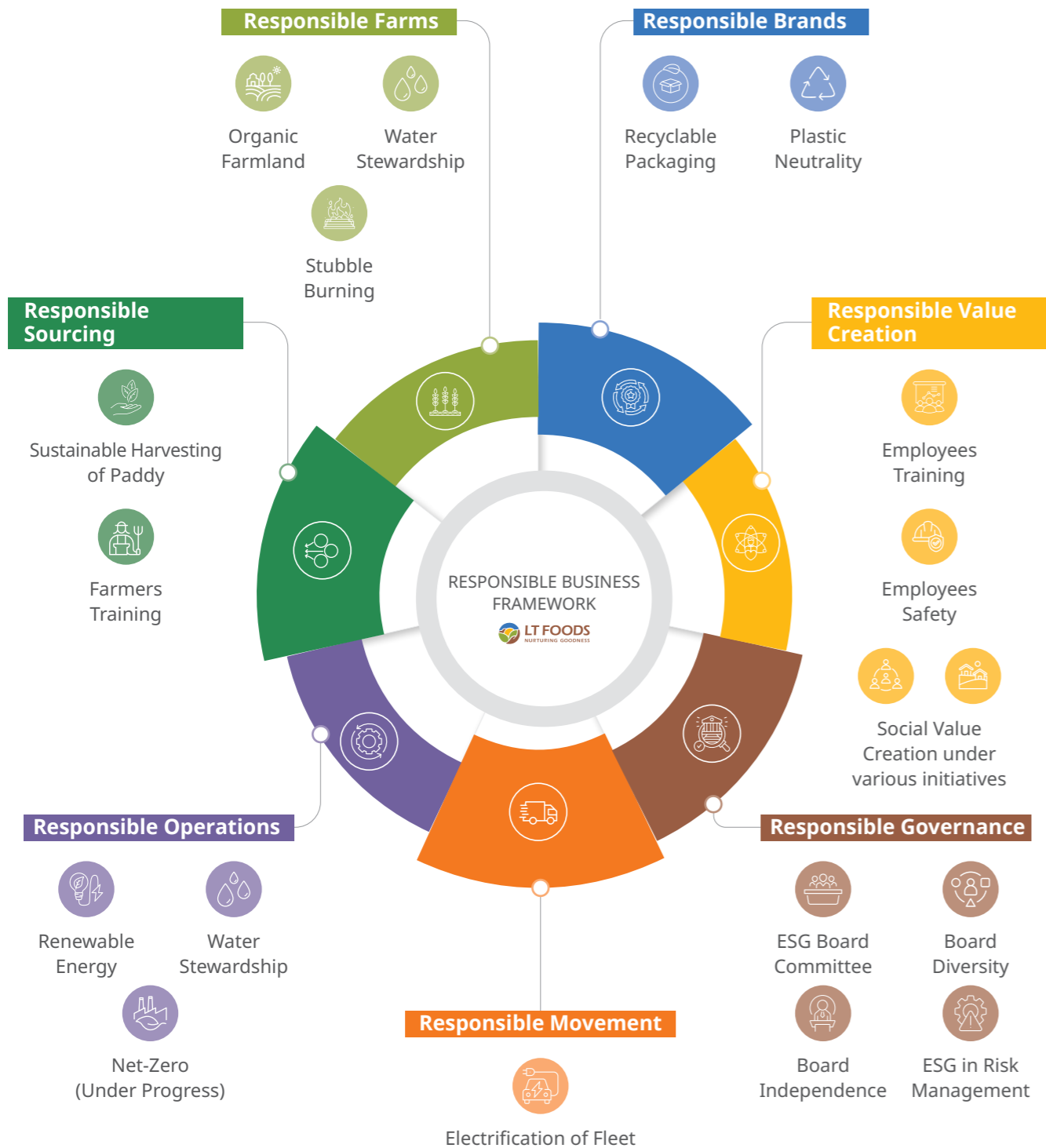
#### Investors and Shareholders

- **Material Needs**
  - Return on investment
  - Risk management and mitigation
- **Engagement Objectives**
  - Ensure alignment with shareholder interests
  - Provide updates on strategic initiatives and growth plans
- **How We Engage**
  - Shareholder Meetings
  - Investor Meetings and Events
  - Road Shows
  - Investor Calls
- **Frequency**
  - Quarterly
  - Annually
  - Need basis
- **Capital Linkages**
  - ●



## ESG Framework and Scorecard\*

# Integrating ESG for Holistic Impact



\*Pertains to India business only

<p><b>Sustainable Farming</b></p> <p><b>Sustainable Harvesting of Paddy</b> FY24 : 17,515 farmers trained Farmers trained on Sustainable Farming Practices (Public private partnership with ICAR-NCIPM)</p> <p><b>Organic Farmland</b> FY24 : 2.28 Lakh acre</p>	<p><b>Climate Change</b></p> <p><b>Renewable Energy</b> FY24 : 43% Renewable Electricity (Solar + Husk)</p> <p><b>Tree Plantation</b> FY24 : 1.1 Lakh</p>	<p><b>Water</b></p> <p><b>Water Conservation</b> FY24 : 159 billion litres water saving through Land Laser Leveling / AWD / SRI</p> <p><b>Water Recharge</b> FY24 : 28 Ponds Renovation and construction off water ponds</p>	<p><b>Sustainable Packaging</b></p> <p><b>Plastic Neutrality</b> FY24: 100% through EPR</p> <p><b>Sustainable Packaging</b> FY24 : 75.5% Recyclable Packaging</p>
<p><b>Community Development</b></p> <p><b>Infrastructure Development</b> FY24 : 46 Villages Integrated village adoption programme</p> <p><b>Safe and Clean Drinking water</b> FY24 : 31,600 beneficiaries</p>	<p><b>Quality Education</b> FY24 : 45 Schools School infrastructure and quality education</p> <p><b>Women Health</b> FY24 : 29,098 beneficiaries</p>	<p><b>Employees</b></p> <p><b>Training Hours</b> FY24 : 20 hours</p> <p><b>Gender Diversity</b> FY24 : 10 % White Collar employees</p>	<p><b>Zero Fatality</b> FY24 : Nil</p>
<p><b>Governance</b></p> <p><b>ESG Committee at Board</b> ESG and CSR Committee in place</p> <p><b>ESG Goals and Target</b> Redefining our ESG goals at a global level</p> <p><b>Board Structure and Independence</b> 56% Independent Board 22% Female Director One Lead Independent Director</p>	<p><b>ESG Organisation Structure</b> Redefining our existing structure to align global locations</p> <p><b>ESG Materiality Analysis</b> Redefining Materiality Matrix at a global level</p> <p><b>Board Diversity</b> 22% Female Director</p> <p><b>Independent Committee</b> 100% Independent Audit committee and NRC committee</p>	<p><b>Ambitions</b></p> <p><b>ESG Embedded in Risk Management</b> Risk Management Policy formalised</p> <p><b>ESG linkage to compensation</b> The ESG linkage to compensation is under discussion and possibilities are under exploration</p>	<p><b>ESG Digitisation</b> Work in progress</p>



# At LT Foods,

we are committed to going beyond our prerogative of running a profitable business to create long-term value for our consumers and other stakeholders; maximising their values in our foremost priority

To embody the spirit of 'Going Beyond', we judiciously deploy our six capitals in nurturing our brands, ensuring prudent capital allocation and cost minimisation, expanding our network of channel partners, retail presence and manufacturing capacities, implementing cutting-edge technologies, scaling our R&D efforts, upskilling our personnel and fostering community development.

To efficiently manage our ecological footprint, we prioritise integrating sustainability across all operational aspects, spanning sourcing to distribution. We consistently seek to go beyond meeting consumer expectations to collectively shape a future where we cater to consumer needs and meet stakeholder expectations in a responsible way. At LT Foods, we are not just a Company, we are a community that is continuously going beyond, growing and nurturing sustainable business together.



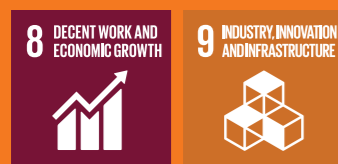
# Financial Capital

# Beyond Numbers

*Fortifying Our Financial Strength*



## SDGs



Amid the evolving market conditions, we prudently and judiciously allocate our resources to sustain growth by investing in our dynamic brands and cutting-edge innovation. This approach has enabled us to establish a strong foundation for enduring, profitable growth while fortifying our business model. We strive to maintain a healthy Balance Sheet and strong liquidity position, consistently delivering growth and rewarding returns to our shareholders. By confidently seizing new opportunities, LT Foods continues to leverage its Financial Capital to embody the credo of going beyond, building a robust platform for future success.

### Key Highlights of FY 24

**₹ 7,822 Cr**

Revenue

**₹ 988 Cr**

EBITDA

**₹ 598 Cr**

PAT

### Material Issues



Risk Management



Business Ethics and Integrity



As we navigate the challenging market conditions with fluctuating input prices and shifting consumer behaviours, we focus on strategic investments, brand penetration, consumer acquisition and operational excellence allowing us to not only withstand these challenges but also drive growth.

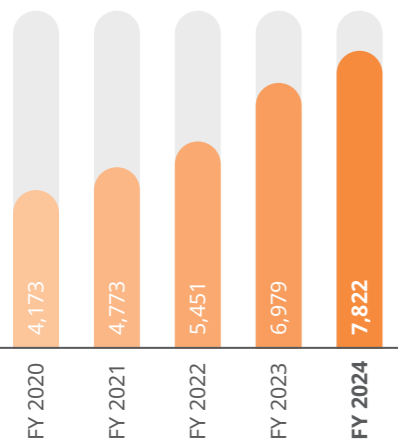
We are steadfast in our strategy to balance the reinvestment of earnings to fuel sustained growth while ensuring a rewarding return to our shareholders through dividends. The free cash flow generated from our thriving Basmati and Specialty Rice segments, along with our expanding Organic and RTE/RTH and RTC platforms, are strategically reinvested to drive our

core business and invest in new engines of growth. This deliberate approach strengthens our brand's foundation, enhancing market presence and operational efficiency and setting us on a path to achieve our long-term financial targets of strong financial matrices i.e. improved return on invested capital and return on equity.

### Profit and Loss Metrics

#### Revenue from Operations

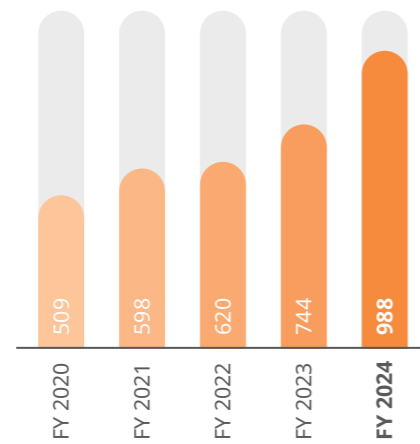
(₹ in Crore)



**17.01%** 5-year CAGR

#### EBITDA

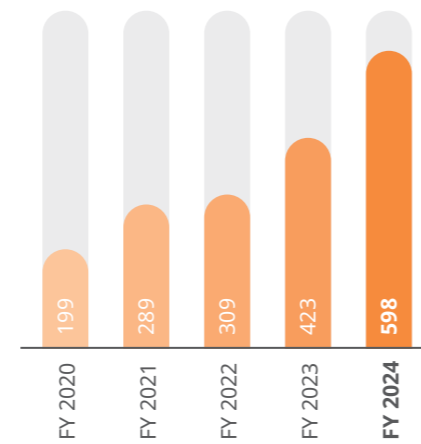
(₹ in Crore)



**18.02%** 5-year CAGR

#### Profit After Tax

(₹ in Crore)

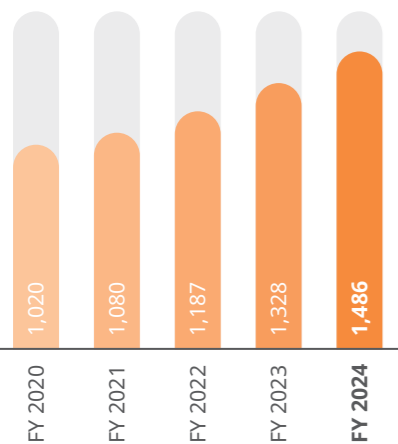


**31.66%** 5-year CAGR

### Balance Sheet Metrics

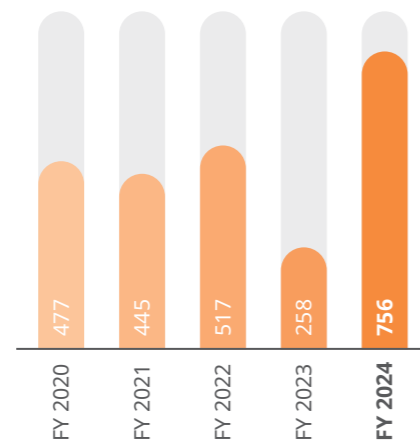
#### Tangible - Gross Block

(₹ in Crore)



#### Cash Flow from Operations

(₹ in Crore)



### Robust Financial Performance

In terms of financial health, our operational cash flows have seen a substantial boost, enabling us to significantly reduce our dependency on working capital loans from ₹ 676.86 Crore to ₹ 515.62 Crore. Our financial prudence has led to a marked improvement in our debt-to-EBITDA ratio from 0.95 to 0.53.

On the other hand, our Return on Capital Employed (ROCE) increased from 13.6% four years ago to 21.7% this year, telling a story of not just recovery but robust expansion. Similarly, our Return on Equity (ROE) has shown significant improvement, reflecting our ability

to generate wealth efficiently from shareholder equity.

We have also made continuous improvements in our operational KPIs. Our EBITDA margin, standing at 12.63%, has benefited from strategic investments on Brand and premiumisation. With a focused thrust towards premiumisation, supported by a higher scale of operations and product portfolio diversification, we anticipate further margin expansion.

Our working capital management has also seen notable progress, with working capital days reduced from 193 days in previous year to 189 days currently. These improvements highlight our refined inventory

management and more favourable credit terms from vendors.

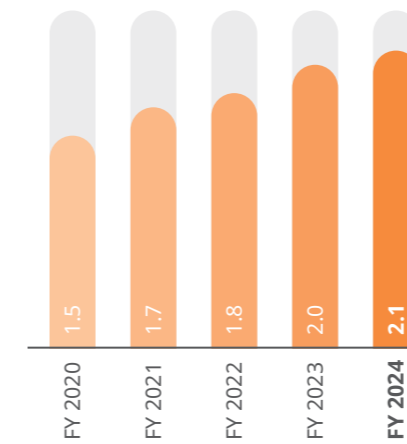
In our commitment to rewarding our shareholders, we have revised our dividend policy from 10-20% of standalone profits to 10-20% of consolidated profits, aligning shareholder rewards with our broader business performance.

Our financial performance remains strong, with significant increases in revenue, EBITDA and PAT, highlighting the effectiveness of our strategic initiatives and operational optimisations.

### Key Financial Ratios

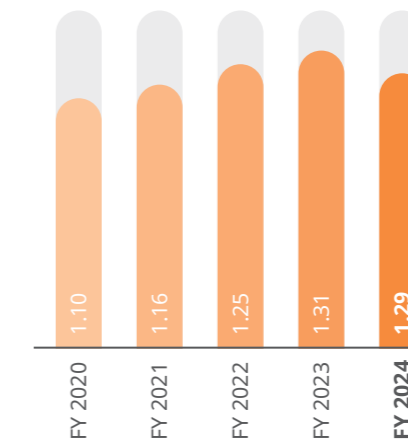
#### Current Ratio

(in times)



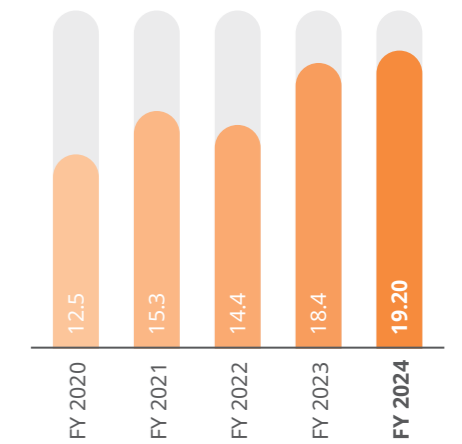
#### Asset Turnover Ratio

(in times)



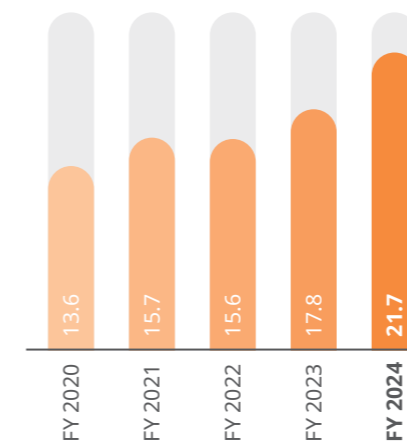
#### Return on Net Worth

(in %)



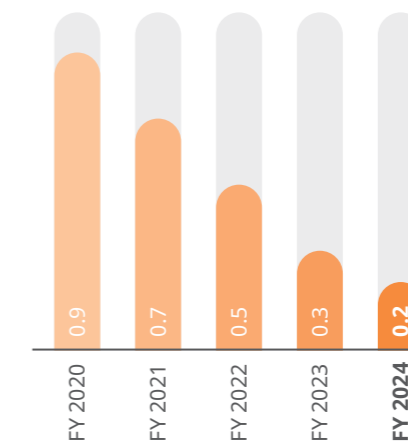
#### Return on Capital Employed

(in %)



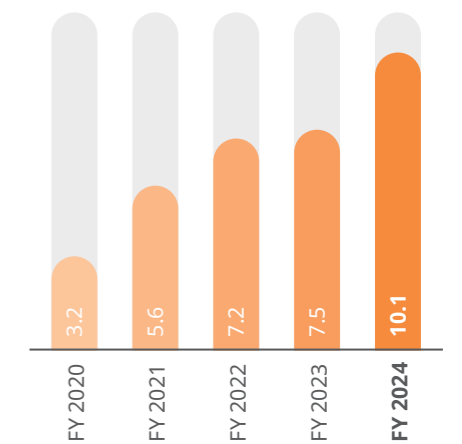
#### Debt Equity Ratio

(in times)



#### Interest Coverage Ratio

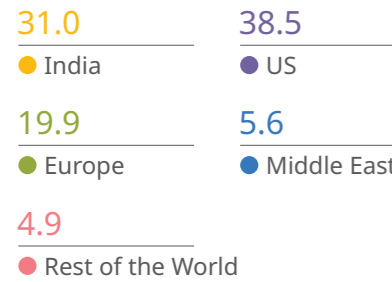
(in times)



Revenue share

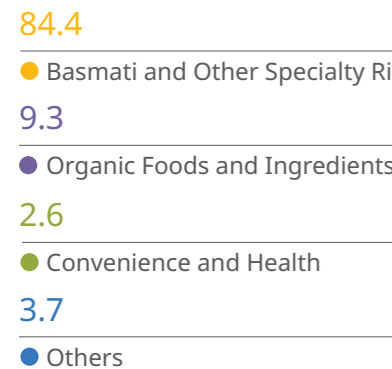
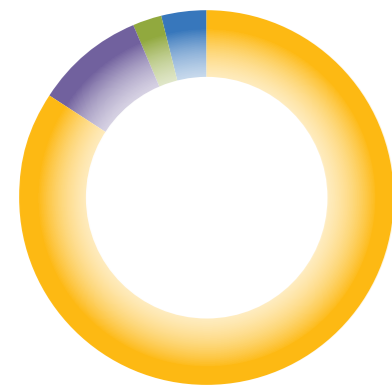
Revenue by geography

(in %)



Revenue by business segment

(in %)



Aligning Investments with Growth Strategy



Growth

Solidifying our Core Business

Our approach to capital allocation is deeply rooted in strengthening our core operations. We are channeling resources into product innovation, brand enhancement and market expansion. By focusing on high-demand segments, particularly premium products, we are driving growth through health-focused innovations and consumer-centric initiatives. Our efforts to expand our distribution network and leverage data-driven insights are designed to maximise market penetration and operational efficiency, fortifying our market position and paving the way for sustained financial growth.

Innovating and Expanding our Product Portfolio

Recognising key market trends—such as the youthful demographic in India, the growing Indian diaspora abroad and the global popularity of Indian cuisine—we are strategically diversifying our product offerings. This involves both organic growth initiatives and strategic acquisitions. By launching new products and reallocating resources to high-potential markets, we are positioning LT Foods to capture new consumer segments and ensure long-term sustainable returns.

Entering New Geographies and Widening Distribution Channels

Our investment strategy includes judicious capital deployment to support our global expansion. We are entering new geographies and expanding our distribution channels through strategic partnerships and localised product offerings. By investing in market analysis and forming alliances with local distributors, we are enhancing our

market entry strategies. Additionally, our commitment to building a strong presence on e-commerce and digital platforms ensures that our products are readily available, meeting the diverse needs of consumers across the globe.

Exploring Inorganic Opportunities

To accelerate our growth and enhance shareholder value, LT Foods is actively pursuing strategic Mergers And Acquisitions (M&A). Our M&A strategy is focused on acquiring businesses wherein we can leverage our strong brand equity of DAAWAT® and Royal®, our global distribution network and the back-end infrastructure. These targeted acquisitions enable us to expand our geographic footprint, improve our competitive advantage and deliver increased value to our stakeholders.



Margin Expansion

Building Economies of Scale and Unlocking Synergies

Achieving economies of scale is a key aspect of our strategy to enhance profitability. By increasing production capacity and distributing fixed costs over a larger output, we lower per-unit costs and improve operational efficiency. Additionally, we are unlocking synergies from our acquisitions, streamlining operations and optimising resource utilisation, reducing costs and improving financial performance.

Adding Efficiencies Across the Value Chain

We are focusing on enhancing efficiency across our entire value chain to drive margin expansion. By implementing advanced technologies, automating processes and adopting best practices in supply chain management, we have been able

to reduce waste, lower operational costs and speed up time-to-market. These enhancements not only enhance cost savings but also improve the agility and responsiveness of our operations, leading to higher profit margins.

Driving Premiumisation

Our focus on premiumisation is central to our strategy for driving profitability. We are directing resources towards the development and marketing of premium products. Through continuous innovation, superior quality and targeted marketing, we are elevating our brand's market position and capturing a larger share of the high-value segment. This approach enables us to command higher price points, enhancing our revenue as well as expand our profit margins.



Investing in Capabilities

Digital Transformation

We are committing significant resources to digital transformation, aiming to create a smarter, more agile enterprise. Our focus is on leveraging advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT) and blockchain to enhance stakeholder experience, optimise costs and increase productivity. By investing in digital tools and platforms, we are also improving transparency, compliance and decision-making processes. These advancements are crucial in strengthening our market position and delivering better returns to our investors.



Being Responsible

Embedding ESG in the Culture of the Organisation

We are deeply committed to embedding Environmental, Social and Governance (ESG) principles into our business strategy. We are allocating resources towards sustainable initiatives that promote ethical sourcing, environmental stewardship and social responsibility. Our efforts to reduce our carbon footprint, conserve water and minimise waste are not only aligned with our commitment to sustainability but also contribute to long-term value creation for our shareholders. By prioritising ESG, we are positioning LT Foods as a responsible and forward-thinking Company, ensuring that our growth is sustainable and aligned with global standards.



# Manufactured Capital

## Beyond Processes

*Value  
Engineering  
with a Vision*



### SDGs



In our quest to go beyond, we continuously push the boundaries of manufacturing excellence. Our commitment extends to our procurement process, where we source the finest raw materials through transparent and ethical practices. By upgrading our capabilities and harnessing state-of-the-art facilities and best-in-class equipment, we exceed consumer expectations with superior quality, safety and consistent experience in every product. Prioritising consumer needs, we transcend productivity and quality benchmarks, ensuring that every product that reaches our consumers is a testament to our commitment to going beyond.

#### Key Highlights of FY 2023-24

**2190 MT / day**

Total Manufacturing Capacity

**74.7%**

Operational Capacity Utilisation

**10**

Manufacturing Facilities

**20**

Total Distribution Centres

#### Material Issues



Product Quality and Safety



### Dynamic Procurement for Consumer Value

In a rapidly changing market, our procurement strategy is designed to adapt and grow in tandem with evolving consumer needs. We encourage transparency and accountability to ensure our procurement at the most competitive price.

Not only in India but also in other geographies i.e. Thailand, China, Pakistan among others. LT Foods has established a strong network for the procurement of its food products that commensurate 70% of its procurement from India and 30% from international locations.



150+

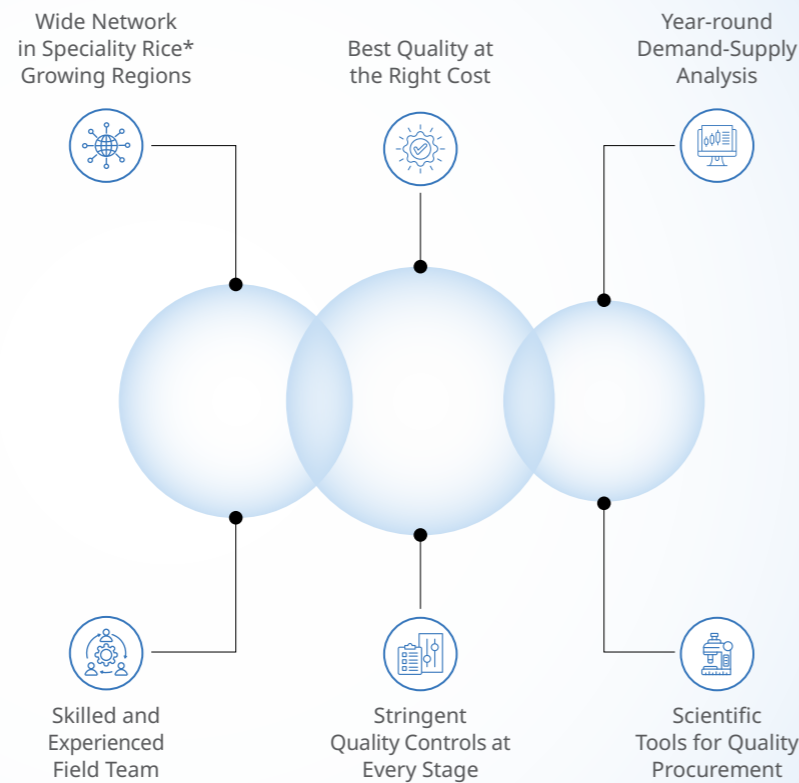
Agents

### Strategic and Adaptive Procurement

Our procurement strategy is guided by a robust system of supply and demand drivers assessment, offering valuable insights into total production and market needs. This enables us to design precise buying plans that account for seasonal, monthly and daily requirements, driven by both current trends and comprehensive market research. With a strong focus on data-driven decision making, we continuously monitor market dynamics and swiftly adjust our strategies to remain ahead of fluctuations.

Integrated planning across departments ensures seamless coordination in sourcing, logistics and inventory management, boosting overall efficiency. Additionally, our close collaboration with key suppliers enables us to anticipate market shifts and maintain a stable supply chain. By incorporating flexible procurement options and diversified sourcing strategies, we ensure business continuity even in challenging global scenarios. This strategic and adaptive approach positions us to consistently meet market demand while staying resilient and responsive in a dynamic environment.

### Procurement Approach



\*Basmati, Regional, Jasmine, Arborio rice and so forth.

### End-to-End Digitalisation

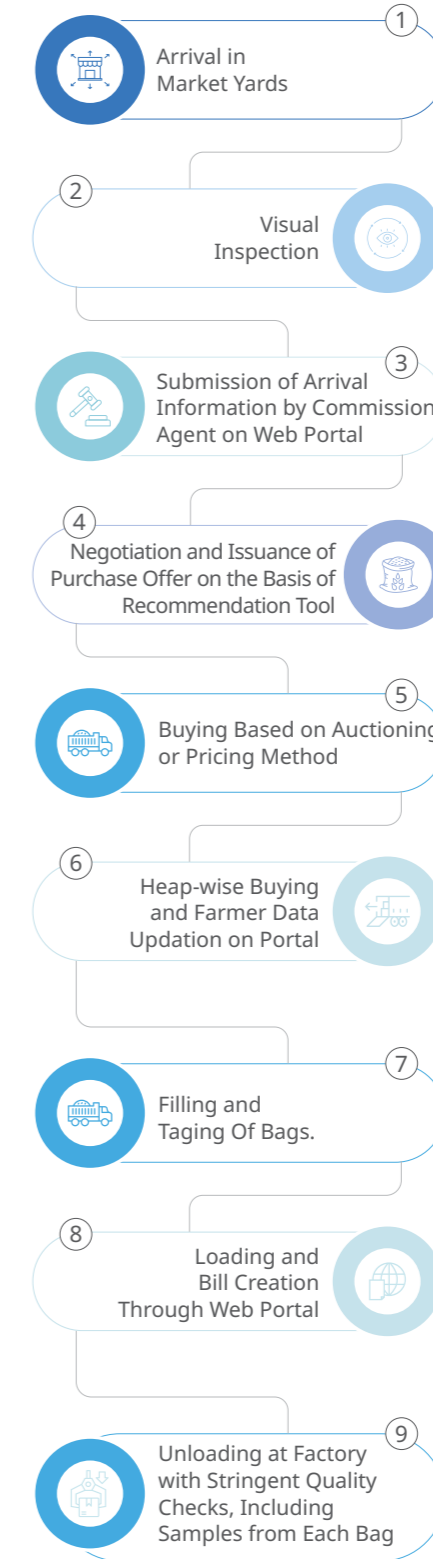
We have fully digitalised our procurement operations, covering every aspect from in-depth trade analysis and price-determining factors to demand-supply assessments and a web portal for market yard paddy purchases.

Our procurement planning and buying processes are now seamlessly aligned with brand positioning, owing to integrated digital platforms. Dashboards and mobile applications have transformed daily operations, offering real-time insights and data to our teams.

Additionally, our state-of-the-art Scientific Recommendation tool helps us identify the most advantageous markets daily, ensuring optimal quality-to-price procurement.

The digital platform also manages the entire procurement cycle— from price offering and negotiations to buying, loading, dispatch and unloading. This web portal is a two way communication platform that enables real time price negotiations. It even provides weather updates to prevent in-transit losses and assists in scheduling dispatches. This comprehensive digital transformation has not only enhanced efficiency but also empowered smarter, more strategic decision-making across the supply chain.

### Market Yard Procurement Process



### Expanding Reach and Increasing Traceability

We are committed to widening our presence by identifying new areas with developed basmati varieties and increased paddy arrivals. This expansion allows us to source the finest-quality paddy from these new regions. Additionally, incorporating farmer-level traceability in our SAP system has improved transparency and accountability in our sourcing processes.

Our rice procurement process operates on a sample-pass basis, where selection criteria are based on whether samples meet predefined conditions during laboratory testing. For paddy procurement, we select suppliers based on their quality, expertise, market reputation and overall credibility, ensuring the highest standards from the outset.

For other varieties of rice, i.e., Jasmine rice, Regional rice, Arborio rice, we have created a strong network in India, Thailand and other geographies as well.



### Earning the Trust of Consumers through Quality Assurance

Delivering top-quality products is our promise to consumers. Through rigorous testing and strict adherence to international standards, we ensure that our products consistently deliver the finest and consistent experience that our consumers deserve.

**Cultivating Excellence from the Ground Up**

In our endeavour to maintain exceptional crop quality of rice, we employ balanced nutrient management, integrated pest management and irrigation management from day one. Adhering to Sustainable Rice Platform (SRP) standards, we ensure each grain of rice meets consumer quality expectations. Our performance is assessed through annual third-party audits, ensuring compliance with these standards.

Our quality assurance measures comprise a comprehensive quality and process control chain, conducting nearly 600

variable tests to ensure the safest, compliant, traceable and best quality basmati rice is shipped globally. We use scientific tools to procure high-quality paddy that meets quality standards, conducting quality checks for each bag during unloading.

**Robust Quality Control Systems**

Our manufacturing facilities are equipped with cutting-edge technology to uphold stringent quality standards. Physical checks test for moisture content, grain length and breadth, black tips, red grains, green grains and various other parameters. Samples are collected from each bag, mixed,

homogenised and tested for mycotoxin to ensure comprehensive raw material inspection before processing.

Our commitment to quality is further demonstrated through in-house laboratories and high-end machinery, designed to meet regional and global requirements. Upgraded testing equipment, such as mass spectrophotometers, advanced X-rays and colour sorter machines, guarantees that our finished products are free from contaminants.



**Food Safety Certification**

- British Retail Consortium Global Standard for Food Safety (BRCGS), Issue 9
- International Featured Standards (IFS), Version 8
- Food Safety System Certification (FSSC) 22000, Version 5.1
- Food Safety Modernisation Act (FSMA)
- Better Process Control
- International Organisation for Standardisation (ISO) 9001:2015 for Quality Management System
- Hazard Analysis and Critical Control Points (HACCP)
- Compliant to different regulations and programmes related to food safety and quality, such as the Food Safety Modernisation Act (FSMA), Third-Party Certification Programmes (TTP), Foreign Supplier Verification Programmes (FSVP) and Qualified Individual Certification (QIC)
- ISO/IEC 17025:2017 Accredited Laboratory for Quality Management System (QMS)
- Compliant to additional requirements related to food safety and supply chain security that are imposed by Costco for its suppliers.

**Product Certification**

- Halal
- Safe Quality Food (SQF)
- Kosher and Kosher Passover

**Social Compliances**

- Social Accountability (SA) 8000
- Supplier Ethical Data Exchange (SEDEX)

**Environment and EHS Standards**

- ISO 14001:2015 (Environmental Management System)
- ISO 45001:2018 (Occupational Health and Safety Management System)

**Regulatory Standards**

- United States Food and Drug Administration (USFDA) Facility Registered
- Site is Approved for In-process Quality Control by Export Inspection Council
- Food Safety and Standards Authority of India (FSSAI)
- Registered Processing Unit by NPPO (National Plant Protection Organisation) for Export to USA and China

**Organic Certifications**

- National Programme for Organic Production (NPOP), India
- National Organic Programme (NOP) Technical Standards (USA)
- Organic EU
- Demeter Organic Certification
- Naturland Organic Certification
- Fairtrade Certification

**Other Certifications**

- Sustainable Rice Platform (SRP)
- Customs-Trade Partnership Against Terrorism (C-TPAT): Bahalgarh Facility
- Manufacturing Assessment and Recognition System (MARS): Bahalgarh Facility
- Costco Code of Conduct (COSTCO COC)
- Walmart
- Amazon: Bahalgarh Facility
- Mars Food Assured Status
- Wools Worth: Bahalgarh Facility
- Authorised Economic Operator (AEO)
- Bureau of Indian Standards (BIS)
- Voluntary Qualified Importer Programme (VQIP)





### Meeting Consumer Demands with Manufacturing Prowess

Our state-of-the-art production facilities across the Basmati and Other Specialty Rice Segment, Organic Food and Ingredient Segment and RTE / RTH and RTC Segment are designed to cater to the growing consumer demand. By embracing innovation and automation, we ensure that our consumers are consistently provided with superior products that stand shoulder to shoulder with global best practices in terms of both quality and efficiency.

#### State-of-the-art Production Facilities

Our production facilities, strategically positioned in Bahalgarh (Haryana), Varpal and Bhikhiwind (Punjab), Mandideep (Madhya Pradesh) as well as Rotterdam (Netherlands), Houston (USA) and Harlow (U.K.) are at the forefront of technological innovation. Each site is equipped with cutting-edge machinery, advanced automation technology and silos with a controlled atmosphere suitable for aging, all designed to elevate production efficiency and deliver unparalleled product quality.

These sophisticated advancements not only streamline operational processes but also substantially reduce manual intervention, ensuring exceptional consistency and significantly mitigating the risk of contamination.

#### Innovations in Production Efficiency

We have significantly enhanced our production efficiency by integrating advanced technologies, including state-of-the-art processing machines from milling to packaging, advanced racking systems and automated palletisers. These technologies are seamlessly integrated into our plant automation framework, resulting in



more streamlined operations, reduced waste and improved product quality.

By leveraging data analytics and Industry 4.0 principles, we have further optimised our operations, minimised downtime and accelerated our time-to-market, ensuring that our products consistently reach consumers faster.

#### Amplifying our Operational Scale

In our Basmati and Other Specialty Rice segment, we have enhanced operational efficiency beyond India by implementing a new rice cleaning line at our Houston facility in the United States, which optimises transportation costs, reduces inventory and increases supply chain flexibility. Additionally, we have expanded our European presence with the establishment of a manufacturing facility in Harlow, Essex, United Kingdom. This strategically located site, secured through a long-term lease, improves our cost competitiveness and ensures on-time service delivery to consumers across the UK.

In our Organic Food and Ingredient segment, we have extended our manufacturing footprint beyond India and Europe to Uganda, where we have set up a new facility, aimed at mitigating the impact of potential anti-dumping duties on soymeal. Nature Bio Foods, our organic arm,

has also scaled its operations by opening a new warehouse and factory in Africa, positioning us to meet growing consumer demand and maintain a competitive edge in the organic market.

In our RTE /RTH and RTC Segment, we are expanding our innovative product portfolio across various channels in India and internationally as well as expanding the capacity of the RTH plants. By continuously monitoring consumers needs and preferences, we strive to remain the preferred partner for our consumers worldwide.



#### Cost Competitiveness At Core

Our operational framework is built for agility, enabling us to swiftly adapt to market shifts and evolving consumer demands. By leveraging real-time data monitoring, adaptive production techniques and Six Sigma methodologies, we promptly address consumer feedback, optimise our processes and streamline our distribution channels. This approach ensures that our products consistently meet the highest standards of

manufacturing and distribution excellence.

#### Elevating Production Standards with Advanced Capabilities

Throughout the past year, we have enhanced our manufacturing capabilities by establishing a new facility and upgrading existing ones to cater to increasing consumer demand. Our deployment of advanced technologies, including automation and state-of-the-art machinery, improves both production efficiency and capacity. Lean manufacturing techniques streamline processes, address operational issues and maintain quality. Investments in technology and automation optimise resource utilisation and ensure that stringent quality control measures are followed.

#### Process Enhancements

We have embarked on a transformative journey to elevate operational excellence. By implementing Six Sigma and lean methodologies, we have engineered a streamlined production ecosystem, significantly curtailing waste and exponentially enhancing efficiency. A cornerstone of this initiative is the optimisation of head grain recovery,

where pioneering techniques have yielded remarkable improvements in product yield and resource utilisation. Our relentless focus on manufacturing precision ensures that each product represents the pinnacle of quality while delivering exceptional value to discerning consumers. Through a series of process overhauls, we have achieved substantial cost reductions, optimised resource allocation and elevated product quality to new heights.

74.7%

Operational Capacity Utilisation



#### Consumer-centric Packaging and Distribution

We prioritise the integrity of our products from packaging to delivery, ensuring they arrive in perfect condition. Our advanced logistics systems and stringent packaging standards guarantee that our products meet all safety regulations and provide consumers with a seamless experience.

#### Advanced Packaging Standards

We maintain rigorous packaging standards to ensure that every product reaching our consumers upholds the highest safety and quality standards. Before packaging, all protocols related to packaging material safety are evaluated, including migration, specific and heavy metal migration, Mineral Oil Saturated Hydrocarbons (MOSH)/ Mineral Oil Aromatic Hydrocarbons (MOAH), food grade certification and physical strength checks.

We ensure that all packaging processes are completed well-on-time, maintaining efficiency without compromising on the stringent safety protocols and the finished product complies with all the regulatory requirements of the respective countries.

20

Outlets in India

80+

Countries In Which We Are Present

1850+

Distributors Across the Globe



# Human Capital

## Beyond Workforce

*Nurturing Talent*



### SDGs



At LT Foods, going beyond signifies a resolute commitment to our people, who bring passion, creativity and drive, making us who we are. Recognising the crucial role they play in our collective success, we invest in their growth, continuous learning, health and well being. We seek to nurture a vibrant work culture and a thriving community where everyone feels valued and empowered to reach their full potential. By equipping employees with the necessary skills and resources, we ensure they are empowered and motivated to deliver exceptional value to our consumers.

#### Key Highlights of FY 2023-24

**2,490+**

Employees Globally





**10.4**

Training Hours per Person

**13**

Health Awareness Sessions Conducted

#### Material Issues

-  Learning and Development
-  Diversity and Inclusion
-  Health and Safety
-  Human Rights



### Towards a Future-ready Workforce

In the last few years, LT Foods has been on a pivotal human resources transformation journey,

charting the course to redefine and elevate our HR landscape to meet the dynamic needs of a growing global organisation. This journey, aligned with our

vision, aims to cultivate a high-performance culture and ensures a consistent employee experience, transcending geographical and functional boundaries.



### Laying the Foundation for Clarity and Efficiency

The transformational journey began with a thorough review of our organisational structure, people processes and practices as well as work culture. By redefining roles and responsibilities at all levels, we enhanced clarity and

alignment within our teams, driving a high-performance culture, riving us closer to our strategic vision. This reorganisation was carefully planned and executed, with a focus on defining distinct roles including individual Key Result Areas (KRAs) and Key Performance Indicators (KPIs), essential for

high performance, operational efficiency and sustainable growth. Extensive communication at both group and individual level, ensured that every employee understood their specific role, providing a clear path for career progression.



### Building a Strong Foundation for New Talent

To support our growth, we have enhanced our campus hiring programmes to attract and seamlessly integrate young talent. We focus on hiring from renowned institutions like Indian Institute of Technology (IITs), National Institute of Technology (NITs), Indian School of Business (ISB), Mudra Institute of Communications Ahmedabad (MICA), Symbiosis Institute of International Business (SIIB) and other top engineering and management schools, ensuring a sustainable talent pool and thereby creating future leaders. We invest extensively in their learning and transition to the new business world. From day one, our aim is to make new team members feel welcomed, valued and empowered to contribute to realising the Company's vision.

**520+**

New Hires

### Advanced Recruitment and On-boarding

Our recruitment strategy has been finely tuned to attract and integrate top-tier talent, essential for achieving our business goals. We employ advanced assessment tools, carefully mapped to different levels of hiring, ensuring a comprehensive evaluation of each candidate's potential and competencies. This thorough process is followed by a seamless onboarding experience, where new hires are smoothly integrated into our organisation, enabling a swift and effective assimilation. The onboarding process at LT foods is designed to make a significant impact from day one.



### Innovative Onboarding Processes

The onboarding process at LT Foods is designed to make a significant impact from day one. The entire paperless process has been automated via our HRIS platform, from new hire forms to required training, all conveniently accessible. We welcome all new employees with a Company-provided lunch, decorated workspaces and Company-wide announcements. To ensure a smooth transition, new hires are surveyed regularly, with any issues reported in the surveys resolved promptly.

### Continuous Feedback

We believe in the power of continuous feedback to support our new hires. Structured feedback is provided at multiple stages to ensure they are integrating well and any concerns are addressed promptly. This ongoing communication helps us maintain a supportive and responsive work environment.







### LT University: A Framework for Continuous Learning and Innovation

We always endeavour for continuous learning and professional development of our employees through a robust Learning and Development framework. This initiative is designed to equip our workforce with the necessary skills and knowledge to innovate continually and making them ready to conquer the challenges of the industry.



10.4

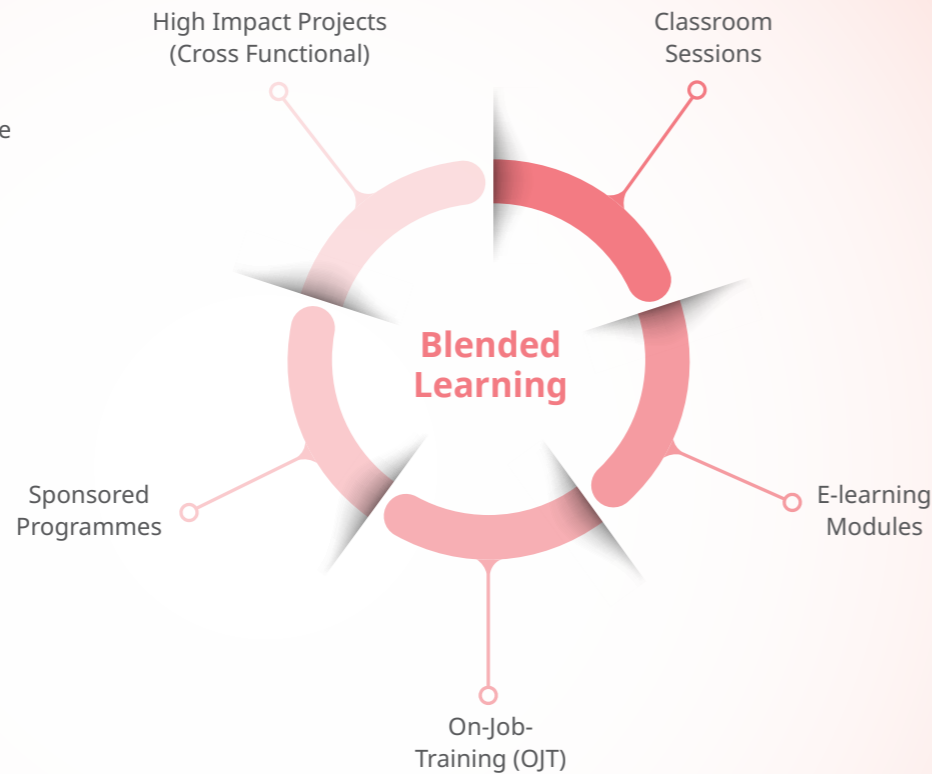
Training Hours per Person

2,115

People Provided With Skill Upgradation Training

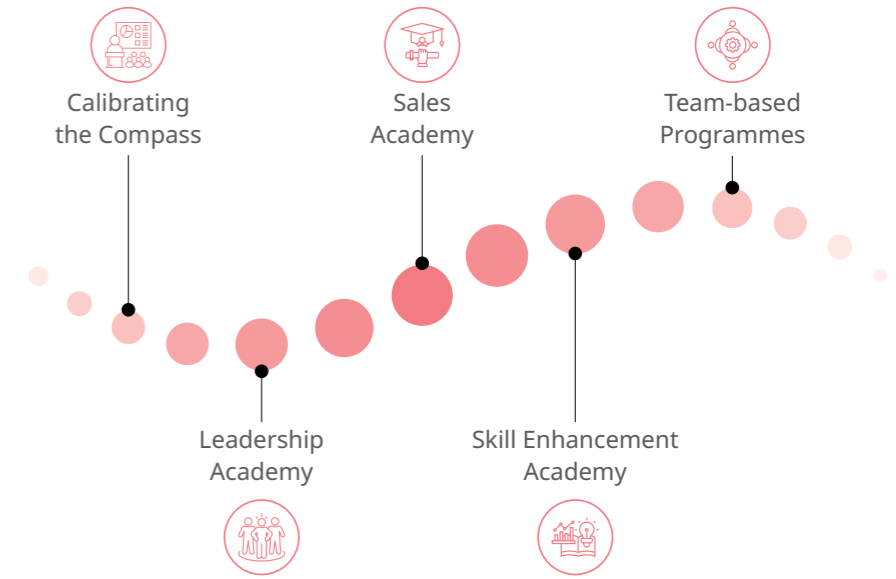
### Comprehensive Learning Framework

This framework includes blended learning techniques that integrate talent management, succession planning and leadership development. By promoting a culture of continuous learning and development, we empower the team members to reach their full potential.



### LearnOSpace

'LearnOSpace', one of the flagship platforms of the LT University, is an online learning management system. With over 250 courses across various domains, it is designed to empower employees with the knowledge and skills they need to excel in their current roles and tackle future challenges with confidence. This platform provides flexibility to learners to learn at their own pace and time. True to its motto, 'Empowering Learning and Inspiring Excellence', it enables continuous development and drives professional success.



### Nurturing Future Leaders

Investing in the future leaders is key to our long-term success. Our leadership development programmes are tailored to cultivate the potential and skills among people. By prioritising internal talent for leadership roles, we ensure a sustainable pipeline of capable leaders, many of whom have grown within the Company over the past two decades.

### Leadership Development Programme (LDP)

This programme caters to managers at different levels, from new managers to senior leaders. It is divided into Essentials, Advanced and Sponsored segments to address the specific needs of each group, ensuring comprehensive development.

### High-potential (HIPO) Programme

This programme identifies individuals with exceptional potential and provides them with accelerated development opportunities. By aligning their aspirations with organisational

objectives, we create Individual Development Plans (IDPs) that serve as roadmaps for their career progression.

17%

Women-force in Management



### Diversity as a Pillar of Organisational Strength

At LT Foods, diversity and inclusion are more than just ethical imperatives; they are strategic advantages that enrich our team dynamics, fuel innovation through the broad range of perspectives they bring.

### Inclusive Culture and Hiring Practices

Our recruitment philosophy provides equal opportunities to all candidates, ensuring that recruitment is based solely on merit without discrimination based on gender, race, ethnicity among others. Our commitment to diversity and inclusion is regularly monitored and reported, ensuring we stay on track with our goals.



Our ongoing efforts to nurture an inclusive culture are supported by regular diversity training and sensitisation initiatives. We ensure that the Company policies are designed to promote equal opportunities and career growth based on merit.

**Supportive Policies**

We offer robust support policies for all employees, including six months of maternity leave, paternity leave and flexible working arrangements to support parenting duties. Our policies are crafted to support the well-being of our team members, ensuring they have the flexibility to thrive both at work and at home.

**Workplace Culture**

Our ongoing efforts to nurture an inclusive culture are supported by regular diversity training and sensitisation initiatives. We ensure that all policies are designed to promote equal opportunities and career growth based on merit.



**Aligning Individual Goals with Corporate Vision**

Our Performance Management System (PMS) is a cornerstone in cultivating a high-performance culture. The overall objective of our PMS system is to align individual goals with the corporate vision and strategy, ensuring that every employee's efforts are directly contributing to broader organisational success.

We are committed to fostering transparency, trust and fairness within our Performance Management System (PMS) process. By rewarding differentiated performance, we not only recognise excellence but also motivate the employees to strive for continuous improvement.

**Regular Reviews**

A key component of Performance Management System (PMS) is the emphasis on continuous feedback, which helps employees to stay aligned with their goals, make necessary adjustments and achieve optimal outcomes.

**2,333**

People Provided With Performance And Career Development Review



**Creating a Vibrant and Committed Workplace**

We recognise that a deeply engaged workforce is fundamental to driving productivity, excellence and innovation. To this end, we implement a wide range of employee engagement initiatives, including robust communication channels, recognition programmes, employee well-being initiatives and the celebration of festivals together. These efforts foster a strong sense of belonging and contribute significantly to high levels of employee satisfaction and organisational success.

**Our commitment to creating a vibrant and inclusive workplace is further validated by our recognition as a Great Place to Work (GPTW) certified Company for the fifth consecutive year.**

**Regular Communication and Feedback**

We maintain a two-way dialogue with employees through frequent leadership connects, town halls, in-person sessions and organisational communication events.

**Recognition and Rewards**

We continuously recognise and celebrate the contributions of our employees. Our various formal recognition platform such as 'Ignite and Innovate,' LT Star, LT Team Excellence and 'On-the-Spot' awards, are designed to highlight the noteworthy achievements of our team members.

We also host team dinners, where employees are celebrated in the presence of their colleagues, creating a culture of appreciation and ongoing motivation among team members.

**Team Building Activities**

From cross functional team offsites to annual functional meets, we create opportunities for team building and collaboration. These activities strengthen team spirit and enhance collaboration across the organisation.

**Shared Celebrations**

We enhance workplace enjoyment through a variety of employee engagement activities and celebrate festivals together. These fun and festive events create a lively and inclusive atmosphere, fostering camaraderie and a positive work environment.



**Promoting Health and Work-life Balance**

Recognising that our employees are our greatest asset, we emphasise their health and well-being. Our Company's comprehensive well-being programmes are thoughtfully designed to support every aspect of employees' lives. We are committed to providing the resources and assistance they need to maintain a healthy work-life balance, ensuring they thrive both personally and professionally.

**13**

Health Awareness Sessions Conducted

**Health and Wellness Programmes**

We provide comprehensive medical insurance that extends coverage to employees, their spouse, parents and children. Wellness initiatives also include periodic health check-ups and informative sessions with experts,

addressing a wide range of topics such as mental, emotional, social, physical and financial well-being.

**Supportive Work Environment**

Our value system is deeply rooted in empathy and support. In times of need, we go above and beyond to ensure our people feel cared for and supported, reflecting our culture of compassion and responsibility.

We are committed to fostering a supportive work environment that enables employees to balance their work and personal responsibilities effectively. Flexible working arrangements, parenting support policies and daycare facility, among others, are the options available to help the team in managing their unique needs.

**Employee Assistance Programmes**

We offer programmes to support employees in times of need, ensuring they have access to resources and support for maintaining their overall well-being.



# Intellectual Capital

## Beyond R&D

*Innovation through Consumer Insights*



### SDGs



We continuously enhance our knowledge and invest in R&D to anticipate and understand our consumers, evolving demands, exceeding trends to address their unmet requirements. By embracing digital transformation and leveraging advanced technologies, data analytics and digital tools, we gain profound insight into consumer behaviour, going beyond conventional wisdom. This enables us to streamline operations and develop products that truly resonate with our consumers, requirements. We constantly strive to go beyond, delivering value and exceeding expectations.

#### Key Highlights of FY 2023-24

**₹ 8.34 Cr**

Investment in Innovation

**100%**

Digital Procurement With An Integrated Traceability System

#### Material Issues

-  Food Safety and Quality of Ingredients
-  Clean Label (Preservative Free)
-  Data Security and Privacy
-  Innovation and R&D
-  Intellectual Property Protection



### Strengthening Brand Equity

Our goal is to create products that not only fulfil consumers' evolving needs but also enhance consumer experience. We are committed to redefining excellence across our umbrella brand, enhancing our product offerings at every price point.

Central to our strategy is a dynamic engagement plan that seamlessly integrates mass and digital media, ensuring consistent outreach and consumer interactions.

This dual approach not only amplifies our brand presence but also encourages product trials, positioning DAAWAT®, Royal® and our other regional brands as household names.

Moreover, we are expanding our horizons by venturing into previously untapped segments.

By going beyond speciality rice segment, we are offering convenience solutions with rice, i.e Cuppa rice, DAAWAT® and Biryani kits.

Leveraging the brand equity of Royal®, we are focusing on value

engineering to introduce innovative products. Our offerings include convenience-driven solutions such as 'Culinary Adventure', which makes complex recipes easy to cook at home and 'Anytime Anywhere Rice Mini Meals/Snacks', catering to the growing demand for quick and healthy meal options i.e ready to heat.

Through targeted new product developments, we are catering to emerging and regional market segments, diversifying our portfolio and reinforcing our presence across varied consumer demographics.



### Innovation Tailored for Consumers

We view food as a catalyst for bringing people together, creating bonds and memories that go beyond geographic and cultural divides. Acknowledging the diverse tastes and convenience needs of our global consumers, we place immense value on their feedback. Our development process is deeply rooted in this understanding, employing an incubation model for new product launches. This allows us to fine-tune products, based on real-time consumer insights and market performance before committing to a full-scale launch. By combining extensive market research with strategic testing, we ensure that our offerings align perfectly with the varied preferences and lifestyles of our consumers worldwide.

we are creating personalised meal kits that offer convenience. Our focus on growing the distribution of our DAAWAT® Biryani Kit nationally and internationally, including markets like North America, UK and Europe, ensures our innovative products reach a broader audience, aligning with consumer needs and preferences worldwide.

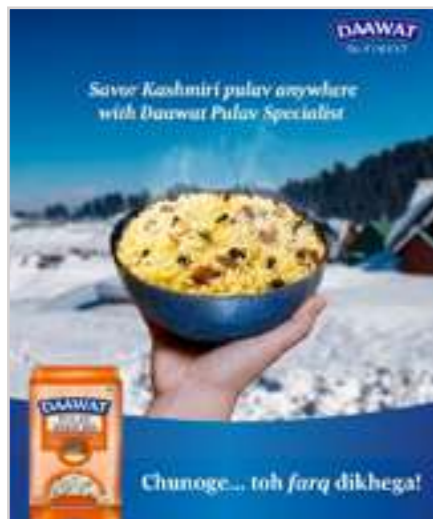
### Collaborative Efforts for Better Consumer Products

We collaborate with prestigious government organisations, including the National Physical Laboratory (NPL) under the Council of Scientific and Industrial Research (CSIR-Govt. of India), for learning, knowledge sharing and

technology transfer. We continually improve our processes and review new technological developments, prioritising social, ethical and environmental considerations in our operations.

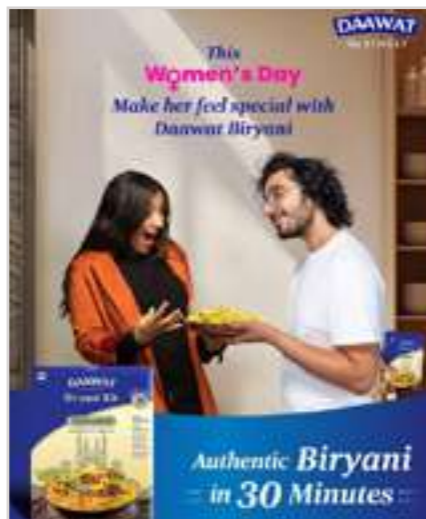
Food safety at LT Foods is a scientific discipline, drawing from fields such as chemistry, microbiology and engineering. We invest in quality control, process testing and laboratory infrastructure. Our team of over 50 experts, ranging from graduates to doctorates in agriculture, microbiology, biotechnology, food technology and engineering, promises the highest standards of quality.

A blend of conversational, contextual and conventional methods has helped us consistently gain market share in India-



#### Conversational

We connect with consumers through relatable, interactive content, fostering loyalty and trust.



#### Contextual

By positioning our brand within relevant cultural contexts, we ensure our products have a consistent top-of-mind recall.



#### Conventional

Traditional advertising remains the backbone of our strategy, amplifying our brand message across a spectrum of media touchpoints.

### Innovative Products for Consumer Delight

We enriched our superfood portfolio with 'DAAWAT® Quick Cooking Red Rice', rich in phytonutrients and high in fibre and launched Organic Sona Masoori, catering to health-conscious consumers with premium-quality products in India as well as globally. These additions follow the successful launch of DAAWAT® Quick Cooking Black Rice and DAAWAT® Quick Cooking Brown Rice, furthering our efforts to promote healthier eating habits.

Additionally, we are developing ready-to-make rice desserts and other international rice-based cuisines that reduce cooking effort without compromising taste. To further expand consumer choices,





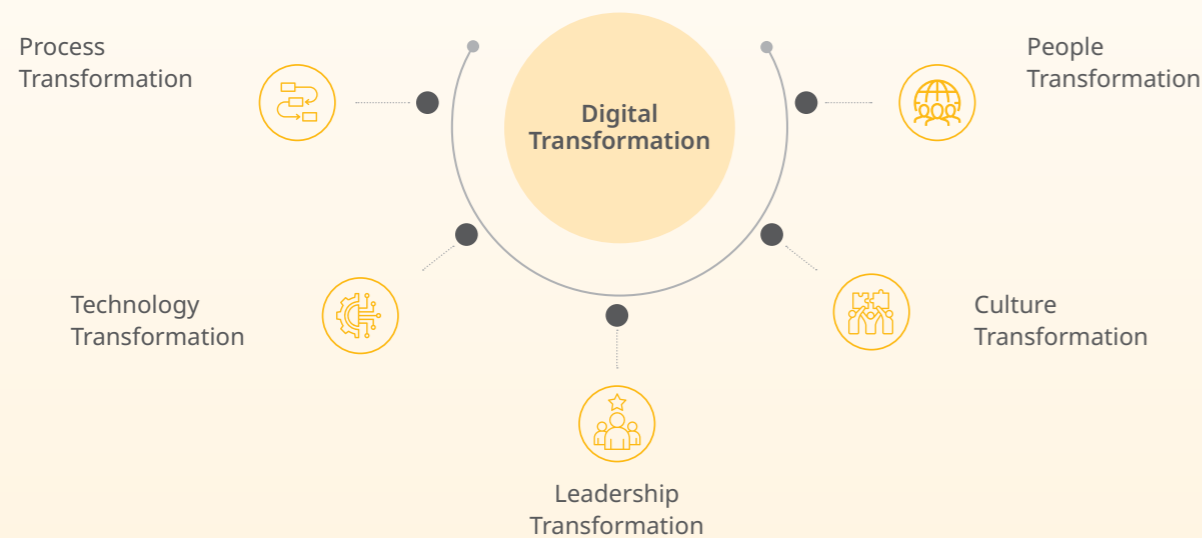
### Going Beyond with Digital Transformation

During the year under review, we accelerated our digital transformation journey by utilising advanced technologies for enhanced operational efficiency, consumer engagement and focused innovation across all organisational aspects. Our focus on a data-driven AI framework has enabled us to redesign our strategies from a consumer-centric perspective, positioning us to identify emerging trends with precision.

### Digitalisation Transformation - Fit for Future

Build Smart and Intelligent Enterprise which can Drive **1.5X2X** Business Value

#### Living in a VUCA world



#### LT Foods - Key Objective of Digitalisation

- Enhance Stakeholder Experience
- Create more Value for Consumers
- Optimise and Rationalise Cost
- Enhance Productivity
- Bring more Transparency
- Reduce Risk and Enable Compliance
- More Control and Agility
- Enhance Safety
- Enable Better and Fast Decision Making
- Enable ESG Strong Brand Value
- Better Market position



### Procurement Transformation

By integrating advanced digital solutions into our procurement processes, we have transformed the way we manage sourcing, purchasing and supplier relationships. These innovations empower us to make data-driven decisions swiftly, optimise costs and maintain transparency throughout the supply chain.

#### Key Initiatives

##### Mandi Portal

The Mandi portal revolutionises our procurement process by digitalising various buying activities. It enables live tracking of paddy arrivals, facilitates online bidding and provides real-time market analysis, competitor activity monitoring and purchase offers. This comprehensive approach ensures that we procure the right quantity and variety at the optimal price, allowing us to make quick, informed decisions about what to buy and when to buy.

##### Weighbridge Automation

We have fully automated our weighbridge systems using high-end cameras and sensors. This automation guarantees accuracy, control and transparency in the net weight of materials received at our plants, minimising discrepancies and enhancing operational efficiency.

##### UD Application

The UD application ensures stringent quality control over the paddy and rice we purchase. By digitising end-to-end buying process, this application streamlines operations, manages volumes effectively and reduces complexities, making our procurement function more efficient and productive.

#### Benefits

- Enhanced day to-day productivity
- Reduced turnaround times
- Optimised costs across various procurement areas
- Accelerated decision-making

### Sales Transformation

By adopting cutting-edge digital tools, we have improved our sales operations, enabling better management of sales processes, enhanced consumer engagement and real-time visibility into market dynamics. These advancements empower our sales teams to operate more effectively and deliver better consumer experiences.

#### Key Initiatives

##### Sales Force Application

This application streamlines daily sales activities, managing attendance and optimising beat plans for field staff. It offers real-time insights into product-wise daily off-take at the store level, monitors promotions, schemes and incentives as well as ensures compliance with store-level requirements such as shelf share, planogram adherence, stock levels and pricing. Additionally, it provides a 360-degree view of consumers, effectively managing leads and opportunities.

##### Customer Portal and Dealer Management System (DMS)

Our Customer Portal and DMS significantly enhance consumer experience by managing primary and secondary orders, credits and providing real-time visibility into price lists, promotions and dispatch tracking. This transparency fosters greater reliability and trust, which are crucial for sustainable business growth.

**Benefits**

Reduction in stock-outs, leading to increased primary and secondary sales volumes

Improved store performance through enhanced visibility and share of shelf

Optimised costs across various procurement areas

**Supply Chain Transformation**

The supply chain is the backbone of our operations, ensuring that products move seamlessly from production to the consumers. We have embraced automation and digitalisation to enhance the efficiency, transparency and reliability of our supply chain. These innovations are crucial in maintaining high service levels, optimising costs and ensuring that our supply chain remains resilient and agile.

**Key Initiatives**

**Automation of Packing Lines**

Leveraging robotic arms, sensors and barcodes, we have automated our packing lines, ensuring precision, speed and reduced manual intervention.

**Warehouse and Depot Automation**

Through advanced eWM (Extended Warehouse Management) systems, we have digitalised our warehouse and depot operations, improving accuracy, reducing operational times and enhancing overall productivity.

**End-to-End S&OP Process Automation**

We have fully automated our Sales and Operations Planning (S&OP) process, encompassing demand planning, supply planning and inventory management. This ensures that we maintain optimal inventory levels and meet consumers, demand efficiently.

**Benefits**

Improved inventory hygiene and end-to-end traceability, reducing slow-moving and obsolete inventory

Enhanced warehouse operations, leading to higher productivity and reduced Service Level Agreements (SLAs)

Better service levels, reduced consumers returns and improved customer satisfaction (CSAT)

Optimised supply chain costs, improving working capital through better inventory, freight and asset utilisation

**Finance Transformation**

Finance is the nerve centre of our organisation, consolidating all aspects of business performance to provide a clear picture of our overall health. We are transforming our finance function through digitalisation, aiming to make it more efficient, accurate and near real-time. This transformation allows us to enhance financial reporting, optimise costs and support better decision-making, ultimately strengthening our balance sheet and improving financial resilience.

**Key Initiatives**

**Product Costing and Profitability**

Our financial processes have been streamlined to enhance cost controls and operational discipline across procurement, production and sales.

**Analytics**

We have developed real-time dashboards for Accounts Receivable (AR), Accounts Payable (AP), Balance Sheets (BS) and Profit & Loss (P&L) statements. This automation of Management Information Systems (MIS) and financial KPIs ensures that insights are available at the click of a button, enhancing our ability to make data-driven decisions.

**Master Data Management**

Continuous improvement in data quality is a priority under our Master Data Management initiative. This enhances our analytics capabilities and increases the potential for further automation, supporting better decision-making across the organisation.

**Benefits**

A finance function that is touchless and nearly real-time

Improved Days Sales Outstanding (DSO), reduced write-offs and enhanced working capital

A stronger balance sheet, ensuring financial stability and resilience

**Ensuring Cybersecurity and Data Privacy**

In an increasingly digital world, safeguarding cybersecurity and data privacy is a major concern. We have implemented robust security measures, including multi-factor authentication, encryption and continuous monitoring, to protect our systems and data from cyber threats. Our commitment to data privacy is evident in our adherence to global data protection regulations, ensuring that consumer and employee data is handled with the utmost care.



# Social and Relationship Capital

## Beyond Partnerships

*Fulfilling Our Social Responsibilities*



### SDGs



We shoulder our social responsibility by creating a positive impact that resonates with our communities, consumers and partners. We go beyond just providing education, skill development, health and livelihood opportunities- we empower local communities to build stronger, more resilient futures. We partner with farmers, helping them grow beyond their dreams and achieve sustainable success. We collaborate with vendors, achieving more together than we could alone. To drive mutual growth, we support our channel partners every step of the way, going beyond and making a tangible difference.

#### Key Highlights of FY 2023-24

**230+**

Procurement Network

**30,000+**

CSR Beneficiaries

**1,400+**

Distributors

#### Material Issues

-  Responsible Marketing and Advertising
-  Sustainable Farming and Raw Material Sourcing
-  Business Ethics and Integrity



### Integrated Village Development Programme for Communities

We are committed to transforming villages in Madhya Pradesh into model communities by providing essential infrastructure, such as clean drinking water, street lights, menstrual hygiene and health support, comprehensive schooling and sustainable livelihood opportunities. By working closely with community members, we promote growth and development, empowering individuals to achieve their full potential and creating a replicable model for village development.

4

Villages Impacted in Raisen District, Madhya Pradesh

11

Villages Impacted in Chattarpur District, Madhya Pradesh

#### Enabling Learning

Education is the cornerstone of societal progress. We focus on enhancing the learning environment in schools by:



#### Classroom Renovation

Upgrading classrooms to provide a safe and inviting space for students.



#### Modern Sanitation Facilities

Building modern toilets and bathrooms to ensure hygiene and comfort.



#### Secure Boundaries

Constructing school boundaries to enhance safety.



#### Sports Facilities

Levelling grounds and installing sports equipment to encourage physical activity.



#### Aesthetic Enhancements

Beautifying schools, planting trees and vibrant wall paintings.

#### Illuminating Villages

Recognising the challenges of rural electrification, we have installed solar street lights across villages in Chattarpur District, Madhya Pradesh.

This initiative enhances safety and mobility after dark, especially for women and children and enables community participation in various activities.



160+

Solar Street Lights Installed

#### Effective Water Management

To tackle water scarcity, we constructed ponds and check dams, including a pond in Khairi village, with a significant capacity and multiple check dams in Nandpura, Dhanpura and Tapriyan villages. These structures aid in rainwater harvesting, prevent soil erosion and recharge groundwater, promoting sustainable water management. To enhance connectivity and sanitation, we have constructed village roads and drainage systems, improving transportation and water management.



5

People Uplifted with Scholarship Programme for Higher Education

45

Through LT Foundation, we have made a positive impact on over 10,000 students.

300

School Bags distributed

#### Providing Safe Drinking Water

Ensuring access to clean drinking water, we have installed community water filters with substantial capacity and distributed household water filters and water wheels. These efforts reduce health risks and ease the burden of water collection, especially for women and girls.

900+

Water Purifiers Made Available



#### Promoting Well-being

We have upgraded the Taparian village Community Health Centre with modern facilities and conduct regular health camps, offering free check-ups and necessary medicines. Recognising the need for communal spaces, we have constructed community centres in Taparian and Jataphadi villages. These centres serve as venues for meetings and gatherings, fostering social cohesion.

We organise cleanliness drives and promote education on garbage management, significantly improving village cleanliness and instilling a sense of hygiene. We also address menstrual hygiene by distributing sanitary napkins and conducting awareness sessions.

70,000

Sanitary Pads Distributed For Women's Health And Safety

#### Empowering Livelihoods

To support livelihoods, we have facilitated goat farming by distributing local and sirohi breed goats to needy families. This initiative helps increase their annual income and nutritional intake through goat milk production, providing a sustainable source of livelihood.

We also offer various skill development training to local residents, enabling them to establish income-generating units. Our agricultural support includes providing quality seeds, spray pumps and solar insect traps, enhancing crop yield and farming efficiency.

19,860 kg

Soyabean Subsidies Distributed Among Farmers

400 kg

Tricoderma And Sumona Supplied To Farmers

100

Sickles Provided To Farmers







### Collaborative Efforts for Community Enrichment

#### Nurturing Potential

In partnership with Udyan Care, we promoted education among girl children. This collaboration aims to improve school infrastructure, provide quality education and support initiatives that empower girls. Our goal is to increase enrollment and retention rates, offering girls better educational opportunities.



#### Elevating Healthcare

Through our partnership with Maharaja Jagat Singh Medical Relief, we enhanced healthcare services in rural areas. We strived to improve access to medical facilities, conduct health camps and provide necessary medical support, ensuring quality healthcare for local residents.



### Promoting Holistic Health

We helped to establish the Aajevika Swasthya Sahaytya Kendra Wellness Centre to provide health services, including screening for oral, breast and cervical cancers. The centre offers dietary and lifestyle counselling as well as follow-up referrals. Managed by a consortium of entrepreneurs and local women, the centre promotes health-conscious behaviour and creates livelihood opportunities for women, shifting the focus from illness to wellness.



### Amplifying Consumer Engagement

Through a combination of innovative product trials, dynamic portfolio expansions, culturally rich campaigns and a significant digital presence, we aim to connect deeply with our audience, drive growth and build lasting consumer loyalty. To boost the revenue share of new product development (NPD) from 2% to 10%, we are expanding into adjacent categories and strengthening consumer penetration. We are now focused on attracting new consumers and enhancing brand recall by promoting our diverse product lines, such as Super Foods, Regional Specialty Rice and Global Specialty foods.

To diversify our portfolio, we prioritised food expressions and recipes, festive packs, consumer promotions and in-store activations, reaching a wider audience and driving product awareness and sales.

### Strengthening the Strong Brand Equity

#### Crafting Moments with Biryani

The DAAWAT® Biryani Kit campaign teaches husbands the art of serenading their wives with an authentic biryani, deepening emotional connections through the joy of cooking.



### Experience the Difference

The 'Sahi Chunoge toh Farq Dikhega' campaign engaged voters during the election season, encouraging informed choices. It also encouraged consumers to choose DAAWAT® Basmati Rice for its superior quality, emphasising the difference that choosing the best makes in their meals.



### Contextual Marketing

#### Lighting Up Diwali

Our Diwali campaign positioned DAAWAT® Basmati Rice as the ideal choice for festive meals during the festival of lights, focusing on the role of quality rice in traditional celebrations.



#### Celebrating Sibling Bonds

In a special Raksha Bandhan campaign, we celebrated the bond between siblings, reminding audiences of the joy that comes with sharing meals made with DAAWAT® Basmati Rice.



**Eid Feasts with DAAWAT®**

Our culturally immersive Eid Campaign resonated deeply with consumers during the festive season. We partnered with Farah Khan and Irfan Pathan, using DAAWAT® Biryani as a symbol of celebration and togetherness, aligned with the essence of this special occasion.



**Cricket and Cuisine**

We captured the excitement of IPL 2024 final between Sunrisers Hyderabad and Kolkata Knight Riders with our DAAWAT® Biryani Kit campaign. The campaign connected the excitement of watching cricket with the delight of enjoying a perfectly cooked biryani.



**Conversational Marketing**

**World Biryani Day**

World Biryani Day, celebrated on July 7, 2024, was a grand initiative, designed to honour the beloved dish of biryani and to elevate the visibility of our flagship product, DAAWAT® Basmati Rice. We marked the third anniversary of DAAWAT® World Biryani Day by launching an AI-enabled personalised campaign, featuring Chef Sanjeev Kapoor. This innovative campaign allowed consumers to interact with the brand in a unique way, enhancing their experience.

The interactive elements of the campaign, including social media contests, influencer collaborations and on-ground events, stimulated strong engagement. Consumers participated in sharing their biryani recipes and experiences, creating a vibrant community

around the celebration. By honouring the rich culinary tradition of biryani and highlighting the exceptional quality of DAAWAT® Basmati Rice, the campaign not only enhanced brand visibility but also deepened consumer loyalty and contributed to business growth.



**Celebration Highlights**

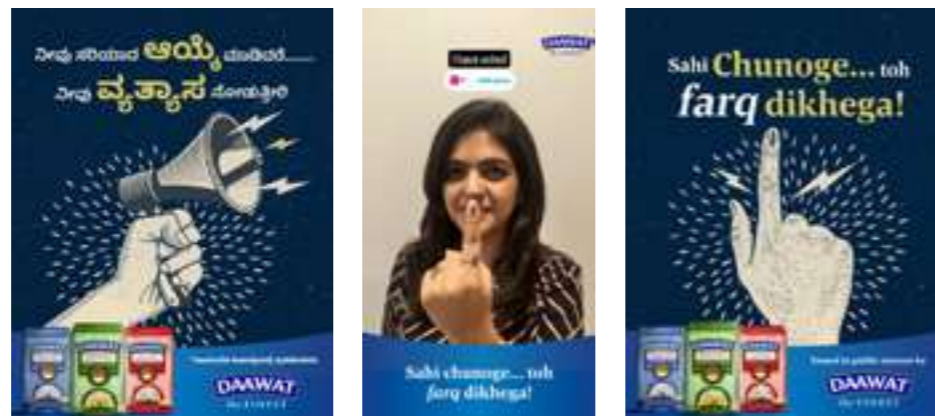
Collaborations with leading food brands across India, uniting Biryani lovers nationwide.

An electrifying live concert by Piyush Mishra's Ballimaran, celebrating the love for Biryani.

Last year, we set a Guinness World Record for 'The Largest Biryani Tasting Session,' honouring Biryani as a global culinary treasure.

**Making Choices Count**

We engaged with the local audience during the legislative assembly elections in Rajasthan and Karnataka, presenting DAAWAT® Basmati Rice as a symbol of choice and quality during these significant events.



**Strengthening the Super Food Portfolio**

**Expanding Horizons**

Building on the success of our DAAWAT® Quick Cooking Black and Brown Rice, we enriched our Super Food portfolio by launching DAAWAT® Quick Cooking Red Rice, designed for health-conscious consumers.





**Empowering Farmers with Sustainable Rice Platform (SRP)**

Through SRP, we aim to redefine the agricultural landscape with direct farmer engagement and ethical sourcing. We offer farmers

premiums and incentives to encourage them to embrace sustainable practices, ensuring long-term value and environmental stewardship. Our efforts are designed to enable a more sustainable future, benefiting both

farming communities and the environment. Each of our initiatives, from soil health improvement to water conservation and reduced chemical usage, aims to create a positive impact.



# From Farm to Consumer



We are advancing traceability and transparency across our supply chain. This effort not only aligns with our sustainability goals but also empowers consumers with deeper insights into the origins of the products they use daily. We have implemented a comprehensive web-based, real-time negotiation and agreement system, which has enhanced transparency in our procurement processes, ensuring that each step from farm to factory is mapped.

Further to this, we have deployed the 'Trace Origin' platform by utilising blockchain technology for precise product traceability at our subsidiary, Nature Bio Foods. Consumers can access detailed information through QR codes, revealing the farms'

locations, our farmers' commitment, soil quality, climate conditions and our stringent sustainability practices.

We follow Chain of Custody (CoC) guidelines at the plant level to guarantee transparent and consistent traceability as part of our SRP. Independent approvals and extensive audits verify these standards, earning our consumers' trust and making sure that our products satisfy the most stringent sustainability criteria. Choosing our products, empowers farming communities, supports sustainable agriculture and protects the planet's resources for future generations.



**Strengthening Vendor Relations**

We prioritise vendor capabilities, including infrastructure, technology and human resources. As part of our ESG goals, we are conducting vendor awareness programmes to include them into our sustainability journey. We are educating our vendors on our approach to creating a better planet and during vendor audits, we place special emphasis on environmental and social practices, making this a formal part of our process. Through this journey, we aim to implement a Sustainable Packaging Procurement Policy as a Company-wide goal. An extensive evaluation process, incorporating a comprehensive checklist is in place to ensure that vendors meet our stringent Environmental, Social and Governance (ESG) compliance criteria.

**Performance-based Vendor Classification**

Our vendors are categorised into gold, silver and bronze partners, based on performance metrics such as quality, pricing, delivery and service levels. Improvement areas are clearly communicated to lower-tier partners to drive growth and enhance overall performance.



**Expanding Channel Partner Networks**

To enhance channel partner engagement, we prioritise building strong connections and driving collaborative growth. At our recent grand gala event at the Burj Al Arab in Dubai, LT Foods and its global partners came together to celebrate the year's achievements. The event brought to the forefront our strong partnerships and shared goals, laying the groundwork for future success. Additionally, our Annual Business Meet 2024 in Gurgaon provided an opportunity for in-depth discussions and team-building activities with our vendors. These gatherings are not just celebrations but are designed to encourage teamwork and collaboration, ensuring that our partnerships remain strong and continue to contribute to collective growth.

# Natural Capital

## Beyond Compliance *Championing Sustainability*



### SDGs



At LT Foods, we are on a mission to go beyond the ordinary and achieve extraordinary results. We are not just meeting sustainability standards, we are setting new ones. From pioneering sustainable sourcing initiatives to pushing the limits of eco-friendly production, we are constantly seeking new frontiers in responsible food production. We are going beyond today's solutions to create a better tomorrow.

#### Key Highlights of FY 2023-24

**1,58,784 KL**

Water Recycled

**7,824 MT**

Waste Recycled

**2,75,28,318 kWh**

Renewable Energy Utilised

#### Material Issues

-  Climate Change
-  Sustainable Farming and Raw Material Sourcing
-  Water Management
-  Waste Management
-  Sustainable Packaging



### Nurturing Healthy Soil Ecosystem

The quality and yield of our crops heavily rely on soil health. Hence, we closely monitor soil health by recording data and tracking farm activities. Our field officers visit farms twice a week, promoting the adoption of sustainable practices. Internal and external audits are conducted to maintain high standards and identify improvement areas. Annual soil and water testing ensures that the fields remain fertile and productive. Through these measures, we aim to preserve

the land for future generations while maintaining the quality of yield.



### Reducing our Water Footprint

Water conservation is essential for advancing sustainable agriculture. We have adopted various initiatives focused on reducing water consumption and enhancing sustainability. All our plants have Zero Liquid Discharge (ZLD) facilities to prevent wastewater from being released into the environment. By recycling water and monitoring it with advanced flowmeters, we ensure every drop is used efficiently. We have replaced traditional

taps with smart taps to further minimise wastage.

Additionally, to enable groundwater recharge, we have invested in a rainwater harvesting plant and a pond within our facility. Our wastewater recycling projects reduce freshwater consumption by treating and reusing water for non-potable applications. We also support responsible agricultural practices by introducing water-efficient technologies.

Through these measures, we not only minimise water usage but also reduce the water stress level in the area.

We ensure transparency and accountability in water management through rigorous third-party government audits. These audits confirm our adherence to regulatory standards and evaluate the effectiveness of our water conservation strategies throughout our supply chain.





### Maximising Energy Efficiency for Lower Emissions

Effective energy management is crucial for reducing emissions. To address this, we have implemented several sustainable practices, including using solar panels and biofuels to generate electricity. These efforts have significantly lowered our carbon footprint, producing around 27.5 million kilowatt-hours of renewable energy, which accounts for 43% of our India's operations.

We continually strive to optimise our operations through various initiatives. These include enhancing

equipment efficiency by upgrading steam dryers, air compressors and motors to higher energy-saving standards. We are also focused on minimising energy loss by reducing compressed air pressure, optimising compressor cycles and improving power transmission and distribution. Additionally, we are adopting sustainable practices such as using battery forklifts and energy-efficient switchgear. We aim to substantially increase the share of renewable energy in our operations in India from 43% to 56%.



## Advancing Towards Carbon Neutrality

Our organic arm, Nature Bio Foods aims to become carbon neutral by FY 2045. It has already rolled out initiatives, including purchasing carbon credits to offset emissions. It has introduced carbon-neutral organic rice, a pioneering product in the industry, which also employs traceability tools to enhance transparency about product origins and sustainability practices.



### Driving Circularity in Packaging

Our commitment to sustainability extends to the packaging of our products. For both new and existing products, we are transitioning to recyclable packaging in phases.

### Deploying the 3R's Framework

We are making progress towards our ambitious plastic management goals, guided by the following framework of 3R's which stands for Reduce, Reuse and Recycle.

#### Reduce

We are in continuously trying to reduce the impact of packaging on the environment. This is being achieved by reducing consumption of plastic in packaging. By using innovative structures and polymer recipes, we have successfully been able to down gauge our packaging specifications and hence reducing plastic production. In this way we not only reduce carbon emission at the time of packaging production but by dispatching less of plastic, we are decreasing logistic carbon footprint.

#### Reuse

Resource optimisation, responsible consumption and waste minimisation are deeply rooted in our goals. We are working towards increasing consumer awareness to reuse the bigger packs by communicating it at the back panel of our packaging.

#### Recycle

With concentrated efforts, we are working towards increasing recyclability of our packaging. We are in the process of sustainable pack innovation to reduce carbon footprint while simultaneously ensuring quality and safety of

products. We are working hard to make progress in our business but we cannot turn the tide on plastic pollution alone. Thus, we are working with other recycling agencies and seeking optimal extended producer-responsibility legislation in which we pay for packaging collection and recycling of plastic packaging. We are already using recycled paper in our secondary packaging. In primary packaging range for domestic business, woven-propylene bags are 90% homogenous and recycle ready. Successful work has been done towards making multi-layer laminate packaging recycle ready.

As part of our ESG goals, we are in the process of conducting vendor awareness programmes, with the intent of making them a part of our sustainable journey and we have started educating them about our approach for a better planet. During audit vendor audits, special emphasis has been given on environmental and social practices. This has been made a part of formal process. As a Company goal, we intend to move towards a sustainable packaging procurement policy through this journey.



## PROFILE OF BOARD



**Mr. Vijay Kumar Arora**  
Chairman and Managing Director

Mr. Vijay Kumar Arora, a visionary leader with over four decades of experience, has been instrumental in steering LT Foods towards unprecedented success. His journey began in 1978 and since then, his dynamism and strategic acumen has been the driving force behind the Company's growth.



**Mr. Abhiram Seth**  
Lead Independent Director

A trailblazer in both agriculture and industry, Mr. Abhiram Seth is renowned for his leadership at Aquagri and PepsiCo India. His extensive experience includes diverse roles, from exports to agricultural development. With a strong commitment to sustainable growth and community empowerment, he contributes significantly to the Company's strategic direction.



**Mr. Ashwani Kumar Arora**  
Managing Director and Chief Executive Officer

An accomplished leader, Mr. Ashwani Kumar Arora has been shaping LT Foods' growth for over 37 years. His multidimensional expertise encompasses strategy, operations, finance and marketing. Aligning with the Company's pillars of growth, margin expansion and financial strength, he envisions a progressive and sustainable global consumer business.



**Mrs. Ambika Sharma**  
Independent Director

A seasoned leader, Mrs. Ambika Sharma, as Managing Director for India at the U.S.-India Business Council, has a history of spearheading impactful initiatives. Her extensive career with FICCI and her involvement in global and domestic strategies have created a lasting impact. As an independent director, she brings a wealth of knowledge to international affairs and strategic alignment.



**Mr. Raju Lal**  
Independent Director

Mr. Raju Lal is a Chartered Accountant by qualification. He is a versatile and communicative professional with over 30 years of experience in capturing profitable business opportunities and motivating talented, crossfunctional team of large number of employees. He has a diverse experience across various aspects of Strategic Planning & Execution, Operational Excellence & Process Optimisation, Regulatory Compliance & Risk Management, Leadership & Team development, Change Management & Adaptability and Business Development.



**Mr. Satish Chander Gupta**  
Independent Director

With over four decades in the banking industry, Mr. Satish Chander Gupta, Independent Director, is a seasoned leader who has held esteemed positions, including Chairman and Managing Director at Punjab National Bank. His extensive experience and financial acumen make him a valuable asset to the board.



**Mr. Surinder Kumar Arora**  
Managing Director

With more than three decades of experience, Mr. Surinder Kumar Arora brings a wealth of expertise to his role as Managing Director. His focus on manufacturing excellence and innovation has propelled the Company forward. Championing technological advancements, automation and process innovation, he plays a pivotal role in margin expansion and operational efficiency.



**Mr. Alrumaih Sulaiman Abdulrahman S**  
Non-Executive Non-Independent Director

With a background in Electrical Engineering and a wealth of experience in investments, commercial strategies and business development, Mr. Alrumaih Sulaiman Abdulrahman S, Non-Executive Non-Independent Director, brings a diverse perspective to the board. His track record of successful leadership and deep understanding of multiple sectors enriches the board's decision-making process.



**Mrs. Neeru Singh**  
Independent Director

Mrs. Neeru Singh, Independent Director, is an accomplished member of the Indian Administrative Service (IAS). In her 39 years of experience, she has made significant contributions to both, the Indian Government and the United Nations. Her leadership extends to conflict and post-conflict scenarios, policy formulation, program management and more. Through her expertise and passion, she conducts leadership training, mentors individuals globally and continues to impact diverse sectors.



## PROFILE OF ADVISORS



**Mr. Umesh Parmar**

Umesh Parmar is a seasoned executive with over 15 years of expertise in the FMCG industry, known for successfully leading acquisitions and business transformations. His leadership spans strategic development, operational management and stakeholder engagement, delivering impressive financial performance and driving growth in competitive markets.



**Mr. Arjan Both**

Arjan is an experienced professional with over 20 years in the FMCG sector, focusing on international retail sourcing, primarily in Europe. His career highlights include leading high-impact sourcing and negotiation strategies for major global and European retail alliances, demonstrating a consistent ability to drive value and foster collaboration across diverse markets.



**Mr. Goutam Mukhavali**

Gautham Mukkavilli is a highly experienced professional with over 34 years in the food and beverage industry, including senior roles at PepsiCo, United Breweries Group and Brooke Bond India. With a strong track record in strategic leadership, he has successfully led cross-functional teams, driven business transformations and executed strategies across various global markets, focusing on sustainable results and team ownership.



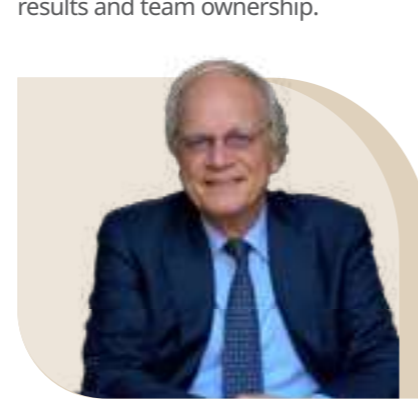
**Mr. Sridhar Krishnan**

Sridhar Krishnan is a seasoned professional with extensive experience in leadership roles, including over 18 years at Olam International. His expertise spans commodity trading, international trade and strategic oversight of businesses, focusing on driving growth and managing complex operations across diverse geographies.



**Dr. NS Rajan**

Dr. N S Rajan brings nearly 40 years of expertise in leadership, human resources and strategic business management. As a former Group CHRO of Tata Sons and Global Leader of People Advisory at Ernst & Young, he excels in driving organisational transformation, talent development and sustainable business practices. Renowned for his thought leadership, he is also a recognised author, speaker and mentor to startups in HR and technology.



**Mr. H.E. Alphonsus Stoelinga**

Ambassador of the Netherlands to India, Nepal and Bhutan since August 2012, has a strong focus on enhancing economic ties and facilitating business collaborations between Dutch and South Asian companies. His efforts are directed towards expanding trade opportunities, supporting Dutch businesses in entering new markets and encouraging investments that benefit both regions.

## KEY MANAGEMENT TEAM



**Ritesh Arora**

CEO - India and Far East Business



**Sachin Gupta**

Chief Financial Officer



**Palash Aggrawal**

Chief Human Resource Officer



**Varun Sharma**

Chief Digital Officer



**Sanjeev Uppal**

Vice President and Head of Product Delivery



**Manoj Chugh**

Vice President and Head of Raw Material Procurement



**Amit Mehta**

Vice President and Head of Food Business



**Monika Chawla Jaggia**

Vice President - Finance and Strategy, Company Secretary and Compliance Officer



**K. Ganapathy Subramaniam**

Vice President and Head of Marketing



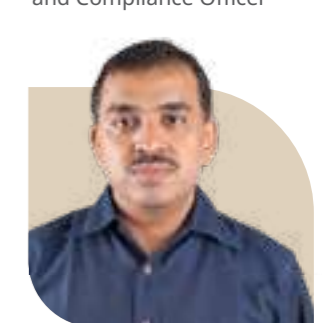
**Namit Mehra**

Vice President and Head of Ocean Freight Buying



**Anu Sharma**

AVP and Head of Legal Affairs



**Arvind Kumar Yadav**

AVP and Head - IT



**Rajinder Wadhawan**

President - MP Operations



## AMERICA



**Abhinav Arora**  
President



**Mukesh Agrawal**  
Chief Financial Officer



**Andrew W Cops**  
Senior Vice President – Market,  
Sales and Strategy



**Shankar Satappagol**  
Sr. Vice-President Sales  
International and Food Service



**Snehdeep Brar**  
Vice-President Commercialisation



**Shea Levitch**  
Vice President - Human Resources



**Amol Deshpande**  
Vice-President Supply Chain



**Dhananjay Nair**  
Director of Manufacturing  
and Engineering



**David Mackenzie**  
Director of Procurement

## EUROPE / UK



**Vikas Magoon**  
Director



**Aditya Arora**  
Director



**Anmol Aroa**  
Director



**Anubha Bajaj**  
Director



**Kamal Poplai**  
Associate Director -  
Quality and Assurance



**Mirna Duskan**  
Human Resource



**Vishal Aggarwal**  
Finance Controller



**Vaibhav Srivastava**  
Finance Controller



**Mohit Gupta**  
Operations



**Oyeyemi Bamisaiye**  
Quality

## MIDDLE - EAST



**Gursajan Arora**  
CEO – Middle East Business



**Bouchra Farah**  
Assistant Vice  
President - Marketing



**Vivek Kumar**  
General Manager - Sales  
and Business Development

## NATURE BIO FOODS

### India



**Rohan Grover**  
Director



**Rajesh Jaswal**  
Vice President - Operations



**Christiane Bell**  
Director-Sales



**Alok Kumar**  
Head – Africa Business



**Krishnendu Chattopadhyay**  
VP- Agri Projects



**Dr. Saroj Kumar**  
GM- Certifications

## Corporate Information

### BOARD OF DIRECTORS

**Vijay Kumar Arora**  
Chairman and Managing Director

**Abhiram Seth**  
Lead Independent Director

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer

**Surinder Kumar Arora**  
Managing Director

**Alrumaih Sulaiman Abdulrahman S**  
Non-Executive Non-Independent Director

**Neeru Singh**  
Independent Director

**Ambika Sharma**  
Independent Director

**Raju Lal**  
Independent Director

**Satish Chander Gupta**  
Independent Director

**Rajinder Wadhawan**  
President – MP Operations

### LT FOODS - AMERICAS

**Abhinav Arora**  
President

**Mukesh Agrawal**  
Chief Financial Officer

**Andrew W Cops**  
Senior Vice President – Market,  
Sales and Strategy

**Shankar Satappagol**  
Senior Vice President – Sales,  
International and Food Service

**Snehdeep Brar**  
Vice President – Commercialisation

**Shea Levitch**  
Vice President - Human Resources

**Amol Deshpande**  
Vice President – Supply Chain

**Dhananjay Nair**  
Director - Manufacturing and Engineering

**David Mackenzie**  
Director Procurement

**Vivek Kumar**  
General Manager - Sales and  
Business Development

### NATURE BIO FOODS LIMITED

**Rohan Grover**  
Director

**Rajesh Jaswal**  
Vice President - Operations

**Christiane Bell**  
Director- Sales

**Alok Kumar**  
Head – Africa Business

**Krishnendu Chattopadhyay**  
Vice President Agri Projects

**Dr. Saroj Kumar**  
GM - Certifications

### Statutory Auditors

MSKA & Associates

### Internal Auditors

Protiviti India Member Private Limited

### Secretarial Auditors

D Dixit & Associates

### BANKERS TO THE COMPANY

Punjab National Bank (Lead Bank)  
State Bank of India  
ICICI Bank Ltd.  
Indusind Bank  
Kotak Mahindra Bank Ltd.  
HDFC Bank Ltd.  
Qatar National Bank Q.P.S.C.  
CTBC Bank Co. Ltd.  
Doha Bank Q.P.S.C.  
Union Bank of India  
SBM Bank (India) Ltd.  
Federal Bank Ltd.  
Bank of Baroda  
Mashreq Bank  
Rabobank  
Cooperative Rabo Bank U.A.  
Mechanics Bank  
JP Morgan Bank

### KEY MANAGEMENT TEAM

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Chief Financial Officer

**Palash Aggrawal**  
Chief Human Resource Officer

**Varun Sharma**  
Chief Digital Officer

**Sanjeev Uppal**  
Vice President and Head  
of Product Delivery

**Manoj Chugh**  
Vice President and Head of Raw  
Material Procurement

**Amit Mehta**  
Vice President and  
Head of Food Business

**Monika Chawla Jaggia**  
Vice President – Finance and  
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Vice President and Head of  
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**Anu Sharma**  
AVP and Head of Legal Affairs

**Arvind Kumar Yadav**  
AVP and Head - IT

#### LT FOODS - EUROPE/UK

**Vikas Magoon**  
Director

**Aditya Arora**  
Director

**Anmol Arora**  
Director

**Anubha Bajaj**  
Director

**Kamal Poplai**  
Associate Director -  
Quality and Assurance

**Mirna Duskan**  
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Finance Controller

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Finance Controller

**Mohit Gupta**  
Operations

**Oyeyemi Bamisaiye**  
Quality

#### LT FOODS - MIDDLE EAST

**Gursajan Arora**  
CEO – Middle East Business

**Bouchra Farah**  
Assistant Vice President - Marketing

# Management Discussion and Analysis

This discussion covers the financial results and other developments for the year ended March 31, 2024, for our consolidated business, encompassing both domestic and international operations. The consolidated entity is referred to as 'LT Foods' or 'Group' or 'Company' in this discussion. Some statements herein that describe projections, estimates, expectations, or outlook may be forward-looking. Actual results may, however, differ materially from those stated, due to various factors such as changes in government regulations, tax regimes, economic developments, exchange rate and interest rate movements, among other macroeconomic factors, competitive environment, and product demand and supply constraints within India and the countries where the group operates.



## Economic Scenario

### Global

In FY2023, the global economy navigated a challenging environment marked by inflationary pressures, rising interest rates, and geopolitical tensions, yet displayed surprising resilience. By FY2024, this resilience was further highlighted as global real GDP grew in 2022 by 6.7% over 2023, surpassing forecasts by 0.8 percentage points. Despite the backdrop of rising interest rates aimed at restoring price stability, headline inflation in advanced economies fell from a peak of 9.5% in Q2 2022 to 2.3% in Q4 2023, while inflation in emerging markets declined from 13.7% to 9.9%. Economic activity was bolstered by strong employment growth and higher-than-expected government spending, with households in advanced economies maintaining spending levels by drawing on pandemic-era savings. The fiscal stance became more expansionary, adding 2% of GDP in the US and 0.2% in the euro area, while China's fiscal policy remained slightly tighter. Additionally, an expanding labor force supported economic activity and disinflation efforts across both advanced and large emerging market economies.

Looking ahead, the baseline forecast for the world economy is at 3.2% in both 2024 and 2025. Advanced economies are expected to see a slight uptick in growth, from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. Conversely, growth in emerging market and developing economies is anticipated to slow modestly, from 4.3% in 2023 to 4.2% in 2024 and 2025. Global inflation is expected to steadily decline from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies likely reaching their inflation targets sooner than emerging markets and developing economies. Core inflation is projected to decline more gradually, reflecting a cautious optimism about the future.



### India

In FY23, the Indian economy witnessed transformative events that set a new trajectory for growth and development. The nation exhibited robust performance with GDP growth estimated at 7%, fuelled by a rebound in consumption, heightened private investment, and significant government spending on infrastructure. This momentum is expected to continue in FY24, with a projected growth rate of 8.2%, reflecting a slight moderation but still demonstrating strong economic health.

Inflation, however, remained a major concern, averaging around 6.7% due to surging food and fuel prices. The Reserve Bank of India (RBI) took decisive actions, raising the repo rate to control inflation. As supply chain disruptions ease and commodity prices stabilize, inflation is projected to decline to 5.3% in FY24, with the RBI maintaining a cautious monetary policy stance to ensure stability.

The Union Budget 2023-24 highlighted the government's commitment to infrastructure development, the digital economy, and inclusive growth, allocating substantial resources to roads, railways, healthcare, and education. Export performance reached record highs, despite a widening

trade deficit driven by increased import costs. The Production Linked Incentive (PLI) scheme's expansion to more sectors bolstered domestic manufacturing and job creation. Global geopolitical tensions, notably the Russia-Ukraine conflict, impacted supply chains and commodity prices, influencing inflation and trade balances.

Post-pandemic recovery was driven by increased consumer spending and investment, supported by government initiatives. In FY24, the Union Budget emphasized infrastructure, the digital economy, and green energy, with major investments in renewable projects. The RBI maintained a cautious monetary policy to manage inflation, while the introduction of the digital rupee aimed to enhance payment system efficiency.

Geopolitical challenges prompted India to diversify trade partners and strengthen domestic supply chains. Significant investments in renewable energy, electric vehicles, and sustainable practices were announced, alongside ongoing economic reforms to improve business ease and attract foreign investment, reflecting a commitment to sustained growth and resilience.



### USA

In FY23, the U.S. economy faced significant challenges, including aggressive interest rate hikes by the Federal Reserve to combat decades-high inflation driven by supply chain disruptions, high energy prices, and strong consumer demand. Despite these pressures, the labor market remained strong, with unemployment rates around 3.6%. Fiscal support through infrastructure investments and social safety nets helped stabilize the economy, although supply chain issues and geopolitical tensions, such as the Russia-Ukraine conflict, affected goods availability and prices.

Looking ahead to FY24, the IMF projects a moderate U.S. economic growth of 1.7%, as the effects of monetary tightening are expected to dampen consumer spending and business investment. Inflation is forecasted to ease gradually, with headline inflation declining from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025. The labor market is expected to remain robust, though job creation may slow. Fiscal policy will likely shift towards reducing the fiscal deficit and managing public debt. The long-term outlook suggests a gradual return to sustainable growth, supported by ongoing investments in infrastructure, green energy, and the exploration of a central bank digital currency (CBDC) to modernize the financial system.



### Europe

In FY23, the European Union (EU) experienced a challenging yet resilient economic environment, with GDP growth estimated at 3.5%, driven by strong consumer spending, robust exports, and substantial fiscal support. However, inflation surged due to the Russia-Ukraine conflict, with headline inflation averaging 8.5%. The European Central Bank (ECB) responded by raising interest rates to stabilize prices. Despite these challenges, unemployment fell to a historic low of 6.8%, and the EU made significant investments in green energy.

Looking ahead to FY24, EU economic growth is expected to moderate to 2.1%, as the effects of monetary tightening temper consumer spending and business investment. Inflation is projected to ease to 6.2% as energy prices stabilize. Fiscal policies will likely focus on reducing deficits and managing public debt, while the labor market is expected to remain strong, though with slower job creation. The EU will continue investing in green energy, digital transformation, and energy security, with the digital euro initiative advancing to enhance financial system resilience. Overall, the EU is set to navigate a period of moderated growth and declining inflation, with policies centered on stability, sustainability, and resilience.



### Middle east

In FY23, the Middle East economy showed resilience with a robust GDP growth of 5.2%, driven by high oil prices, strong exports, and ongoing government infrastructure spending. Key players like Saudi Arabia and the UAE benefited from increased oil revenues, which bolstered fiscal balances and enabled significant public investments. However, inflation averaged 7% due to global supply chain disruptions and elevated energy prices. The labor market saw mixed results, with some countries experiencing high unemployment, while others improved due to economic reforms and diversification efforts. Green energy initiatives also advanced, with substantial investments in renewables.

Looking ahead to FY24, the region's economic growth is expected to moderate to 3.8% due to the impact of global monetary tightening on consumer spending and investment. Inflation is projected to ease to 6% as global commodity prices stabilize. Fiscal policies will likely focus on deficit reduction and managing public debt while supporting strategic investments in infrastructure and diversification. Geopolitical tensions and the need to reduce oil dependence will shape economic strategies, with continued investments in renewable energy and technology sectors. Overall, the Middle East is poised for moderated growth and declining inflation, with a focus on stability, sustainability, and diversification for long-term resilience.

### FMCG Industry

In FY23, the global FMCG industry, particularly the food and consumer staples segments, demonstrated notable adaptability amid economic challenges. The industry experienced moderate growth of around 4-5%, fuelled by strong consumer demand, innovation, and the expansion of online shopping. Despite high inflation, supply chain disruptions, and geopolitical tensions such as the Russia-Ukraine conflict, companies managed to sustain growth through strategic pricing, effective cost management, and an emphasis on value-added products.

The food segment thrived on sustained demand for essential items, with a significant rise in sales of ready-to-eat and ready-to-cook products driven by changing consumer lifestyles and a growing preference for convenience. Health and wellness products saw increased consumer interest, prompting companies to innovate and expand their offerings in this category, including organic and plant-based products.

Looking ahead to FY24, the industry is expected to maintain its growth trajectory, though at a slightly slower pace of around 3-4%. Inflationary pressures are projected to ease gradually, with stabilizing commodity prices and improving supply chain conditions. However, the residual effects of high inflation in 2023 and ongoing geopolitical uncertainties may temper growth. The food segment is anticipated to continue its momentum, with a focus on convenience, health, and sustainability. Companies will likely leverage technology to enhance product offerings and improve supply chain efficiencies.

Consumer staples are expected to remain stable with steady demand across global markets. The emphasis will be on enhancing the consumer experience through digital channels, personalized marketing, and sustainability initiatives. The industry's ability

to adapt to changing consumer preferences and economic conditions will be critical in navigating challenges and capitalizing on growth opportunities in the coming year.

Overall, the FMCG industry's performance in FY23 and FY24 highlights its capacity to navigate economic challenges through innovation, strong consumer demand, and strategic market positioning.

#### Key Opportunities and Trends Shaping the FMCG Industry

The FMCG sector has been undergoing significant transformation with the emergence of several key changes that are taking place in the world around us.

Below are some of the key trends witnessed over the last few years:

#### New consumer behaviour paradigm

##### Focus on Sustainability

We are witnessing a notable shift in consumer preferences altering fundamentally how individual interact with brands and make purchase decisions. Consumers are constantly seeking products that are environment friendly, ethically sourced.

Consumers are also becoming increasingly aware of the environmental and social impact of their brand choices, which is indirectly inducing brands to make sustainable choices. This includes a

preference for brands and products with natural/healthier ingredients, recyclable packaging, transparent disclosures on packaging labels, ethical claims, sustainable sourcing, among others.

#### Focus on Convenience

Consumers in their Brand choices and focus on their health and well-being. Furthermore, convenience, especially in urban segment, has become a key factor driving consumer choices. Factors like higher consumer awareness and exposure, shift towards an urban lifestyle, growing culture of nuclear families, a greater presence of women in the workforce, increased spending power, and lower availability of food preparation time have greatly supported the expansion of this category. Consumers want delicious food, yet they want it to be quick and easy.

We constantly endeavour to stay agile and understand these trends and turn them into opportunities that will enable us to deliver sustainable and competitively favourable results.

#### Evolving Distribution Channels and digital first consumer culture

The evolving distribution channel and digital-first consumer culture are profoundly impacting FMCG companies globally. As consumers increasingly prefer online shopping and digital interactions, FMCG companies are compelled to adapt



their strategies to meet these changing demands. This shift is driving companies to invest heavily in digital platforms, e-commerce capabilities, and data analytics to enhance customer experiences and engagement. By leveraging real-time insights and predictive analytics, FMCG companies can better understand consumer preferences and behaviour, allowing for more personalized marketing and product offerings. Additionally, the integration of smart technologies and automation

in supply chain and logistics is optimizing operations, reducing costs, and increasing efficiency. This digital transformation is not only enabling faster decision-making and improved agility but also fostering a culture of innovation and responsiveness. Overall, the digital-first consumer culture is pushing FMCG companies to be more consumer-centric, agile, and data-driven to maintain competitiveness and drive growth in a rapidly evolving market.

**Strategic Overview**

LT Foods Ltd. is a leading Indian-origin global FMCG company in the consumer food space and leads in the specialty rice and rice-based foods business for more than 70 years.

The company is committed to nurturing the goodness of food for people, the community and the planet. With nurturing goodness at the heart of everything we do, the

company delivers the finest quality and taste experiences in more than 80 countries: India, the U.S., the UK, Europe, the Middle East, the Far East and the Rest of the World.

The company's flagship brands include 'DAAWAT®', one of India's most loved and consumed Basmati brand, 'Royal®', North America's No. 1 Basmati player and many more. The company is proudly expanding into the future food preferences of millennials by offering organic staples through the brand 'Ecolife'

in global markets and supplying organic food-ingredients to leading businesses.

Our Power Brands offer our greatest opportunity. We are not only prioritizing these brands by investing in marketing, R&D, and the development of digital capabilities and platforms, but also ensuring they resonate with consumers on multiple levels, becoming an integral part of their daily lives and giving them delightful culinary experience. Consequently, we are

dedicating more of our energy and resources on the below mentioned growth drivers.

As the world becomes more interconnected and the FMCG sector grows more competitive, the necessity for companies to differentiate their products continues to rise. Our strategy is intricately structured around these four essential foundations:





### Strengthening the drivers of growth and profitability

Our strategy focuses on building market share in India and the Middle East, while strengthening our position in the US by continuing to grow ahead of the category and maintaining our 50% share of India's exports. Additionally, we aim to continue strengthening and expanding our market share in Europe, and we are committed to maintaining our absolute leadership in the Far East.

In addition to this, our strategy prioritizes profitable businesses with a focus on EBITDA growth. All business units are dedicated to premiumisation, leveraging operating scale and enhancing costs efficiency. Margin expansion remains a core deliverable, driving our efforts to achieve sustained financial performance and shareholder value.



### Explore new opportunities

Our goal is to become a leading player in the FMCG industry by broadening our presence in existing categories and exploring new ones. We are leveraging both organic and inorganic strategies to capitalize on industry trends by acquiring new consumer and penetrating new markets. This involves launching products in adjacent categories and reallocating capital investments to markets and businesses with higher growth potential and the capacity to generate sustainable returns.



### Adapting the Digital Era

We are continuously integrating digital technologies throughout our business to stay aligned with technological advancements, enhance functional capabilities, and drive efficiencies across the value chain. We are focused on understanding how content is consumed and how our communication can be "digital first" is crucial. Emerging technologies, such as AI, will significantly shape consumer experiences and customer service, enhancing personalization and efficiency. Consequently, motivators must be continually reassessed, and communication approaches need constant reshaping to remain relevant and engaging in this dynamic landscape.



### Growing responsibly

Our sustainability strategy focuses on implementing eco-friendly processes and materials throughout our production and supply chains to minimize our carbon footprint. We are dedicated to optimizing resources by reducing waste and improving the use of water, energy, and raw materials. Through product innovation, we aim to develop high-quality, sustainable products that are recyclable, biodegradable, or energy-efficient. We actively engage with consumers, employees, suppliers, and communities to raise awareness about sustainability issues and promote responsible behaviours. Additionally, we ensure transparent reporting on our sustainability efforts and progress, underscoring our commitment to accountability and continuous improvement.

## 3. Performance review

In FY24, LT foods limited have posted a consolidated revenue of 7,822 crores, up 12.1% from the previous year. The underlying volume growth was 10.2%. The business delivered an operating profit of 988 crores, with a robust year-on-year growth of 33%. The operating margin stood at 12.6% and expanded by 190 bps as compared to 10.7% in the last year. Reported consolidated net profit after tax was at 598 crores, up 41% as compared to last year.

### Basmati and specialty rice business

Our basmati and speciality rice business which comprises of our Basmati rice, Jasmine rice and regional rice registered a revenue of 6,608 crores with a year on year growth of 17% in revenue and volume up by 9% as compared to last year. Our basmati and specialty rice has delivered a CAGR of 19% in last 4 years and has tremendous potential for growth. We continued to power our brands while driving premiumisation, expanding distribution network and fostering alternate channels for growth.

We are not only prioritising these brands for investment – whether in marketing support, R&D or in the building of digital capabilities and platforms – but also in ensuring they appeal to consumers across multiple dimensions, making them a part of their everyday lives. We are dedicated to innovating and distributing products that deliver exceptional consumer experiences.

### India business (31% of total business)

India business posted a growth of 12% in total revenue as compared to last year with a volume growth of 6%. The growth was powered by a very healthy performance by our flagship brand DAAWAT® (distribution expansion and increased share of premium products) and the brand maintained its dominant position in the India market with brand share increasing by 350 bps since FY21. We have 30%+ market share in India.

Today, our brand DAAWAT® is synonymous with the category. Our premium range has grown by 25% as compared to last year with a high single digit growth in realizations as well. Our regional rice portfolio which comprises of DAAWAT® Sona Masoori rice, DAAWAT® Kolam, DAAWAT® Govind bhog has been scaling aggressively and has registered a 50% growth as compared to last year. The brand has continued its innovation journey with the launch of immuno red rice in our Health portfolio. The brand is focused on catering to the ever evolving need of the consumers.

CHEF SECRETZ, our brand catering to Hotels, Restaurants & Catering industry has continued to accelerate rapidly and has doubled since FY22.

The creation of DAAWAT® World Biryani Day has helped the company's DAAWAT® brand foster a strong connect with its consumers / customers. By celebrating the shared love for Biryani, which cuts across regional and linguistic boundaries, the DAAWAT® World Biryani Day aims at equity building and consumer loyalty, ultimately contributing to the company's overall objective of premiumisation.

The brand will sustain its drive to enhance market presence and increase consumer penetration by:

- Thematic TV presence along with a strong digital presence to build relevance and accelerate adoption across channels
- Maintaining an optimal Relative Price Index (RPI) vis-à-vis competing unbranded basmati rice while maintaining a sustainable balance between pricing and profitability
- Driving E-com offtakes through performance marketing and last mile conversion in Modern Trade (MT) & General Trade (GT) through in-store initiatives

### Sales and Distribution

Over the years, LT foods have continuously invested in the quality, depth and width of its Sales and distribution network. The distribution of our products in India is facilitated through network of 1300+ distributors and over 1,50,000 retailers. Presently, we cover 1500+ towns in India which have grown from 1100 towns since FY22. Through its data driven decision making, well defined market strategy, partnerships and a consumer centric approach, the company effectively reaches and serves a wide array of consumers, ensuring sustained growth and profitability.

This consistent focus on our distribution has helped us make DAAWAT® one of the fastest growing brands in its category and reach more than 50 Lakhs households in India.

In FY24, the general trade witnessed a high single digit growth while the emerging alternate channels of Modern trade and e commerce registered a double digit growth in value terms.

For modern trade and e commerce company continued to deliver consistent and healthy growth owing to strong partnership, focused strategy and superior in store merchandising. The share of, modern trade and e commerce contributes around 25% of the total business in India.

We have strategically restructured our route to market strategy based on the theory of constraints approach which is driving availability of our product at arm's length. The company employs a multi-dimensional approach to its sales and distribution network, ensuring comprehensive market coverage, operational efficiency, strong brand recall and superior consumer satisfaction.

This approach integrates various channels, technologies, and



strategies to create a seamless and effective network.

For our traditional channel, the approach is aimed at continuous strengthening of market presence and extending reach to maximize potential outlets, facilitating greater accessibility for consumers. The company has been able to expand its outlet reach 1.5 lakhs, up by 55% since last year. With an improved market reach and expanded product range, we have witnessed a notable increase in market share and the number of households served, according to AC Neilson & Kantar.

For our emerging channels, the sustained focus on has helped the DAAWAT® brand achieve a market share of 37.3% in Modern Trade (an increase of 1.6% over last year). In line with the company's culture of swiftly adapting to changes in consumer trends, the company fully embraced the e-commerce wave by capturing a market share above 45% in three of the six major e-commerce platforms.

#### USA (39% of total Business)

The USA market remains a critical contributor to LT Foods' revenue, driven by expanding product portfolios, including Jasmine rice, Arborio rice, and specialty rice varieties. The USA business reported robust revenue growth, supported by strategic pricing and increased demand for premium and

organic products with a 17% y-o-y growth in revenue.

Our brand Royal®, which is our packaged basmati rice brand has continued to be the market leader with 50%+ overall market share. Royal® holds close to 90% market share in the 20lbs category, 40%+ market share in 10lb category and 34%+ market share in the 5lb category.

The performance in the USA was further bolstered by consumer trends favouring diverse cuisines and convenient food options. The ethnic foods segment, led by Asian cuisines, has seen increased consumption, with 53% of U.S. consumers reporting higher ethnic food intake than two years ago. This trend aligns well with the company's product offerings, including the ready-to-heat category, which grew by 15% year-over-year.

The company focused on brand strengthening through digital marketing, in-store promotions, and strategic partnerships. Innovation and product development led to the introduction of Ready-to-Heat rice products, catering to the convenience food segment. The distribution network expanded across retail channels, including mainstream supermarkets, ethnic stores, and online platforms.

LT Foods aims to further solidify its market position in the USA by:

- **Expanding Product Range:** Introducing more value-added products to cater to health-conscious and convenience-seeking consumers.
- **Enhancing Distribution Capabilities:** Leveraging technology to optimize supply chain operations and improve market reach. The company's strategic focus on expanding distribution has paid off, with plans to target an additional 6,000 new points of distribution in FY2025.
- **Sustainable Growth:** Continuing to focus on sustainability initiatives to meet the growing consumer demand for responsibly sourced products.

While strengthening the core portfolio, the Company has also made strategic investments in adjacent newer categories. The Company acquired a leading Jasmine rice brand 'Golden star' in FY23 to leverage its strong distribution capabilities and an in-depth understanding of the US specialty rice market. In FY24, Golden star clocked a revenue of ₹655 crore with a growth of 57% as compared to last year.



#### Europe (20% of total Business)

To enable focussed growth across the entire European continent, the Company has decided to have two dedicated operating entities, one in Rotterdam, Netherlands to service the EU market and the other one in Harlow, United Kingdom to service the UK market.

LT Foods set up local presence in Rotterdam, Netherlands in 2017 and has since grown its business commanding more than 22% volume share of basmati rice in Continental Europe. The Company has ambitious plans to grow its business across the rice sector both in EU & the UK.

As part of its long-term plan, the Company expanded its footprint in Europe in 2023-24 by setting up a manufacturing facility in the UK. The Company has secured a site in Harlow, Essex on a long-term lease arrangement for rice processing, packing and intermediate storage. A local facility in the UK enhances our cost competitiveness and enables just-in-time service delivery to UK customers. The site has since been commissioned in July 2024 and initial capacity filled up by securing business from four of the leading UK Supermarkets.

In 2023-24, LT Foods faced a challenging business environment in this region. In this backdrop, LT Foods Europe strengthened its foothold in the European market and achieved revenue growth of 15% in 2023-24. At the same time, the Company achieved significant improvement in its bottom-line performance and more than doubled its EBITDA versus previous year. The Company increased its customer penetration and secured new listings and additional distribution points with leading European retailers. The company widened its gross profit margin through a combination of customer price increase and

backend efficiencies. As part of its growth strategy, the Company continued to expand its business beyond basmati rice.

LT Foods is committed to building a strong branded business in Europe over the long run. Its branded business was strengthened through focus on product range, distribution and brand awareness. The Company ran brand awareness campaigns using television, radio, digital & outdoor media targeting the South-East Asian diaspora across Europe. To establish a deeper relationship with its target consumers, DAAWAT® sponsored local community events in select geographies. Total branded business grew by 10% overall. DAAWAT® Extra Long Basmati is now well-established as the leading brand within the South-East Asian diaspora in Europe. As part of its strategy to widen its brand portfolio to include regional Indian rice varieties, the Company built on the successful launch of DAAWAT® Sona Masoori and has developed plan to launch DAAWAT® Ponni rice in 2024. DAAWAT® Biryani kits were launched in the Netherlands and initial listings were secured with Picnic & Jumbo. Once these initial listings are proven successful, the plan is to expand the range across other retailers in Netherlands and other geographies in Europe.



#### Middle East and Rest of the World (7% total Business)

The Middle east registered a tremendous growth of 40% as compared to last year. The growth has been delivered by strategic focus markets UAE and Iraq driven by PLI investments along with growth in smaller markets like Yemen, Qatar and Libya. We have witnessed market share growth in high-consumption markets such as UAE and Iraq. Our brand DAAWAT® has 7%+ market share in the premium basmati rice segment and 4%+ share in the overall category.

The Middle East market presents a substantial growth opportunity for Basmati rice, driven by a combination of demographic, economic, and consumer trends. With a population of approximately 280 million and a significant portion of India's Basmati rice exports—around 75% or 3.5 million tons annually—already directed to the region, the demand is robust. Countries such as Saudi Arabia, Iran, Iraq, UAE, and Kuwait are key importers, with increasing growth rates seen in the UAE (+93%), Iraq (+258%), and Kuwait (+30%) between 2021 and 2023. The region's high GDP per capita, especially in



nations like Qatar, UAE, and Saudi Arabia, underscores the potential for premium Basmati products. Additionally, the Middle Eastern consumer base is becoming more sophisticated, health-conscious, and digitally engaged, with a growing preference for sustainable and transparent products. Our strategic initiatives in brand building, targeted marketing, and leveraging partnerships like the one with SALIC in Saudi Arabia, aim to accelerate our market presence and achieve exponential growth.

Our business backbone strategy includes enhancing our direct reach in retail channels, creating competitive superiority in key account management, and building HORECA (hotel, restaurant, and café) focused capabilities. We are focused on expanding market reach by driving growth in the premium segment through building awareness through various initiatives:

- Drive growth in premium segment by building awareness around DAAWAT® brand positioning “Select & See the difference” (Chunoge to fark dikhega) & withstand that across media key touch points
- Induce trial through diverse manners to drive Households penetration and capitalize on persuasive communication vehicles to drive it further.
- Drive growth in the mid-segment through competitive pricing and brand renovation.

By sustaining compelling brand storytelling, engaging in platform-first/contextual communication, and utilizing influencer marketing to seed user-generated content, we plan to entrench our brand image and achieve significant growth in the Middle East market.

Rest of the World comprising Far East, Africa, Pacific Islands and Indian Ocean Islands, also saw a good double digit growth and strengthening of our market share in our key markets.

### Organic food and ingredient business (10% of our total business)

Our organic food and ingredients business witnessed a de-growth of 8% as compared to last year due to anti-dumping duty on soymeal which accounted for 25% of our total business. Our organic basmati and non-basmati rice, which accounts for 60% of total business grew by 20% as compared to last year. We also benefited from increased demand for organic pulses and organic flaxseeds.

This unprecedented event has necessitated a shift in our strategy with more focus on risk diversification:

- We have set-up a manufacturing facility in Uganda to mitigate the potential impact from levy of anti-dumping duty on the soymeal.
- We have started to import products from Turkey, Egypt, Uganda, South America which includes Brazil, Costa Rica, Cambodia, Thailand.

- The new strategy also encompasses the introduction of additional product offerings and the exploration of new geographical markets.

### New business and innovation (3% of total business)

Our food business, encompassing ready-to-eat, ready-to-heat and staple products, has seen an impressive 23% growth compared to the previous year, achieving a six-fold increase over four years.

As an organisation, we acknowledge following trends (a) Higher share of young population in India, about 600Mn people age between 18 to 35 years, (source: PEW Research), (b) There is India, outside India i.e. Indians are amongst the highest migrating population, and (c) Indian cuisine gaining popularity globally

We recognised that these trends provide an opportunity to build Value added food portfolio beyond dry ingredients through innovation based on the following three platforms

- (1) convenient to cook in Kitchen to minimise efforts for home chef (popularly known as Ready to Cook segment) – we call it “Culinary Adventure”, and
- (2) ready to eat in minutes’ snack or snack meals (popularly known as Ready to Eat / Snacking segment) – we call it “Anytime Rice Snack – meal”.
- (3) ready to heat meals to provide ultimate convenience to our global consumers - we call it “Anytime Meals”.

In India consumption behaviour is being driven by the higher share of young population. There are about 600Mn people age between 18 to 35 years, (source: PEW Research).

Two strong trends, (1) Increasing participation of women in the workforce and (2) limited involvement of Gen Z and Millennials in Kitchen, creates more opportunity for our innovation portfolio under the culinary

adventure i.e. Ready to Cook and Anytime Snacking platforms. Our launches like DAAWAT Cuppa Rice and Kari Kari came from these understandings. DAAWAT Biryani Kit launched recently is receiving good consumer acceptance as it addresses the trend of limited involvement in kitchen and therefore the need for simpler solutions to complex recipes. This has been strong entry in the culinary adventure platform.

The trends of Indians migrating and carrying their cuisine with them and growth of Indian cuisine’s popularity amongst global consumers is not only driving our core business growth, but is also providing unique opportunities for our innovation based portfolio. The success of the Royal Heat and Eat microwave rice under Anytime Meal platform is a testimony to this.

Rice, as a Global grain or staple, and celebrated with various cuisine with strong connection to the local cultures. Rice & Spice, unusual melange, when combined together creates magical food – be it simple dish like Dal Chawal, Fried Rice or Spanish Rice or gourmet experiences like Biryani, Pilaf, Jasmine Rice with Thai Curry, Risottos. These wonderful recipes celebrate traditional flavours while appealing to taste of people across globe. We have been investing over years in R&D, People and Infrastructure to pursue this as a path of innovation based on strong consumer insights. We follow robust stage gate process to decode consumer insights or ideas into solutions which addresses evolving consumer needs.

We believe our investment behind Innovation would give us several benefits in medium to long term including (a) Differentiated strength over competition, (b) make our brands more global and also (c) keep our brands relevant to new age consumers (Millennials, Gen Z etc.). We have started seeing acceleration in acquiring of new Households through new product portfolio.

In our pursuit of innovation, we are also making collaboration or setting up new ventures with Global partners/experts. We have set up Joint Venture with Kameda Seika, Japan’s number 1 Rice Cracker and snacking business to launch Kari Kari Rice Crackers, as better snacking alternate to fried snacks. Under “Kari Kari” brand we are building this business for growth under “Anytime Rice Snack meal” platform.

In addition, we are also building select staple range under Devaaya brand, this will complement our Go To Market and Distribution strategy to expand reach of our core product portfolio with distribution efficiencies and to drive significant business growth.

We are taking our innovation product portfolio to different channels within in India and other parts of the world leveraging our robust distribution network and strong customer relationship. Our products Biryani Kit (under culinary adventure platform), Cuppa Rice and Kari Kari (under Anytime Rice snack meal) are available in leading channels in India like E-Commerce/Q-Commerce, National Modern Retail chains and select General Trade

outlets in select cities. Similarly, we are gradually expanding their footprint across the globe, these products are available in select retail channels in US, Middle East, Australia, UK and Europe. In US also the sales of RTH products have also doubled during the year. We have also launched Royal® Cuppa Rice and Royal® Biryani Kit at the existing distribution network. We are continuously investing in marketing and sales & distribution to accelerate further growth of this business segment.

Ultimately, our strategy is to harness the soulful depth of rice to create meaningful and unforgettable culinary experiences. We aspire to inspire and connect with our customers on a deeper level, addressing their needs and keeping our brand relevant in the ever-evolving market.

### Overview of Consolidated Financial Results

In FY24, LT foods limited have posted a consolidated revenue of 7,822 crores, up 12.1% from the previous year. The underlying volume growth was 9%. The business delivered an operating profit of 988 crores, with a robust year-on-year growth of 33%. The operating margin stood at 12.6% and expanded by 190 bps as compared to 10.7% in the last year. Reported consolidated net profit after tax was at 598 crores, up 41% as compared to last year. The basmati and speciality business comprises 84.4% of the total revenue, Organic foods and ingredients business is 9.3% of the total revenue and Convenience and Health is 2.6% of our total revenue.

#### Standalone financial performance

Particulars	FY2023-24	FY2022-23
Revenue	4,049	3,951
Gross profit	837	931
EBITDA	269	264
EBIT	230	235
PBT	211	211
PAT	160	160
EPS	4.60	4.98

#### Consolidated financial performance

Particulars	FY2023-24	FY2022-23
Revenue	7,822	6,979
Gross profit	2,544	2,401
EBITDA	988	744
EBIT	835	617
PBT	752	535
PAT	598	423
EPS	17.09	12.50





**Key Ratios (Consolidated)**

Particulars	FY2023-24	FU2022-23
Debtor no of days	32	35
Inventory turnover	242	245
Interest coverage	10.0	7.5
Current ratio (in times)	2.1	2.0
Debt Equity Ratio (in times)	0.2	0.3
Net operating margin (in %)	7.6	6.1
Operating profit Margin (in %)	12.6	10.7
Return on Net Worth (in %)	19.2	18.4

**Future outlook**

LT Foods is poised for a promising future, underpinned by its strategic focus on sustainable growth, innovation, and market expansion. The company is set to capitalize on the increasing global demand for specialty and organic food products by deepening its presence in established markets like India, the U.S., and Europe, while expanding into high-growth regions such as the Middle East and Far East. Innovation remains central to its growth strategy, with plans to diversify its product portfolio through the introduction of value-added, health-focused, and organic products under the 'Ecolife' brand, as well as new offerings in the ready-to-eat and ready-to-cook segments.

We are pursuing a target 5-Year revenue CAGR of 10-12% we will also continue to grow our core Basmati business by investing more on brands and expanding our distribution reach with Revised Route to Market and product portfolio expansion by leveraging the brand equity and the existing distribution network. We will also further solidify our presence in existing regions and expand our reach in new geographical areas. Further, we will focus on new products in the Ready-to-Eat, Ready-to-Cook and Rice-based snacks segments. We aim to increase our 5-Year EBITDA margin by 140-150 basis points (bps). We will implement measures that lead to a change in product mix, optimise efficiencies across

the value chain, and capitalise on economies of scale.

To enable the growth journey, LT Foods has also initiated digital transformation. LT Foods is enhancing its operational efficiency and consumer engagement by integrating advanced technologies like AI and data analytics, adopting a "digital first" approach to communication, and optimizing its supply chain. Sustainability continues to be a core commitment, with the company prioritizing eco-friendly practices, resource efficiency, and the development of sustainable products to maintain consumer and stakeholder trust. Financially, LT Foods is focused on driving profitable growth through premiumisation, cost management, and strategic capital allocation, all aimed at enhancing margins and delivering long-term shareholder value. With these strategic initiatives, LT Foods is well-positioned to maintain its leadership in the global consumer food.

**Human Resources**

Our human resource strategy is designed to attract, develop, and retain top talent, ensuring our workforce is aligned with our strategic goals and capable of driving our business forward. We employ a rigorous recruitment process to identify and attract highly skilled professionals who fit our company culture, leveraging digital tools to ensure a diverse and inclusive hiring process. Committed to continuous learning

and professional growth, we offer comprehensive training programs, leadership development initiatives, and career advancement opportunities to enhance our employees' skills and competencies. We have a well-designed competency framework that supports these efforts, ensuring our employees have the necessary skills to succeed. To maintain high levels of engagement, we create a positive and collaborative work environment, provide competitive compensation packages, robust benefits programs, and prioritize work-life balance with flexible working arrangements. Our diversity and inclusion initiatives foster an inclusive workplace where every employee feels valued and empowered, promoting equal opportunities and eliminating biases. Our performance management system aligns individual goals with organizational objectives through regular reviews and constructive feedback. We also prioritize the health and safety of our employees by maintaining stringent safety standards, offering regular training, and supporting their well-being through health and wellness programs. By implementing these strategies, we aim to build a motivated, skilled, and resilient workforce that can drive our company's growth and success in the competitive FMCG sector.



**Information Technology and Digital**

Our digital transformation strategy at LT Foods is aimed at building a smart and intelligent enterprise capable of driving 1.5X to 2X business value. This transformation encompasses multiple facets, including people, process, culture, leadership, and technology. We are focused on enhancing the stakeholder experience, optimizing costs, increasing productivity, and ensuring greater transparency and compliance. By leveraging advanced technologies such as AI, ML, IoT, and block chain, we aim to enable fast decision-making, improve sustainability, and strengthen our brand value and market position. A key focus of our strategy is enhancing consumer experience by delivering superior product quality, personalized offerings, and seamless interactions across all touchpoints. Our operational focus is on achieving higher digital maturity through real-time visibility, interactive dashboards, functional integration, and predictive analytics.

The expected business benefits of our procurement transformation include 1-3% cost optimization and savings, a 25-30% improvement in productivity, and 35-40% faster decision-making capabilities. By

leveraging digital platforms such as the Mandi Portal, Agreeeta App, SAC Analytics, and the QM App, we enhance our processes from paddy buying to payment, thereby increasing transparency and efficiency. With an annual paddy procurement of over 675,000 MT from more than 300 mandis and 375,000 farmers, and a total procurement spend exceeding 3,200 crores, our transformation initiatives are designed to drive significant value across the supply chain.

Strategically, we aim to enhance revenue growth, EBITDA, and balance sheet strength. With over 50 digital initiatives in finance, procurement, sales, production, and supply chain, we are committed to improving demand forecast accuracy, operational efficiency, and customer satisfaction while reducing costs and enhancing agility. This comprehensive approach ensures that we are well-prepared to thrive in a VUCA (volatile, uncertain, complex, ambiguous) world and deliver significant value to society.

**Risk Management**

Please refer page 24 of the Business Section for details on the Risks and Concerns pertaining to the business along with their mitigation plan.

**ESG**

The Company's value system prioritises giving back to society in various ways. It has integrated the ESG framework into its operating framework and has continuously made efforts to attain its ESG goals. The Company is dedicated to ethical sourcing and harvesting, as well as working to enhance farmers' quality of life by empowering them to adopt sustainable farming methods that protect the environment for future generations. The company promotes environmental stewardship by implementing well-thought-out and precise measures to reduce its carbon footprint, conserve water resources and minimise waste generation. LT Foods also emphasises social responsibility, striving to make a positive change within local communities through initiatives focused on education, healthcare and livelihood improvement. Across all its operations, the Company adheres to the highest standards of corporate governance, ensuring transparency, accountability and ethical conduct. By incorporating ESG into its operations, LT Foods stays true to its commitment to driving long-term sustainability and responsible business growth.



**Opportunities**

Our business presents numerous opportunities for growth and expansion.

- With rising global demand for premium and specialty rice varieties, there is significant potential to capture new markets, especially in regions like North America, Europe, and the Middle East, where the appreciation for ethnic and high-quality foods is increasing.
- Innovations in product development, such as ready-to-eat and ready-to-cook meal kits, can attract convenience-seeking consumers, particularly among millennials and Gen Z.
- Additionally, investing in sustainable farming practices and leveraging digital marketing can enhance brand value and appeal to environmentally conscious consumers.
- Exploring collaborations with culinary influencers and chefs can further elevate the brand's profile, while expanding distribution channels, including e-commerce platforms, ensures wider market reach.
- The emphasis on health benefits and the introduction of fortified or health-centric rice varieties can also tap into the growing health and wellness market.



## Threats

Our business faces several threats that could impact its growth and profitability.

- Climate change and unpredictable weather patterns can affect crop yields and quality, posing significant risks to supply.
- Market volatility and fluctuations in commodity prices can lead to unstable profit margins.
- Additionally, stringent regulations and quality standards in international markets can create barriers to entry.
- Competition from other rice varieties and the rise of alternative grains can erode market share.
- Furthermore, geopolitical tensions and trade restrictions can disrupt export markets, impacting revenue streams.
- Finally, counterfeit products and adulteration issues can damage brand reputation and consumer trust.

## Governance and audit

The Company is dedicated to upholding the highest standards of integrity, transparency and accountability to win the confidence of consumers, shareholders, employees, suppliers, distributors, the local community and other stakeholders. The Company is aware of the significance of maintaining a strong corporate governance model and consistent efforts are made to achieve this goal.

## Internal control systems and their adequacy

Internal controls and procedures at LT Foods are well-established and in line with the scale and nature of the Company's operations. To ensure that established procedures are followed, the Company regularly conducts internal

audits of its operations, facilities and stockyards. Internal audit reports are examined by the Audit Committee which also evaluates the efficiency of the internal control systems. The Committee may then recommend to the Board of Directors that adjustments be made to the Company's internal controls, business procedures and management systems. Internal auditors may suggest changes for the Company's internal team to work on. The creation of annual internal audit plans is a joint effort between our internal auditors and the Audit Committee.

## Cautionary Statement

Statements in this Management Discussion and Analysis report describing the Company's objectives, projections, estimates,

expectations, or predictions may be considered 'forward-looking statements' under applicable laws and regulations. These assertions are based on certain assumptions and projections of future events. Because the Company's operations are influenced by many external and internal factors beyond its control, actual results may differ materially from those expressed or implied. The Company makes no commitment to publicly amend, modify, or revise any forward-looking statements in light of subsequent developments, information or events. Readers should be aware that the risks described here are not exhaustive. Readers are encouraged to use their best judgement when assessing the risks associated with the Company.



# Board's Report

Dear Members,

The Board of Directors are pleased to present the 34<sup>th</sup> Integrated Annual Report of the Company along with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2024.

## Financial Highlights

The Board's Report is prepared based on the standalone financial statements of the Company in compliance with the provisions of the Companies Act, 2013 ("Act"), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has prepared its financial statements as per Indian Accounting Standards ("IndAS") for the financial year 2023-24. The Company's financial performance for the year under review along with previous year's figures are given hereunder –

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	402,012.20	3,91,459.99	7,77,240.70	6,93,579.19
Other Income	2,922.42	3,682.45	4,964.91	4,302.14
Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items	26,858.88	26,354.81	98,753.33	74,372.84
Less: Depreciation and amortisation expenses	3,852.44	2,889.97	15,290.65	12,690.72
Less: Finance Cost	1,877.25	2,396.79	8,296.72	8,210.03
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	-	-	4,886.65	2,786.22
<b>Profit Before Tax</b>	<b>21,129.19</b>	<b>21,068.05</b>	<b>80,052.75</b>	<b>56,258.31</b>
Less: Tax Expense	5,162.70	5,036.83	20,292.86	13,982.53
<b>Profit After Tax</b>	<b>15,966.49</b>	<b>16,031.22</b>	<b>59,759.89</b>	<b>42,275.78</b>
<b>Total Comprehensive income for the year</b>	<b>16,073.65</b>	<b>15,666.24</b>	<b>62,732.50</b>	<b>45,893.31</b>

## Company's Performance Overview:

During the financial year 2023-24:

- Revenue from operations on a standalone basis increased to Rs. 4,02,012.00 Lacs against Rs. 3,91,459.99 Lacs in the previous year with a growth of 2.62%.
- The cost of goods sold as a percentage of revenue from operations increased to 79.33%, up from 76.43% in the previous year.
- Employee cost as a percentage of revenue from operations increased to 2.48% (Rs. 10,045.20 Lacs), up from 2.24% (Rs. 8,844.74 Lacs) in the previous year.
- Other expenses as a percentage of revenue from operations decreased to 11.56% (Rs. 46,791.56 Lacs) as against 14.66% (Rs. 57,916.90 Lacs) in the previous year.
- Profit before exceptional items and tax for the current year is Rs. 21,129.19 Lacs as against Rs. 21,068.05 Lacs in the previous year with a growth of 0.29%.

- Profit after tax for the current year is Rs. 15,966.49 Lacs as against Rs. 16,031.22 Lacs in the previous year.
- On a consolidated basis, the Group achieved revenue of Rs. 7,77,240.70 Lacs as against Rs. 6,93,579.19 Lacs – a growth of 10.76%.
- Net profit for the Group for the current year is Rs. 59,759.89 Lacs as against Rs. 42,275.78 Lacs in the previous year with a growth of 29.26%.

For a detailed analysis of the Company's financial performance, please refer to the Management Discussion & Analysis Report, which forms part of the Annual Report.

## Dividend

In terms of Regulation 43A of the Listing Regulations, the Company's Board of Directors adopted the Dividend Distribution Policy, which sets out the parameters and circumstances to be considered by the Board of Directors in determining the distribution of dividends to its shareholders and/or the utilization of the retained profits earned by the Company. The Dividend Distribution Policy

is available on the Company's website at <http://www.ltgroup.in/pdf/Dividend-PolicyFinal.pdf>.

In line with the above policy, your Directors have recommended a final dividend of Rs. 1/—per fully paid-up equity share of face value of Rs. 1/—each for the financial year 2023-24. The payment of the final dividend is subject to the approval of shareholders at the 34<sup>th</sup> Annual General Meeting (“AGM”).

The book closure date for the payment of the final dividend for the financial year 2023-24 will be Thursday, September 19, 2024, to Thursday, September 26, 2024 (both days inclusive).

In view of the applicable provisions of Income Tax Act, 1961, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly make the payment of the final dividend after deduction of tax at source.

During the year under review, the Board of Directors of the Company at their meeting held on July 28, 2023, declared an Interim dividend of Rs. 0.50 (50%) per equity share of the face value of Re. 1 each. The interim dividend was paid to the shareholders within the stipulated time period.

The total dividend amount for the financial year 2023-24, including the proposed final dividend, amounts to Rs. 1.50 (100%) per equity share of the face value of Re. 1 each.

Further, the Board of Directors at their meeting held on May 17, 2024 declared an interim dividend and on July 25, 2024 declared 2nd interim dividend, of Rs. 0.50 (50%) each per equity share of the face value of Re. 1 /- for the financial year 2023-24.

### **Transfer of Amount to Investor Education and Protection Fund**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF. Further, all the shares in respect of which the dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the Unpaid Dividend Account shall also be transferred to the IEPF Authority. The said requirement does not apply to shares in respect to which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares.

In light of the aforesaid provisions, the Company, during the financial year 2023-24, has transferred the unpaid/unclaimed dividend amount of Rs. 2,42,874, pertaining to the final dividend for the financial year 2014-15, to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. The details of

unpaid and unclaimed dividend amounts lying with the Company as on the date of last Annual General Meeting are available on the Company's website at <http://www.ltgroup.in/index.html>.

Further, 30,669 equity shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to the unpaid dividend account, have also been transferred to the demat account of IEPF Authority during the financial year 2023-24. The relevant details of equity shares transferred to IEPF are also available on the Company's website at <http://www.ltgroup.in/index.html>.

Shareholders whose unpaid dividends and/or shares have been transferred to IEPF may contact the Company's registrar and Share Transfer Agent to lodge a claim for a refund of the unpaid dividends/shares (as applicable) out of the IEPF.

### **Particulars of Loans, Guarantees or Investments**

The particulars of loans given, investments made, and guarantees provided by the Company, under Section 186 of the Act, as of March 31, 2024, are furnished in **Annexure – I** and form part of this Report.

### **Highlights of performance of Subsidiaries, Associates, Joint Ventures and their contribution to the overall performance of the Company.**

A statement containing salient features of the financial statements of Subsidiary / Associate / Joint Venture companies, as per Section 129(3) of the Act, are provided in **Annexure II**.

The companies which have become and /or ceased to be Subsidiary/Associate of the Company during the financial year 2023-24 are also mentioned in **Annexure II**.

The financial statements of the subsidiaries, as required, are available on the Company's website and can be accessed at <http://www.ltgroup.in/index.html>.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at <http://ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

Daawat Foods Limited (Subsidiary), LT Foods Americas, Inc. and LT Foods Europe, BV (Fellow Subsidiary) are material subsidiaries of the Company as on March 31, 2024, as per the provisions of the Listing Regulations.

Further, the Annual Accounts and related documents of the subsidiary Companies shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company shall also make available copy thereof upon specific request by any member of the Company interested in obtaining the same. The Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiaries.

During the year, the Company has completed the sale of its 6% stake in LT Foods UK Limited (Step down Subsidiary of the Company's subsidiary) to Shahzeab Mukhtar Bhat, UAE, for an amount of GBP 9.16 lacs.

### Share Capital & Finance:

During the financial year 2023-24, there was no change in the Company's authorised, issued, subscribed, and paid-up share capital.

The Company has issued Commercial Papers (500 units) amounting to Rs. 2,500 Lacs during the financial year 2024-25. These Commercial Papers are listed on both the stock exchanges viz. National Stock Exchange of India Limited and BSE Limited.

The Company has not defaulted on payment of any dues to the financial lenders.

The Company's borrowing programme has received the highest credit ratings from India Ratings and Research Private Limited. The details of the same are given in the Corporate Governance Report, which forms part of this Annual Report and is also available on the Company's website.

### Confirmations:

- a. During the year under review, the Company has not:
  - ⦿ issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities.
  - ⦿ issued equity shares with differential rights as to dividend, voting or otherwise.
  - ⦿ issued any sweat equity shares to its Directors or employees.
  - ⦿ made any change in voting rights.
  - ⦿ reduced its share capital or bought back shares.
  - ⦿ failed to implement any corporate action.
- b. The Company's securities were not suspended for trading during the year.
- c. The disclosure pertaining to the explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc., does not apply to the Company.

### Reserves

The Company has transferred Rs. 16,073.65 lacs to the Reserves during the financial year.

### Details relating to deposits covered under Chapter V of the Companies Act, 2013

The Company has not accepted any deposits from the public under Chapter V of the Act, and as such, no principal or interest was outstanding as of the balance sheet date.

## Directors and Key Managerial Personnel

### Board of Directors

As of March 31, 2024, the Board of Directors comprises 9 Directors (including 2 women Directors), 5 of which are Independent Director(s), 1 Non-Executive Director(s) and 3 Promoter Director(s) / Managing Director(s) & CEO.

### Change in Directorate:

#### a. Appointment of Independent Directors

The Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, inter alia, approved the following appointments, subject to the approval of the shareholders of the Company:

- ⦿ Appointment of Mr. Satish Chander Gupta (DIN: 00025780) as an Independent Director of the Company for a period of five years with effect from June 16, 2023.
- ⦿ Appointment of Mr. Raju Lal (DIN: 10347298) as an Independent Director of the Company for a period of five years with effect from January 25, 2024.

In the board's opinion, Mr. Satish Chander Gupta and Mr. Raju Lal bring the required experience, integrity, expertise, and relevant proficiency, which will add tremendous value to the Board's ability to exercise its role effectively.

Mr. Satish Chander Gupta and Mr. Raju Lal provided the requisite declarations and eligibility confirmations under the provisions of the Act and Listing Regulations for consideration of their appointment as Independent Directors.

Mr. Satish Chander Gupta has a master's degree in Commerce and has completed CAIIB from the Indian Institute of Banking and Finance. He has over 41 years of experience in the Banking Industry, is a retired Chairman and Managing Director from Punjab National Bank, and has previously held positions as Chairman and Managing Director at Indian Overseas Bank, Chairman at ISMT Ltd., and Chairman at Kamanwala Housing & Construction Ltd, to name a few.

Mr. Raju Lal is a Chartered Accountant by qualification. He is a versatile and communicative professional with over 30 years of experience in capturing profitable business opportunities and motivating talented, cross-functional teams of large numbers of employees. He has a diverse experience across various aspects of Strategic Planning & Execution, Operational Excellence & Process Optimization, Regulatory Compliance & Risk Management, Leadership & Team Development, Change Management & Adaptability and Business Development. In his past assignments, he has

served as a partner with EY LLP, TCS, and Hindustan Petroleum Corporation Ltd.

The appointment of Mr. Satish Chander Gupta and Mr. Raju Lal as the Independent Directors of the Company for the term as mentioned above was subsequently approved by the shareholders of the Company through special resolutions passed with the requisite majority by way of postal ballot via remote e-voting on September 02, 2023 and March 14, 2024, respectively. Details of the same are provided in the Corporate Governance Report, forming part of this Integrated Annual Report.

b. Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Surinder Kumar Arora (DIN: 01574728), Managing Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

Based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment to the Company's Board, and he is liable to retire by rotation.

The brief profile of Mr. Surinder Kumar Arora is given in the Notice of the ensuing AGM and is also available on the Company's website at <http://ltgroup.in/index.html>.

The appropriate resolution for Mr. Surinder Kumar Arora's re-appointment is being placed for the approval of the Company's shareholders at the ensuing AGM.

The Annexure to the Notice of the AGM discloses details regarding his experience, attributes, skills, disclosure of relationships between directors inter-se, directorships held in other companies, committee memberships, etc., as stipulated under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by ICSI.

### Key Managerial Personnel

Mr. Ashwani Kumar Arora, Managing Director & CEO, Mrs. Monika Chawla Jaggia, Company Secretary and Mr. Sachin Gupta, Chief Financial Officer, are the Key Managerial Personnel ("KMP") of the Company in accordance with the provision of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the year under review, there were no changes to the KMP of the Company.

### Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Act, the Directors to the best of their knowledge, hereby state and confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The aforesaid statement has also been reviewed and confirmed by the Audit Committee of the Board of Directors of the Company.

### Declaration from Directors

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- a. they meet the criteria of independence as prescribed under the provisions of the Act, read with Schedule IV and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- b. they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- c. they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs and have qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of Section 150 of the Act read with Rule 6 of

the Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Company's Board of Directors has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

All members of the Board and Senior Management have affirmed compliance with the Code of Conduct for Board and Senior Management for the financial year 2023-24.

The Company had sought the following certificates from independent and reputed Practising Company Secretary confirming that:

- a. None of the Directors on the Company's board has been debarred or disqualified from being appointed and/or continuing as Directors by SEBI/MCA or any other such statutory authority.
- b. Independence of the Company's directors in terms of the provisions of the Act read with Schedule IV and Rules issued thereunder and the Listing Regulations.

### **Familiarisation Programme for Independent Directors**

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the training and familiarisation programme are given in the Report of Corporate Governance forming part of this Integrated Annual Report. They are also available on the Company's website at <http://www.ltgroup.in/business-and-investors.html#investor-updates>.

### **Board Evaluation**

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of the Directors, Committees of the Board, and the Board as a whole. The criteria for the evaluation and outcomes are set out in the Corporate Governance Report forming part of this Integrated Annual Report.

### **Board Meetings**

Four meetings of the Board of Directors were held during the year under review. The details of the Board of Directors of the Company meetings held and attended by the Directors during the financial year 2023-24 are

given in the Corporate Governance Report forming part of this Integrated Annual Report.

As prescribed by the Act and the Listing Regulations, the maximum interval between any two meetings did not exceed 120 days.

### **Committees**

As of March 31, 2024, the Board has 6 Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee and Management Committee.

During the year under review, the Company's Board of Directors have delegated the authority to approve the transmission, dematerialisation of shares, etc., to a Managing Committee. A summary of approved transmissions, dematerialisation of shares, etc., is placed before the Board of Directors from time to time as per the Listing Regulations.

During the year, all recommendations of the Committees of the Board have been accepted by the Board. A detailed note on the composition of the Board and its Committees, governance of committees including its terms of reference, number of committee meetings held during the financial year 2023-24, and attendance of the members is provided in the Report of Corporate Governance forming part of this Integrated Annual Report. The composition and terms of reference of all the Committees of the Company's Board of Directors are in line with the provisions of the Act and the Listing Regulations.

### **Auditors & Auditors Report**

#### **Statutory Auditors**

M/s MSKA & Associates, Chartered Accountants (Firm Registration Number 105047W), were appointed as the Statutory Auditors of the Company for a period of five years at the 30<sup>th</sup> AGM of the Company to hold office till the conclusion of the 35<sup>th</sup> AGM.

MSKA has confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and satisfy the independence criteria. The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year 2023-24, and the Statutory Auditor's Report forms part of this Integrated Annual Report.

#### **Secretarial Auditors**

M/s. D Dixit & Associates, Practising Company Secretary (Certificate of Practice No. 7871), has been appointed as the Secretarial Auditor of the Company.

The Secretarial Audit Report received from M/s. D Dixit & Associates, for the financial year 2023-24 under Section 204 of the Act read with Rules made thereunder and

Regulation 24A of the Listing Regulations is set out as **Annexure III** to this Report.

The Secretarial Compliance Report received from M/s. D Dixit & Associates, for the financial year 2023-24, in relation to compliance with all applicable SEBI Regulations/ Circulars/Guidelines issued thereunder, Secretarial Standards issued by ICSI, pursuant to the requirements of Regulation 24A of the Listing Regulations, is filed with the Stock Exchanges.

As required by Schedule V of the Listing Regulations, the Auditor's Certificate on Corporate Governance received from M/s. D Dixit & Associates is annexed to the Report on Corporate Governance and forms part of this Integrated Annual Report.

Observations/ remarks specified in the said reports, along with the status of the said observations/remarks as on the date of this report, are mentioned below:

The Board Composition requirement was not met during the financial year ended March 31, 2024. However, the Company thereafter complied with the said requirement.

Pursuant to the requirement of Regulation 24A of the Listing Regulations, the Secretarial Audit Report of Daawat Foods Limited, material unlisted subsidiary, incorporated in India, of the Company, is annexed to this report as **Annexure IV** to this Report

#### **Cost Auditors and Cost Records**

The maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, read with Rule 3 and Rule 4 of The Companies (Cost Records and Audit) Rules, 2014, are not applicable to the business activities carried out by the Company.

#### **Reporting by Auditors**

During the year under review, the Statutory Auditors and the Secretarial Auditors have confirmed that they have not encountered any event indicating the commitment of any fraud by the Company's officers or employees. Thus, no reporting under the provisions of section 142(12) of the Act and the Rules made thereunder was required.

#### **Internal Auditor**

During the year under review, M/s. Grant Thornton India LLP was appointed as the Company's Internal Auditors for the financial year 2023-24. M/s Grant Thornton India LLP resigned as Internal Auditors of the Company, w.e.f. January 17, 2024, as they have shown their inability to hold such a position. In terms of compliance with the provisions of Section 138 of the Act read with Companies (Accounts) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, approved the appointment of M/s. Protiviti India Member Private Limited, as its Internal Auditors of the Company w.e.f. January 25, 2024.

#### **Internal Controls**

The Company has well-established and robust internal control systems commensurate with the nature of its business, size & scale and complexity of its operations. They are implemented across all processes, units and functions. Internal control systems comprising policies and procedures are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance.

Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. The Audit Committee also periodically reviews the adequacy and effectiveness of internal control systems and guides on their further strengthening.

No material observation was made by the Company's internal auditor or statutory auditors during the year under review regarding the efficiency and effectiveness of such controls.

#### **Internal Financial Controls Related to Financial Statements**

The Company has designed and implemented a comprehensive Internal Financial Controls System for financial reporting to ensure that all transactions are authorised, recorded, and reported correctly in a timely manner. The Company's Internal Financial Controls for financial reporting provide reasonable assurance over the integrity and reliability of the Company's financial statements.

The Company has detailed work instructions, Standard Operating Procedures, policies, and processes that define roles, responsibilities, and required actions. Functional heads are responsible for ensuring compliance with all laws and regulations and with management's policies and procedures.

The Company's Enterprise Resource Planning ("ERP") system of SAP S/4 HANA is well-leveraged and implemented towards day-to-day transaction accounting and financial reporting. The Company's ERP and allied information technology solutions provide a strong technology architecture for financial reporting controls. The Company's investment in an advanced automation system to enable automated accounting and financial closing procedures in various areas has resulted in better accuracy and faster financial reporting with fewer manual interventions. The financial statement preparation has been automated to ensure end-to-end system-driven reporting across the Group, reducing the scope of manual errors.

The Company actively tracks all changes in Accounting Standards, the Act, and other applicable regulations and changes the underlying systems, processes, and financial controls to ensure adherence.



The Company's financial results are audited every quarter by its Statutory Auditors. The policies ensure that the subsidiary companies follow uniform accounting treatment as well. International subsidiaries provide the information required to consolidate accounts in the format prescribed by the Company. The accounts of the subsidiary and joint venture companies are audited and certified by their respective Statutory Auditors for consolidation. The Company has implemented an audit trail on the books of accounts.

### Related Party Transactions

The Company has been entering into transactions with related parties, including entities directly and/or indirectly controlled by members of the Promoter(s) & Promoter(s) Group, for its business purposes. These transactions primarily include such transactions permissible and provided for under the provisions of the Act, the Listing Regulations, and the Income-Tax laws.

The Company follows robust internal processes before entering into transactions with related parties, and the considerations that govern these transactions are the same as those applicable to other vendors of the Company. All transactions are undertaken for the benefit of the Company and in compliance with the applicable laws.

As a part of the Company's annual planning process, before the beginning of a financial year, details of all the transactions proposed to be executed with related parties, including the estimated amount of transactions to be executed, manner of determination of pricing and commercial terms, etc. are presented to the Audit Committee for its consideration and approval. The details of said transactions are also placed before the Board of Directors for their information. The Director, if interested in a transaction, does not participate in discussing the item relating to that transaction. Further approval is sought during the year for any new transaction/ modification to the previously approved limits/ terms of contracts with the related parties. This is followed by a quarterly review of the related party transactions by the Audit Committee.

A declaration in Form AOC-2, as required under sections 134(3)(h) read with 188(1) of the Act is enclosed as **Annexure V** to this report. The Policy on the Related Party Transactions is available on the Company's website and can be accessed at: <http://www.ltgroup.in/pdf/LT-Food-Related-Party-Transactions-2022.pdf>.

### Policy on Prevention of Sexual Harassment of Women at Workplace

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace

for prevention, prohibition and redressal of sexual harassment at the workplace. An Internal Complaints Committee has also been set up to address any complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. The Policy also provides shelter to contract workers, probationers, temporary employees, trainees, apprentices, and any person visiting the Company at its office.

The Company periodically conducts sessions for employees across the organisation to build awareness about the Policy and the provisions of the Prevention of Sexual Harassment Act.

During the financial year 2023-24, no complaint was reported under the provisions of Prevention of Sexual Harassment Act and none was pending from the previous financial year.

The Company's Policy for the prevention of sexual harassment is available on the Company's website at <https://www.ltgroup.in/pdf/POSH-framework.pdf>.

### Whistle Blower Policy / Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and aligns with the best governance practices. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Company's Board of Directors in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

The Policy provides adequate protection to all its stakeholders who report unethical practices and irregularities. Details of whistle blower complaints received, if any, and the functioning of the whistle blower mechanism are reviewed periodically by the Audit Committee. No person has been denied access to the Chairperson of the Audit Committee. During the financial year 2023-24, no complaint was received under the Whistle Blower Policy of the Company. Details of whistle blower policy are available in the Corporate Governance Report, which forms part of this Annual Report.

The Whistle Blower Policy has been appropriately communicated within the Company and its Group and is also available on the Company's website at <http://ltgroup.in/pdf/Whistle-Blower%20PolicyAugust%202021.pdf>.

### Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall:

- ⦿ lay down the effective manner of performance evaluation of the Board, its Committees and the Directors;

- formulate the criteria for Board membership, including the appropriate mix of Executive & Non-Executive Directors and Board Diversity;
- approve and recommend compensation packages and policies for Directors, Key Managerial Personnel and Senior Management Personnel; and
- such other matters as provided under the provisions of section 178 of the Act and the provisions of Listing Regulations.

The salient features of the Company's Nomination and Remuneration Policy are outlined in the Corporate Governance Report, which forms part of this Integrated Annual Report. The Policy is also available on the Company's website and can be accessed at <http://www.ltgroup.in/pdf/LT-Foods-Remuneration-Policy.pdf>.

### Remuneration of Directors, Key Managerial Personnel and Senior Management

The remuneration paid to the Directors, Key Managerial Personnel and senior management is in accordance with the Nomination and Remuneration Policy formulated in accordance with the provisions of Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations. Further details are given in the Report of Corporate Governance, which forms part of this Integrated Annual Report.

The ratio of remuneration of each Director to the median employees' remuneration as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is disclosed in **Annexure VI** of this report. The statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is available on the Company's website at <http://www.ltgroup.in/index.html>. Any Member desirous of obtaining a copy of the said annexure may download the same from the website of the Company or write to the Company Secretary at [ir@ltgroup.in](mailto:ir@ltgroup.in).

### Corporate Social Responsibility

The Company has in place a CSR & ESG (CSR) Committee in terms of the requirements of section 135 of the Act read with rules made thereunder.

The Company's CSR policy is available on its website at <http://ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>, and the Annual Action Plan is available on its website at <http://www.ltgroup.in/index.html>.

The Corporate Governance Report, which forms part of the Integrated Annual Report, provides a brief note regarding the composition of the CSR Committee. Annexure VII which forms part of this Board Report,

provides the disclosures required under section 135 of the Act, read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company's Chief Financial Officer has certified that the CSR funds disbursed for the projects have been utilized for the purposes and in the manner approved by the Board.

### Risk Management

The Company recognises that risk is an integral and inevitable part of business, and it is fully committed to managing the risks proactively and efficiently. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks. The Company has a disciplined process for continuously assessing risks, in the internal and external environment and minimising the impact of risks. The Company incorporates the risk mitigation steps in its strategy and operating plans.

The objective of the Company's Risk Management process is to enable value creation in an uncertain environment, promote good governance, proactively address stakeholder expectations, and improve organisational resilience and sustainable growth.

The Company has a risk management policy in place that articulates the approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that all short-term and long-term implications of key strategic and business risks are identified and addressed by the management. The Audit Committee takes the mantle of reviewing the risk management systems of the Company.

The Board has approved the revised Risk Management Policy on the recommendation of the Risk Management Committee and the Audit Committee. The Company regularly identifies uncertainties and, after assessing them, devises short-term and long-term actions to mitigate any risk that could materially impact the Company's long-term plans. Mitigation plans for significant risks are well integrated with business plans and are reviewed on a regular basis by senior leadership.

The Company periodically reviews and improves the adequacy and effectiveness of its risk management systems, considering the rapidly changing business environment and evolving complexities. Through the risk management process, the Company aims to contain risk within its risk appetite.

The Board believes that no risks threaten the Company's existence. The Company's Risk Management Policy is available on its website at <http://www.ltgroup.in/pdf/LT-Foods%20-Risk-Management.pdf>.

## Integrated Annual Report

The Company continues its integrated reporting journey in the current financial year, aligning with the IR framework published by the International Financial Reporting Standards Foundation (IFRS).

The Integrated Annual Report comprises both financial and non-financial information to illustrate how different 'capitals' are deployed to create value. This enables the members to make well-informed decisions and better understand the Company's long-term perspective and value creation for all stakeholders.

## Management Discussion and Analysis Report:

Pursuant to Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms an integral part of this Integrated Annual Report and gives the details, inter alia, about the performance of the Companies India and International Operations, important changes in these businesses, supply chain, external environment, and economic outlook during the year under review.

During the year under review, there was no change in the nature of the Company's business.

### Confirmations:

- a. There were no revisions of financial statements and the Board's Report of the Company during the year under review, and
- b. There were no material changes and commitments that affect the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this Report.

## Corporate Governance Report

Our Corporate Governance practices reflect our value system, which encompasses our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our Corporate Governance practices to ensure that we always gain and retain our stakeholders' trust. Corporate Governance is about maximizing shareholder value legally, ethically, and sustainably. At LT Foods, the Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavour to enhance long-term shareholder value in all our business decisions.

A detailed Report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of this Integrated Annual Report. A certificate from CS Debasis Dixit, Practising Company Secretary, the Secretarial Auditor of the Company, confirming compliance of conditions of Corporate Governance during the financial year 2023-24, as stipulated under the Listing Regulations, is annexed to the said Corporate Governance Report. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of the financial and cash flow statements, adequacy of the

internal control measures and reporting of matters to the Audit Committee, is also annexed to the said Corporate Governance Report.

## Business Responsibility and Sustainability Report (BRSR)

As the significance of Environmental, Social and Governance (ESG) issues grows within the corporate landscape, how companies report on these matters has evolved. With an increasing global awareness of business impacts on society and the environment, ESG reporting demands considerable attention. LT Foods is committed to transparently communicating its ESG performance in alignment with international standards to stakeholders. The BRSR Report adheres to the format outlined in the amendment to Regulation 34(2)(f) of the Listing Regulations, as specified in Gazette Notification No. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021, is integrated into our Annual Report. Aligned with the nine principles of the National Guidelines on Responsible Business Conduct issued by the Ministry of Corporate Affairs, Government of India, the BRSR for the financial year 2023-24 has been developed. We have bolstered our robust reporting structure and mechanisms to ensure accurate and reliable data capture for BRSR disclosures. Additionally, the Company is incorporating the BRSR core indicators in its Report.

LT Foods firmly upholds the belief that sustainable and inclusive growth can only be achieved through a robust foundation of environmental and social responsibility complemented by effective governance. Our report shows our ongoing endeavours to adopt and enact a balanced approach to ESG criteria within our business operations, a commitment we transparently communicate to stakeholders.

In addition to BRSR Core reporting, LT Foods is also publishing its first Sustainability Report with reference to the Global Reporting Initiative Framework (GRI). The Company will publish the Sustainability Report for the financial year 2023-24 separately.

## Annual Return

In accordance with Section 92(3) read with Section 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as of March 31, 2024, in Form MGT-7, is available on the Company's website at <http://ltgroup.in/investor-updates/> annual-return.html.

The Annual Return will be submitted to the Registrar of Companies within the timelines prescribed under the Act.

## Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by ICSI on Meetings of the Board of Directors, General Meetings, and voluntarily the Secretarial Standards on Dividend and Report of the Board of Directors.

## Awards and Accolades

This integrated annual report provides details of some of the significant accolades earned by the Company during the financial year 2023-24.

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

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under section 134(3) of the Act read with Rule 8 of Companies (Accounts of Companies) Rules, 2014, as follows:

### Conservation of Energy

(i) Measures Undertaken or Impact on Energy Conservation:

1. **Process Automation:** Our Company has implemented comprehensive plant automation initiatives to augment operational efficiency and enhance product quality, thereby minimizing manual errors.
2. **Efficiency Enhancement Projects:** The Company has successfully executed projects focused on reducing line and power factor losses, optimizing compressed air usage, enhancing loading efficiency, minimizing wastage, and streamlining power consumption processes.
3. **Integration of Renewable Energy:** Currently, 49.5% of our total energy requirements across all units in India are met through renewable sources such as steam turbines and solar power. This year, we are ambitiously targeting to increase this figure to 60%.
4. **Rainwater Harvesting:** Emphasizing sustainable water management, our Company has actively pursued the recharging of rainwater harvesting pits through innovative methods, including collecting roof runoff. Furthermore, we have installed additional harvesting pits within our plants and warehouses during the current fiscal year, furthering our commitment to environmental stewardship.

(ii) Utilization of Alternate Sources of Energy

1. **By-product Utilization:** The installation of a new turbine (1.25 MW) at our Mandideep Plant made a significant stride towards sustainability. This initiative has enabled us to harness energy from by-products effectively, contributing to our renewable energy portfolio.
2. **Solar Energy Initiative:** In line with our commitment to environmental responsibility, we have recently installed state-of-the-art solar panels (100 kW) at the Mandideep Plant. This installation has bolstered our renewable energy

capacity and underscores our dedication to reducing our carbon footprint.

Together, these initiatives have resulted in a notable 27% increase in the contribution of renewable energy at our Mandideep Plant, marking a significant step towards achieving our sustainable energy goals.

(iii) Capital investment on energy conservation equipment:

1. The organization has implemented a flash recovery system for steam dryers, enhancing energy conservation through utilising recovered heat for hot water generation and reducing steam usage.
2. Modifying our drying processes to operate on low-pressure steam aligns with our carbon neutrality objectives.
3. Improvements in our compressed air system, including pipeline resizing and booster pump installation, enhance energy conservation efforts. These initiatives underscore our commitment to sustainable practices and environmental stewardship.

### Technology Absorption

(i) Initiatives Towards Technology Absorption:

1. **Digitization Advancements:** Our Company continues to make significant strides in digitization with initiatives such as EWMS (Extended Warehouse Management System) and the implementation of high-tech applications that support on-site data feeding with built-in breakdown detection features. These efforts aim to enhance operational efficiency and maintain stringent quality standards across our processes.
2. **Integration of Bar Codes:** As part of our commitment to modernize operations, we have integrated Bar Codes as a cornerstone tool. This initiative is pivotal in facilitating seamless production planning and ensuring comprehensive traceability from the initial stages of production to invoicing. By leveraging Bar Codes, we can meticulously monitor operations, promptly identify discrepancies, and uphold precise scheduling and thorough traceability throughout our production cycles.

(ii) Benefits Derived

1. **Enhanced Productivity and Efficiency:** Our strategic focus on automation and efficiency projects has yielded tangible improvements in productivity across our operations. We have optimized resource utilization and enhanced overall efficiency by streamlining processes and leveraging advanced technologies.

2. Cost Optimization: We have successfully reduced operational costs by adopting energy-efficient technologies and increasing our reliance on renewable energy sources. This proactive approach aligns with our sustainability goals and enhances our competitive edge by minimizing energy consumption and maintenance expenditure.

(iv) Expenditure on Research and Development

Our ongoing commitment to innovation includes endeavours to reduce our water usage and carbon footprint through cutting-edge technologies. For instance, we are actively exploring the adoption of low-emission refrigerants and battery-operated Material Handling Equipment (MHEs). Additionally, we are pioneering the reuse of treated wastewater utilizing advanced methods. Furthermore, we are implementing low-pressure steam in our manufacturing processes, underscoring our dedication to sustainable practices and operational excellence. These initiatives exemplify our proactive approach to research and development in pursuit of environmental stewardship and efficiency.

### Foreign Exchange Earnings and Outgo:

Details of total foreign exchange spent and the foreign exchange earned are as follows:

(₹ in Lakh)

Particulars	31-03-2024	31-03-2023
<b>Value of imports on CIF basis</b>		
Capital goods	11.80	11.20
Stores and spares	463.54	910.72
Rice	279.77	106.99
Other	92.50	4.62
<b>Total</b>	<b>847.61</b>	<b>1,033.54</b>
<b>Expenditure in foreign currency</b>		
Legal & Professional	58.76	102.66
Interest and other charges to bank	144.87	53.96
Clearing & Forwarding Expense	4,051.12	6,238.37
Advertisement	1,200.97	78.27
Sales promotion	146.64	61.94
Commission on export sales	-	124.08
Others	5.74	17.71
<b>Total</b>	<b>5,608.11</b>	<b>6,676.99</b>
<b>Earnings in foreign currency</b>		
<b>FOB value of exports</b>	<b>1,76,425.85</b>	<b>1,52,053.80</b>
<b>Total</b>	<b>1,76,425.85</b>	<b>1,52,053.80</b>

### Change in the nature of business

There is no change in the nature of the business operations of the Company, during the financial year ended March 31, 2024.

### Material changes and commitments, if any, affecting the financial position between the end of the financial year and the date of Report.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year ended March 31, 2024 and the date of this Report.

### Details of significant and material orders passed by the regulators or courts

During the financial year 2023-24, no significantly material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

### Affirmations

To the best of our knowledge and the information available, no application against the Company was filed in any court in India under the Insolvency and Bankruptcy Code, 2016, nor any proceedings thereunder is pending as on March 31, 2024.

During the year under review, there was no instance of onetime settlement with any bank or financial institution.

### Acknowledgements

Our heartfelt gratitude to our consumers, whose sustained support and feedback have always enabled LT Foods to take account of their unique and evolving needs and accordingly diversify the product portfolio to drive utmost consumer satisfaction. We thank our employees, core contributors to our goodwill and growth, for their dedicated efforts and unwavering commitment in achieving our shared goals and helping us to navigate every challenge. Our success would not be possible without the dedication of our vendors, whose continued partnership has helped us to forge an extensive global footprint and reinforce our industry leadership.

We sincerely appreciate the stewards of good governance and responsible practices—the regulatory authorities, bankers, financial institutions, rating agencies, stock exchanges and depositories, auditors, legal advisors, consultants, and other stakeholders. You have played an instrumental role in creating a level playing field and enforcing transparency, ethics, and accountability within every aspect of our operations.

For and on behalf of  
**Board of Directors of LT Foods Limited**

Gurugram  
July 25, 2024

**Vijay Kumar Arora**  
Chairman and Managing Director

# Annexure – I

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

### Details of Loans, Guarantees or Investments

The details of Loans given, Guarantee provided and Investments made are as follows:

(a) Details of Loans:

S No.	Date of loan	Name of the Company	Amount in Rs. Lakhs	Purpose for which loan was given	Date of Board Meeting / Management Committee Meeting	Rate of Interest Charged
1	29-05-2023	Raghuvesh Agri Foods Private Limited	65.16	Business Purpose	17.05.2024	10%
2	29-05-2023	Raghuvesh Warehousing Private Limited	24.12	Business Purpose	17.05.2024	10%
3	29-08-2023	Raghuvesh Agri Foods Private Limited	3.00	Business Purpose	17.05.2024	10%

(b) Details of Investments:

S No.	Date of Investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of Board Resolution	Date of Special Resolution	Expected rate of return
Nil							

(c) Details of Guarantee / Security provided during the financial year 2023-24

S No.	Date of recipient	Amount in Rs. Lakhs	Purpose for which the security /guarantee is proposed to be utilized by the recipient
1	Tata Capital Financial Services Limited	1,250.00	Dealer Financial Loan
2	Kotak Mahindra Bank Limited	1,000.00	Dealer Financial Loan

# Annexure – II

## AOC 1 DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

### Part "A" : Subsidiaries

Statement containing certain financial information of subsidiaries, associate companies and joint ventures of LT Foods Limited as at March 31, 2024

(Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014

(in lacs unless otherwise stated)

S. No	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed Dividend*	Extent of shareholding (in %age)
1	LTO North America, Inc. USA (Wholly Owned Subsidiary)*	USD **	02.11.2007	31.03.24	67.70	1151.19	2581.45	1362.56	89.52	-	4853.47	466.79	131.15	335.64	100
2	LT Foods Middle East DMCC (Fellow Subsidiary)	AED **	19.07.2012	31.03.24	10.00	1.71	567.29	555.58	-	1505.37	(32.00)	-	(32.00)	-	100
3	Sona Global Ltd. UAE (Wholly Owned Subsidiary)	AED **	17.04.2013	31.03.24	132.90	11.06	144.47	0.50	10.00	1.92	(0.07)	-	(0.07)	-	100
4	Daawat Foods Limited (Subsidiary)	INR	19.03.2005	31.03.24	1,915.53	54268.52	1,40,942.49	84758.45	203.82	1,55,266.95	14,220.41	3,637.07	10,583.34	200.00	100
5	Nature Bio Foods Limited (Wholly Owned Subsidiary)	INR	04.05.2005	31.03.24	242.42	23,922.67	38,605.00	14,439.91	3,004.97	46,786.55	2866.21	774.03	2,092.18	-	82.50
6	Raghunath Agro Industries Private Limited	INR	20.07.2015	31.03.24	424.79	3,645.31	8893.67	4823.56	-	27,640.39	769.98	203.70	566.28	-	100
7	Deva Singh Sham Singh Export Private Limited	INR	12.04.2017	31.03.24	1.00	107.24	266.33	158.09	-	1023.73	33.56	8.60	24.96	-	100
8	Nature Bio-Foods B.V.	EURO**	06.11.2017	31.03.24	0.00	63.45	338.80	117.05	4.05	438.03	21.16	5.32	15.84	-	82.50
9	LT Agri Services Pvt. Ltd.	INR	28.08.2014	31.03.24	1.00	(1.11)	0.04	0.15	-	-	(0.11)	-	(0.11)	-	100
10	Ecopure Specialities Limited	INR	01.11.2017	31.03.24	475.09	3,679.42	6,712.74	2,558.23	-	7,684.69	349.79	(76.46)	(273.22)	-	82.50
11	Nature Bio Foods Inc	USD**	01.08.2020	31.03.24	1.00	8.49	17.24	7.75	-	57.06	0.065	0.019	0.046	-	82.50

(in lacs unless otherwise stated)															
S. No	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed Dividend#	Extent of shareholding (in %age)
12	Bonne Nature Ltd	UGX**	22.12.2023	31.03.2024	190.00	(3403.13)	64,961.21	66464.34	-	55,433.91	(4,861.62)	(1,458.49)	(3,403.13)	-	82.50

\* It Includes step down subsidiaries:- LT Foods Americas, Inc., LT Foods USA LLC, LT Foods Europe Holdings Limited, LT Foods Europe BV and LT Foods U.K. Limited

Profit & Loss Items dealt with:-

**	1 USD (US Dollar)	Rs 82.79
**	1 AED (United Arab Emirates Dirham)	Rs 22.52
**	1 EURO (European Currency)	Rs 89.80
**	1 UGX (Ugandan Shilling)	Rs 0.0222

Balance Sheet Items dealt with:-

**	1 USD (US Dollar)	Rs 83.79
**	1 AED (United Arab Emirates Dirham)	Rs 22.69
**	1 EURO (European Currency)	Rs 90.22
**	1 UGX (Ugandan Shilling)	Rs 0.0217

#Dividend received during the financial year 2023-24

- Note :-
1. Name of the subsidiaries which are yet to commence operations:- Ecolife, LLC, LT Foundation
  2. Name of the subsidiaries which have been liquidated or sold during the year: Nil
  3. Details of Material Subsidiaries as per regulation 34(3) Schedule V Part C (10)(n)-

S No.	Name of Material Subsidiary	Statutory Auditors	Date of Appointment of Statutory Auditors
1	Daawat Foods Limited	MSKA & Associates	30.11.2019
2	LT Foods Americas Inc.	BDO India LLP	10.03.2021
3	LT Foods Europe BV	CA Prerna Jain	26.10.2023



**PART- B ASSOCIATES AND JOINT VENTURES**

(₹ in Lakh)

S. No	Name of Associates or Joint Ventures	Raghuvesh Agri Foods Private Limited (Associate)	Raghuvesh Warehousing Private Limited (Associate)	Raghuvesh Infrastructure Pvt. Ltd. (Associate)	Kameda LT Foods India Private Limited (Joint Venture)*	Golden Star Trading, Inc.	Leev.NU BV
1.	Last Audited Balance Sheet date	31/03/2024	31/03/2024	31/03/2024	31/03/2024	31/03/2024	31/03/2024
2.	Date on which the Associate or Joint Venture was associated or acquired	20/05/2014	20/05/2014	24/08/2015	14/03/2017	28/06/2022	21/07/2023
3.	Shares of the Associate or Joint Venture held by the Company on the year end No.	1600000	1600000	15000	29170673	27000	5400
	Amount of Investment in the Associate or Joint Venture (in Lacs)	160.00	160.00	1.50	2917.07	6708.90	241.94
	Extent of holding (in percentage)	40%	40%	30%	51%	51%	30%
4.	Description of how there is significant Influence	Holding More than 20% of Total Share Capital of the Company					
5.	Reason why the associate/ joint venture is not Consolidated	Not Applicable					
6.	Net worth attributable to shareholding as per latest audited balance sheet	886.67	1027.22	609.41	1442.80	16682.55	916.63
7.	Profit or Loss for the year	16.69	(14.90)	309.86	(988.38)	10210.09	299.67
	(i) Considered in consolidation	6.67	(5.96)	92.96	(504.07)	5207.15	89.90
	(ii) Not Considered in consolidation	10.02	(20.86)	216.9	1492.45	5002.94	209.77
8.	Proposed Dividend	-	-	-	-	-	-
9.	Extent of shareholding (in %age)	40%	40%	30%	51%	51%	30%

1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year: None

3. The Company has not entered into Joint Venture agreement during the year

4. \* Erstwhile Daawat Kameda Private Limited

# Annexure – III

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,  
The Members,  
**LT Foods Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **M/s LT Foods Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s LT Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s LT Foods Limited** ("the Company") for the financial year ended on **31st March 2024** to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- (f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-; and
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

\*No event took place under these regulations during the Audit Period.

(vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that Company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.

- (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
- (2) The Equal Remuneration Act, 1976
- (3) The Maternity Benefit Act, 1961
- (4) The Minimum wages Act, 1948

- (5) The Water (Prevention and Control of Pollution) Act, 1974
- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harrassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (18) The Stamp Duty Act, 1889

#### **Observations/Disclaimer in Clause (v) (e) of Para One of Our Report**

1. On 28<sup>th</sup> February 2023, there was violation of Regulation 17(1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 because the Company was required to have one more Independent Director on its Board to make the number of Independent Director as half of the Total board.  
  
On 16<sup>th</sup> June 2023, Company has appointed one Independent Director and accordingly complied with the Regulation 17(1).
2. On 16<sup>th</sup> June 2023, Company has appointed Mr. Satish Chander Gupta as Independent Director in violation of Regulation 17(1A). However, Company has taken shareholder approval on 2<sup>nd</sup> September 2023 and accordingly complied Regulation 17(1A).

#### **PARA SECOND**

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also

the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **I further report that**

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

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

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

I further report that during the audit period the Company has:

1. Taken Shareholders approval by way of Postal Ballot dated 21<sup>st</sup> June, 2023 for the following items:  
  
Approval of shareholder to regularize Mr. Alrumaih Sulaiman Abdulrahman S as Non executive director of the Company.
2. Taken Shareholders approval by way of Postal Ballot dated 2<sup>nd</sup> September, 2023 for the following items:  
  
Approval of shareholder to regularize Mr. Satish Chander Gupta as Independent Director of the Company.
3. Taken Shareholders approval by way of Postal Ballot dated 14<sup>th</sup> March, 2024 for the following items:  
  
Approval of shareholder to regularize Mr. Raju Lal as Independent Director of the Company.

For **D Dixit and Associates**  
Company Secretaries

**CS Debasis Dixit**

FCS No. 7218, CP No.: 7871

PR-1823/2022

UDIN:F007218F000772171

Place: New Delhi

Date: 18.07.2024

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

# Annexure A to the Secretarial Audit Report

The Members

## **LT Foods Limited**

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

# Annexure – IV

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,  
The Members,  
**Daawat Foods Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **M/s Daawat Foods Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s Daawat Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Daawat Foods Limited** ("the Company") for the financial year ended on **31st March, 2024** to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) \*The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) \*The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) \*The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) \*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) \*The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-; and
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-

\*Not Applicable to the Company during the Audit Period.

- (vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that Company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.
  - (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
  - (2) The Equal Remuneration Act, 1976
  - (3) The Maternity Benefit Act, 1961
  - (4) The Minimum wages Act, 1948
  - (5) The Water (Prevention and Control of Pollution) Act, 1974

- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harrassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Observations/Disclaimer in Clause (i)& (iv) of Para One of Our Report**

1. As per Management representation, the related party transactions during the financial year does not requires shareholder's approval, as the related party transactions entered into by the Company is in its ordinary course of business and on arm's length basis. However, I am unable to comment on the Company's claim of ordinary course of business and on arm's length basis;

**PARA SECOND**

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the

conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

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

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

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

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

**Observations/Disclaimer in Clause (i) of Para Second of Our Report**

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

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

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

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

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

I further report that during the audit period the Company has:

1. Taken Shareholders approval in the Annual General Meeting of Shareholders held on 27th September, 2023 for following items: -
  - a. To alter Articles of Association;
  - b. To Increase the remuneration of Mr. Surinder Kumar Arora and Mr. Ashok Kumar Arora.

For **D Dixit and Associates**  
Company Secretaries

Place: New Delhi

Date: 18.07.2024

UDIN: F007218F000772873

**CS Debasis Dixit**

FCS No. 7218, CP No.: 7871

PR-1823/2022

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

# Annexure A to the Secretarial Audit Report

The Members

## Daawat Foods Limited

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



# Annexure – V

## AOC 2 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particular	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

### 2. Details of contracts or arrangements or transactions at Arm's length basis.

(Amount in Lakhs)

S No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
1.	Daawat Foods Limited (Subsidiary Company)	Sales / Purchase / Rent / Reimbursement of expenses received/ Freight Expenses / Insurance Income / corporate guarantee charges/Business Support Service/ Sale of Fixed Assets/ Corporate Guarantee Given / Dividend	01.04.2023 - 31.03.2024	62,757.70	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
2.	Nature Bio Foods Limited (Subsidiary Company)	Sales/Purchases/ Rental income / Fumigation Income/ Reimbursement of Expenses/ Processing Charges Income/ Corporate Guarantees given / Corporate Guarantee charges /Business Support Services/ Transport Income	01.04.2023 - 31.03.2024	585.11	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL

(Amount in Lakhs)

S No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
3.	LT Foods Americas Inc. (Wholly Owned Subsidiary Company)	Sales/ Dividend income	01.04.2023 - 31.03.2024	91,485.40	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
4.	LT Foods Middle East DMCC (Subsidiary Company)	Sales	01.04.2023 - 31.03.2024	29,230.12	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
5.	Raghuunath Agro Industries Private Limited (Subsidiary Company)	Corporate Guarantee charges income /Fumigation Income / Corporate Guarantees given/ Reimbursement of Expenses /Purchases /Sales /Purchase of fixed assets	01.04.2023 - 31.03.2024	13,580.02	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
6.	Raghuvesh Agri Foods Private Limited (Associate Company)	Payment received against loan/interest income /Loan granted	01.04.2023 - 31.03.2024	171.90	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
7.	Super Texfab Private Limited (Entities of KMP)	Purchase	01.04.2023 - 31.03.2024	6,427.05	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
8.	Raghuvesh Warehousing Private Limited (Associate Company)	Payment Received against Loan/interest income/Loan granted	01.04.2023 - 31.03.2024	82.12	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
9.	Deva Singh Sham Singh Exports Private Limited (Wholly Owned Subsidiary)	Sales /Rental Expenses/ Reimbursement of expenses/Fumigation expenses	01.04.2023 - 31.03.2024	84.43	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
10.	LT Foods Europe B.V. (Subsidiary Company)	Sale/Purchase/ Business Support Services	01.04.2023 - 31.03.2024	7,499.26	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL

(Amount in Lakhs)

S No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
11.	Kameda LT Foods ( India ) Private Limited (Joint Venture)	Purchases/ Sales/ Rental Income/ Reimbursement of Expenses/Investment	01.04.2023 - 31.03.2024	886.30	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
12.	Raghuvesh Infrastructure Private Limited (Associate Company)	Reimbursement of expenses	01.04.2023 - 31.03.2024	10.23	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
13.	Eco Pure Specialties Limited (Subsidiary Company)	Corporate guarantee given/ Corporate Guarantee charges / Business Support Services / Reimbursement of expenses	01.04.2023 - 31.03.2024	91.14	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
14.	Global Foods Trading Gmbh (Entities of KMP)	Sales	01.04.2023 - 31.03.2024	3,578.48	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
15.	Global Foods Trading Ltd. (Entities of KMP)	Sales	01.04.2023 - 31.03.2024	738.60	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
16.	Global Foods Trading Spain S.L (Entities of KMP)	Sales	01.04.2023 - 31.03.2024	1,566.89	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
17.	Global Foods Trading France Sarl (Entities of KMP)	Sales	01.04.2023 - 31.03.2024	1334.63	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
18.	United Farmers Investment Company (Enterprise having significant influence)	Purchase of shares of Daawat Foods Limited	01.04.2023 - 31.03.2024	-	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL

(Amount in Lakhs)

S No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
19	Sona Global Limited (Subsidiary Company)	Investment	01.04.2023 - 31.03.2024	-	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
20	Nature Bio Foods BV (Subsidiary Company)	Business Support Services	01.04.2023 - 31.03.2024	175.12	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
21	Nature Bio Foods Inc. (Subsidiary Company)	Sales/ Business Support Services	01.04.2023 - 31.03.2024	23.89	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	NIL
22	Sindu Foods B.V (Entities of KMP)	Sales/Purchases	01.04.2023 - 31.03.2024	305.62	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	
23	LT Foods Europe Holdings Limited (Subsidiary Company)	Sales/Purchases	01.04.2023 - 31.03.2024	709.78	18.05.2023, 28.07.2023, 30.10.2023 and 25.01.2024	

All material transactions were approved by shareholders through Postal Ballot on 28.03.2023.

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Vijay Kumar Arora**

Chairman & Managing Director

DIN: 00012203

Place: Gurugram

Date: July 25, 2024

## Annexure – VI

### Details of Remuneration as per Section 197 of the Companies Act, 2013 ('Act') and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### A. Details as per Section 197 of the Act and Rule 5(1):

##### (i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

S. No.	Name of Director	Designation	Ratio of Remuneration to median remuneration of employees
Executive Director			
1	Mr. Vijay Kumar Arora*	Chairman & Managing Director	NA
2	Mr. Ashwani Kumar Arora	Managing Director & CEO	1:50
3	Mr. Surinder Kumar Arora**	Managing Director	NA

\*He draws remuneration from LT Foods Europe BV, Step Down Subsidiary Company.

\*\*He draws remuneration from Daawat Foods Limited, Subsidiary Company.

Note: Non-Executive Directors are not paid any remuneration apart from sitting fees

##### (ii) Percentage increase /(decrease) in the remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the financial year 2023-24 is as follows:

S. No.	Name of the Directors / KMP's	Designation	Percentage increase / (decrease) in remuneration in the financial year 2022-23*
1	Mr. Vijay Kumar Arora	Chairman & Managing Director	NA*
2	Mr. Ashwani Kumar Arora	Managing Director & CEO	7%
3	Mr. Surinder Kumar Arora	Managing Director	NA**
4	Mr. Abhiram Seth	Independent Director	Nil
5	Mrs. Neeru Singh	Independent Director	Nil
6	Mrs. Ambika Sharma	Independent Director	Nil
7	Mr. Raju Lal	Independent Director	Nil***
8	Mr. Alrumaih Sulaiman Abdulrahman S	Non- Executive Non-Independent Director	Nil
9	Mr. Satish Chander Gupta	Independent Director	NA****
10	Mrs. Monika Chawla Jaggia	Company Secretary	20.50%
11	Mr. Sachin Gupta	Chief Financial Officer	22.70%

Note: Effective percentage increase / (decrease) is based upon payout during the financial year 2023-24. Non-Executive Directors are not paid any remuneration apart from sitting fees.

\*He draws remuneration from LT Foods Europe BV, Step Down Subsidiary Company.

\*\*He draws remuneration from Daawat Foods Limited, Subsidiary Company.

\*\*\*Appointed w.e.f. January 25, 2024

\*\*\*\*Appointed w.e.f. June 16, 2023

##### (iii) Median Remuneration:

During the financial year 2023-24, median annual remuneration of employees increased by 8.5% over the previous financial year.

##### (iv) Permanent Employees:

The Company had 1188 permanent employees on its rolls as on March 31, 2024.

##### (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification

##### thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in the salaries of employees other than the managerial personnel during the financial year 2023-24 was 8.2%. The average percentage increase in the remuneration payable to the Chairman, Managing Director & CEO and KMP was 14% during the financial year 2023-24.

(vi) The Company affirms that the remuneration to Directors and employees during the financial year 2023-24 is as per the Nomination and Remuneration Policy.

## Annexure – VII

### ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

#### 1. Brief outline on CSR Policy of the Company:

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee considered and approved CSR Policy of the Company.

The Company recognises the vital role played by local communities in its growth and believes in contributing to their well-being. The Company's CSR activities enrich and empower marginalized communities, addressing critical social and economic challenges. Through our initiatives, we aim to enable communities to grow and create value.

The Company's CSR philosophy is based on the keystones comprising:

1. Setting guiding principles for carrying out CSR activities.
2. Setting up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
3. Conducting business in line with the responsible business framework.
4. Creating superior value for our stakeholders.
5. Implementation of the CSR activities in Projects/ Programme mode through a focused approach for generating maximum approach.

#### 2. Composition of CSR Committee:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Neeru Singh	Chairperson (Independent Director)	3	3
2	Vijay Kumar Arora	Member, Executive Director	3	2
3	Ashwani Kumar Arora	Member, Executive Director	3	3
4	Abhiram Seth	Member, Independent Director	3	3

#### 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

<http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.:

As per the provisions of the Companies Act, 2013, Company is not required to conduct Impact Assessment. Company had adopted a proactive approach and has appointed Deloitte Touche Tohmatsu India LLP ("Deloitte") for conducting Impact Assessment of CSR expenditure. Deloitte has submitted their report and has specified that the projects have achieved significant performance in terms of alignment with objectives, stakeholder involvement, targeted goal achievement, resource utilization, timely delivery, long-term impact, community engagement and financial and environmental sustainability.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135: **Rs. 17,250 lacs**
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: **Rs. 344.75 Lacs**

- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. **Nil**
- (d) Amount required to be set-off for the financial year, if any: **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 345 Lacs**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 229.07 Lacs**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent on Impact Assessment, if applicable: **Rs. 15.63 Lacs**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 244.70 Lacs**
- (e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
244.70 Lacs	100.30 lacs	19.04.2024	NA	NA	NA

- (f) **Excess amount set off, if any:**

S. No.	Particular	Amount (in Rs. In Lac)
(i)	Two percent of average net profit of the Company as per Section 135(5)	344.75
(ii)	Total amount spent for the Financial Year	244.70
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or Programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	2022-23	-	-	273.50 Lacs	NA	NA	NIL	NIL
2	2021-22	-	-	229.61 Lacs	NA	NA	NIL	NIL
3	2020-21	-	-	171.77 Lacs	NA	NA	NIL	NIL

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO**

If Yes, enter the number of Capital assets created/ acquired

**Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address

**9. Specify the reason, if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135- NA**

Sd/-  
**Ashwani Kumar Arora**  
(Managing Director)

Sd/-  
**Neeru Singh**  
(Chairperson CSR Committee)



# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT



## SECTION A- GENERAL DISCLOSURES



### SDGs Impacted



This section contains an overview of the business, including markets served, financial performance, key employee statistics and mapping of risks and opportunities.

LT Foods is committed to generating sustainable value for its stakeholders. The Company regularly undertakes comprehensive materiality assessments to address a broad spectrum of economic, environmental, and social concerns pertinent to its stakeholders. Through ongoing engagement, LT Foods gains insights into the changing needs and expectations of its stakeholders, ensuring their satisfaction is continuously monitored and improved.

**I. Details of listed entity**

1. Corporate Identity Number (CIN) of the Company  
**L74899DL1990PLC041790**
2. Name of the Company  
**LT Foods Limited**
3. Year of Incorporation  
**1990**
4. Registered Office Address  
**Unit no. 134, Rectangle-1, Saket District Centre,  
New Delhi-110017**
5. Corporate Address  
**4th Floor, MVL-I-Park, Sector - 15, Gurgaon - 122001**
6. Email Address  
**[ir@ltgroup.in](mailto:ir@ltgroup.in)**
7. Telephone  
**Corporate Office- 0124-3055100,  
Registered Office-011-29565344**
8. Website  
**<http://www.ltgroup.in/>**
9. Financial Year Reported  
**FY 2023-24**
10. Name of the Stock Exchanges where shares are listed  
**BSE Limited, National Stock Exchange  
of India Limited**
11. Paid-up Capital (INR in crore)  
**34.73**
12. Name and contact details (telephone, email address)  
of the person who may be contacted in case of any  
queries on the BRSR report  
**Monika Chawla Jaggia,  
VP- Finance and Strategy, Company Secretary,  
Compliance Officer  
Phone - 0124-3055100  
Email id - [monika.jaggia@ltgroup.in](mailto:monika.jaggia@ltgroup.in)**
13. Reporting boundary - Are the disclosures under  
this report made on a standalone basis (i.e. only for  
the entity) or on a consolidated basis (i.e. for the  
entity and all the entities which form a part of its  
consolidated financial statements, taken together).  
**Standalone basis (Only for LT Foods Limited)**
14. Name of assurance provider  
**NA**
15. Type of assurance obtained  
**NA**

**Standalone basis  
(Only for LT Foods Limited)**

## II. Products/Services

### 16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Fast moving consumer goods	Selling basmati and specialty rice in consumer packs, staples, Rice Food products and others	100%

### 17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	Rice	15312	3833 crore- 95.34%
2	Staples	15319	5.72 crore-1.4%
3	Rice food products (Cuppa rice, Biryani Kit (BK) and Kari Kari (KK))	15319	Cuppa -1.71crore- 0.04% BK-5.47crore-1.4%
4	Others (Rice by-products, bardana, husk, paddy)	15312	KK-5.51 crore -1.4% Other -168.6 crore- 0.42

## III. Operations

### 18. Number of locations where plants and/or operations/offices of the Company are situated-

Location	Number of plants	Number of offices	Total
National	2	20	22
International	0	0	0

### 19. Markets served by the Company

#### a. Number of locations

Locations	Number
National (No. of States)	34 inclusive of UTs
International (No. of Countries)	52

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

45.12%

#### c. Types of customers

LT Foods is a global consumer food Company specialising in Basmati and other specialty rice, convenience and health products. The Company's operations are divided into three main segments-

1. Consumer (B2C): The Company markets its Basmati rice under renowned brands such as Daawat and Heritage.
2. Institutional (B2B): As the Company's oldest business segment, it serves the HORECA (Hotel/Restaurant/Catering) sector.
3. Convenience: This segment encompasses the Company's health and convenience foods, including Ready to Heat Daawat Cuppa Rice, Brown Rice and Daawat Sauté Sauces.

**IV. Employees**

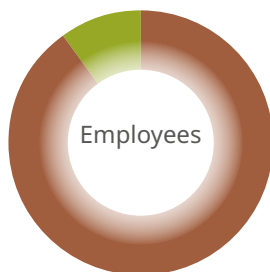
**20. Details as at the end of Financial Year**

a. Employees and workers (including differently abled)

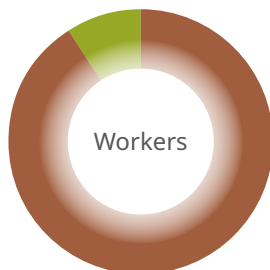
Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	648	581	90%	67	10%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total employees (D+E)</b>	<b>648</b>	<b>581</b>	<b>90%</b>	<b>67</b>	<b>10%</b>
<b>WORKERS</b>						
4.	Permanent (F)	540	539	100%	1	0%
5.	Other than Permanent (G)	1,145	996	87%	149	13%
6.	<b>Total workers (F+G)</b>	<b>1,685</b>	<b>1,535</b>	<b>91%</b>	<b>150</b>	<b>9%</b>

b. Differently abled Employees and workers-

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total differently abled employees (D+E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	1	1	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	<b>Total differently abled workers (F+G)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>



● Male = 90%  
● Female = 10%



● Male = 91%  
● Female = 9%



**21. Participation/Inclusion/Representation of Women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22
Key Management Personnel	5	1	20

**22. Turnover rate for permanent employees and workers**

Particulars	FY2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	19%	16%	17%	21%	17%	14%	9%	13%
Permanent Workers	18%	0%	18%	19%	0%	19%	12.9%	0.3%	12.3%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. Name of holding/subsidiary/associate companies/joint ventures**

Sl. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	LTO North America, Inc. USA	Subsidiary	100	No
2	LT Foods USA LLC	Subsidiary	100	No
3	Sona Global Ltd. UAE	Subsidiary	100	No
4	Daawat Foods Limited	Subsidiary	100	No
5	Nature Bio Foods Limited	Subsidiary	82.50	No
6	Raghunath Agro Industries Private Limited	Subsidiary	100	No
7	LT Foods Europe Holdings Limited	Subsidiary	100	No
8	LT Foods Europe BV	Subsidiary	100	No
9	Deva Singh Sham Singh Export Private Limited	Subsidiary	100	No
10	Nature Bio-Foods B.V.	Subsidiary	82.50	No
11	Eco pure Specialities Limited	Subsidiary	82.50	No
12	Nature Bio Foods Inc.	Subsidiary	82.50	No
13	Bonne Nature Ltd	Subsidiary	82.50	No
14	LT Foods UK Ltd	Subsidiary	100	No
15	LT Foods Americas, Inc.	Fellow Subsidiary	100	No
16	LT Foods Middle East DMCC	Fellow Subsidiary	100	No
17	LT Agri Services Private Limited	Fellow Subsidiary	100	No
18	Raghuvesh Agri Foods Private Limited	Associate	40	No
19	Raghuvesh Warehousing Private Limited	Associate	40	No
20	Raghuvesh Infrastructure Pvt. Ltd.	Associate	30	No
21	Daawat Kameda India Private Limited	Joint Venture	51	No
22	Golden Star Trading, Inc.	Joint Venture	51	No
23	Leev, NU BV	Joint Venture	30	No

**VI. CSR Details**

- 24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013- Yes  
(ii) Turnover (in Rs. lakh): Rs. 4,02,012.20  
(iii) Net worth (in Rs. lakh): Rs. 1,69,328.15

**VII. Transparency and Disclosure Compliances**

**25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct-**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 23-24			FY 22-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, LT Foods has instituted a comprehensive grievance redressal mechanism to address concerns within the community. As part of its commitment to transparency and accountability, the Company conducts feedback surveys, encouraging communities to share their thoughts and opinions. Furthermore, it has established registers at each of its locations where CSR operations are conducted. CSR policy of the Company is available on the website of the Company and can be accessed through the following link: <a href="http://www.ltgroup.in/pdf/LT-Foods-CSRPolicy-2021.pdf">http://www.ltgroup.in/pdf/LT-Foods-CSRPolicy-2021.pdf</a> .	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes, the Company employs a variety of approaches to augment value creation for its stakeholders. This strategy encompasses the convening of Annual General Meetings (AGMs), wherein transparency is paramount. Furthermore, the Company provides meticulous disclosures in quarterly and annual reports. In addition, regular investor calls are held at quarterly, half-yearly and annual intervals. Informative presentations are also crafted to enlighten stakeholders on the Company's performance and prospects. Through these channels, a continuous dialogue is maintained, inviting feedback, comments and insightful discussions on the Company's performance.  Investor Grievance Redressal Policy of the Company is available on the website of the Company and can be accessed through the following link: <a href="http://www.ltgroup.in/pdf/InvestorGrievance-RedressalPolicy.pdf">http://www.ltgroup.in/pdf/InvestorGrievance-RedressalPolicy.pdf</a> .	0	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 23-24			FY 22-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	<p>Yes, the Company has established a dedicated email address where grievances can be shared confidentially. This assures stakeholders that their concerns will be heard and addressed with utmost gravity. The Audit Committee and the Board of Directors of the Company review the status of each complaint, ensuring that each and every issue reported to the Company is acknowledged and addressed timely.</p> <p>Investor Grievance Redressal Policy of the Company is available on the website of the Company and can be accessed through the following link: <a href="http://www.ltgroup.in/pdf/InvestorGrievance-RedressalPolicy.pdf">http://www.ltgroup.in/pdf/InvestorGrievance-RedressalPolicy.pdf</a>.</p>	1	0	NA	2	0	NA
Employees and workers	<p>Yes, the Company offers a comprehensive grievance resolution system for employees and workers. This ensures that every instance of discontent is acknowledged and addressed with the highest level of care and compassion. Additionally, employees and workers are encouraged to utilise the whistle-blower mechanism to report any instances of misconduct. This mechanism is overseen by a designated ombudsman, who can be reached via email or through post / courier at the address specified in the Whistle Blower and Vigil Mechanism Policy, which is available on the website of the Company and can be accessed through the following link: <a href="http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.Pdf">http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.Pdf</a></p>	0	0	NA	0	0	NA
Customers	<p>Yes, complainants are afforded the convenience of expressing their concerns through an array of channels. They may opt to engage with the Company via a toll-free telephone number or they may choose to convey their concerns by sending emails to at <a href="mailto:customercare@ltgroup.in">customercare@ltgroup.in</a>.</p>	722	0	NA	657	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 23-24			FY 22-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	<p>Yes, the Company maintains symbiotic relationships with its partners through site visits, personal interactions and surveys.</p> <p>The purchase/sales team, responsible for partner engagement, address queries, while periodic reviews and feedback sessions are conducted precisely, ensuring an exchange of ideas and insights.</p> <p>Company has framed Code of Conduct for Vendors and its Service Providers which is available on Company's website and can be accessed through the following link: <a href="http://ltgroup.in/pdf/Code-of-Conductfor-Vendors-andService-Providers.pdf">http://ltgroup.in/pdf/Code-of-Conductfor-Vendors-andService-Providers.pdf</a></p>	0	0	NA	0	0	NA
Other (Advertising, Retailer, Distributor, in transit, wholesaler etc.)	<p>Yes, complainants can raise their concerns through various channels such as contacting through toll-free telephone number or sending emails to <a href="mailto:customercare@ltgroup.in">customercare@ltgroup.in</a></p>	373	0	NA	863	0	NA



26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format-

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Sustainable packaging	Opportunity	The Company prioritises environmental stewardship by utilising recyclable materials or renewable resources, such as recycled paper to reduce reliance on single-use plastics and mitigate waste and pollution. Through value engineering and sustainable packaging solutions, the Company minimises its ecological footprint.	-	Positive Implication Sustainable packaging offers a dual advantage, its lighter weight reduces shipping and handling costs, while its ease of disposal involves lower labour and material costs.
2	Waste management	Risk	Improper waste disposal management practices can have devastating environmental consequences, including pollution, habitat destruction and the depletion of natural resources, prompting authorities to enact strict regulations. Non-compliance can lead to legal ramifications, fines and potential damage to the Company's reputation.	Adopting sustainable waste management practices, such as recycling, waste reduction and responsible disposal methods, is essential to minimise the Company's ecological footprint. By implementing robust waste management systems and collaborating with certified waste management partners, the Company can mitigate regulatory risks and ensure proper disposal, safeguarding the environment and its reputation.	Negative Implication Waste management has a profound impact on the Company's standing, with direct consequences stemming from the principle of 3 Rs (reduce, reuse, and recycle), potentially leading to increased purchasing expenses.
3	Sustainable farming and RM sourcing	Opportunity	Sustainable farming methods, including organic farming, agro-forestry and regenerative agriculture, enhance soil health, biodiversity and water conservation. Incorporating these practices into the supply chain enhances the Company's resilience. By partnering with like-minded farmers and suppliers, the Company cultivates long-term relationships, securing a stable supply of raw materials.		Positive Implication Sustainable farming and raw material sourcing is imperative for the Company as it reduces risks, boosts efficiency and resilience as well as enhances reputation, ultimately contributing to the Company's long-term success. By adopting sustainable practices, the Company also addresses environmental and social concerns.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Climate change	Risk	Extreme weather events like hurricanes, floods and droughts pose a significant threat to supply chain continuity, disrupting the production and distribution of raw materials and finished goods. Meanwhile, governments and regulatory bodies are tightening climate change regulations and targets.	<p>The Company is committed to embracing sustainable practices, focusing on reducing greenhouse gas emissions, transitioning to renewable energy and implementing carbon footprint reduction strategies.</p> <p>The Company meticulously monitors climatic changes and rigorously oversees environmental policy implementation, making adjustments as needed. Additionally, the Company is expanding its product portfolio by introducing new food products and a broader variety of rice-based offerings, while also diversifying its procurement base.</p>	Negative Implication It has the potential to disrupt the continuity of business operations.
5	Water management	Risk	Water scarcity poses a significant threat to agricultural supply chains as it can disrupt the availability and quality of water.	<p>The Company is committed to responsible water management, employing advanced techniques to optimise usage. This is achieved through the implementation of innovative reuse and recycling protocols via Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP), as well as sustainable agricultural practices like Alternate Wetting and Drying (AWD) and land laser levelling to conserve water and enhance crop yield.</p>	Negative Implication Water-related risks, such as floods or water shortages, can lead to production downtime and decreased productivity, impacting revenue and profitability.
6	Health and safety	Risk	Poor machinery and material handling practices can endanger employees, leading to injuries, legal issues, higher workers' compensation costs and reputational damage.	Proactively implementing stringent safety measures and prioritising health and safety.	Positive Implication Any investment towards employee health and safety will yield positive results in the long-term.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Human rights	Opportunity	Prioritising human rights and ethical practices can enhance the Company's brand reputation, build consumer trust and foster loyalty.		Negative Implication Any violation can lead to severe reputational and financial risk for the organisation.
8	Diversity and inclusion	Opportunity	Promoting a diverse and inclusive work environment enhances employee engagement and retention.		Positive Implication Making diversity and inclusion a priority will lead to improved overall employee and business performance.
9	Training and development	Opportunity	Developing a highly-skilled and adaptable workforce enables the Company to respond effectively to changing market demands, innovate and stay ahead of the competition.		Positive Implication Equipped with diverse skills, employees can be more productive in their roles and contribute to the Company's success.
10	Product quality and safety	Risk	Failure to meet safety standards and regulations can have severe consequences related to consumer health. Contaminated products, inaccurate labelling, or undisclosed allergens can lead to consumer illnesses, product recalls, legal actions, and reputational damage.	The Company has established rigorous internal quality and safety parameters, which will be meticulously monitored by dedicated quality teams. State-of-the-art, tech-driven quality laboratories have been implemented. To mitigate unforeseen risks, the Company's production setup undergoes regular quality and safety compliance reviews.	Negative Implication Product quality and safety has a direct impact on the Company's reputation and sales so it is critically monitored and addressed for avoiding non-compliance and financial losses. However, enhanced consumer experiences can accelerate the Company's growth trajectory.
11	Responsible Marketing and Advertising	Opportunity	Responsible marketing and advertising enable the Company to effectively reach and engage with eco-conscious consumers.		Positive Implication Responsible marketing and advertising can foster long-term customer loyalty.
12	Innovation and R&D	Opportunity	Innovation and R&D enable the Company to develop unique products, differentiate themselves from competitors and gain a competitive edge in the market.		Positive Implication Investments in Research and Development (R&D) offer a competitive edge to the Company and enables it to meet evolving consumer preferences.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13	Risk Management	Opportunity	Risk management initiatives can improve operational efficiency and reduce operational costs. The Company may explore new market possibilities and plan to capitalise on emerging opportunities by recognising and analysing risks.		Positive Implication A robust risk management framework assists in mitigating risks and ascertains business continuity and growth.
14	Data Security and Privacy	Risk	The Company acknowledges the gravity of data breaches, which can result in the theft of sensitive information, financial loss, reputational damage and legal consequences. To address growing consumer concerns, the Company is committed to implementing robust measures to safeguard against such breaches.	The Company is committed to implementing comprehensive cybersecurity measures to safeguard sensitive data from unauthorised access. Additionally, the Company ensures that employees are thoroughly trained on data security best practices and consistently raises awareness about the critical importance of data protection.	Negative Implication Data security and privacy breach can lead to significant reputational damage.
15	Corporate Governance	Opportunity	Effective corporate governance focuses on long-term sustainability and performance.		Positive Implication Leads to more responsible and sustainable business practices and help in maximising stakeholders value.
16	Business Ethics and Integrity	Opportunity	Business ethics and integrity can sharpen the Company's competitive edge. Maintaining strong relationships with all stakeholders ensures trust and mutual respect.		Positive Implication Leads to increased customer loyalty and positive word-of-mouth recommendations.



## SECTION B- MANAGEMENT AND PROCESS DISCLOSURES



This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) principles and core elements.

### SDGs Impacted



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	<a href="http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines">http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines</a>								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.		P-9 ISO 9001:2015 certification P-2, 9 BRC Global Standard for Food Safety (Issue-9) P-2, 9 IFS Food- Version 8 P-2, 9 SQF Food Safety Code for food Manufacturing, Edition-8.1 P-2, 9 SQF Quality Code, Edition 9 P-2, 9 HACCP P-9 HALAL P - 2, 6 ISO 14001:2015 P - 3 ISO 45001:2018 P - 2, 9 ISO/IEC 17025:2017 accredited Laboratory, approved by EIC (Export Inspection Council of India) P - 2, 6, 7 registered processing unit by NPPO (National Plant Protection Organisation) for USA and China P - 2, 7, 9 registered under USFDA (United States Food and Drug Administration Certification) P - 5 SA 8000:2014 P-2,9 FSSC 22000 version- 5.1(for Daawat Cuppa and Devaaya staple units). P-2, 9 FSMA QIC P-2, 9 FSSAI P-2, 9 KOSHER (A/F), KOSHER (OU)								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.										

**Environment:**

**Sustainable Farming**

- 2.5 lakh acres of organic farmland by 2030

**Climate Change**

- 10 lakh trees by 2030
- 56% Renewable Electricity by 2025 (Solar + Husk)

**Water**

- 140 billion liters of water saving through Land Laser Leveling / AWD / SRI in 60,000 acres by 2030
- Renovation and construction of 100 Ponds by 2030

**Sustainable Packaging**

- 100 % Plastic Neutrality by 2025
- 80 % Recyclable Packaging by 2025

**Social:**

**Sustainable Farming**

- 50,000 farmers to be trained on Sustainable Farming Practices by 2025 (Public private partnership with ICAR-NCIPM)

**Community Development**

- Infrastructure development for 150 villages by 2030
- Adopt 100 schools for infrastructure and quality education 2030
- Cover 5,00,000 beneficiaries by 2030
- 1 Lakh beneficiaries

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.									
	<p><b>Employees</b></p> <ul style="list-style-type: none"> <li>- 36 hours per person / year by 2025</li> <li>- We strive to maintain status of Zero Fatality</li> <li>- We aspire to have 10% Gender Diversity (White Collar employees) by 2025</li> </ul> <p><b>Environment:</b></p> <p><b>Sustainable Farming</b></p> <ul style="list-style-type: none"> <li>- 2.28 lakh acre Organic Farmland</li> </ul> <p><b>Climate Change</b></p> <ul style="list-style-type: none"> <li>- 1.1 lakh trees planted</li> <li>- 43% Renewable Electricity share</li> </ul> <p><b>Water</b></p> <ul style="list-style-type: none"> <li>- 159 billion litres of water saving through Land Laser Leveling / AWD / SRI</li> <li>- Renovation and construction of 28 Ponds</li> </ul> <p><b>Sustainable Packaging</b></p> <ul style="list-style-type: none"> <li>- 100% through EPR Plastic Neutrality</li> <li>- 75.5% Recyclable Packaging</li> </ul> <p><b>Social:</b></p> <p><b>Sustainable Farming</b></p> <ul style="list-style-type: none"> <li>- 17,515 farmers trained</li> </ul> <p><b>Community Development</b></p> <ul style="list-style-type: none"> <li>- Infrastructure development for 46 villages</li> <li>- Adopted 45 schools for infrastructure and quality education</li> <li>- Cover 31,600 beneficiaries (Safe and Clean Drinking water)</li> <li>- 29,098 Lakh beneficiaries (Women Health)</li> </ul> <p><b>Employees</b></p> <ul style="list-style-type: none"> <li>- Training provided 20 hours per person in FY2024</li> <li>- Zero Fatality</li> <li>- 10% Gender Diversity (White Collar employees)</li> </ul> <p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>- ESG &amp; CSR Committee in place</li> <li>- Redefining our existing structure to align global locations</li> <li>- Redefining our ESG goals at a global level</li> <li>- Redefining Materiality Matrix at a global level</li> <li>- 56% Independent Board one Lead Independent Director</li> <li>- 22% Female Director</li> <li>- 100% Independent Audit committee and NRC committee</li> </ul>								

### Governance, leadership and oversight

7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements.

The Company is delighted to present the BRSR report for the financial year 2023-24, marking another significant year for LT Foods. In terms of the Business Responsibility Report, the Company has been actively addressing ESG-related challenges and setting targets to achieve sustainable growth. The Company is committed to reducing its environmental footprint, promoting social inclusivity, and maintaining high standards of corporate governance. The Company has made significant strides in reducing energy consumption, minimising waste, and promoting recycling across its operations. On the social front, the Company is committed to ensuring fair labour practices, promoting diversity and inclusion, and contributing to the communities in which it operates. In terms of governance, the Company adheres to the highest standards of corporate ethics, transparency, and accountability. The Company's ESG achievements reflect its commitment to sustainable and responsible business practices.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors Phone -0124-3055100 Email id - <a href="mailto:ir@ltgroup.in">ir@ltgroup.in</a>								
9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Company has CSR and ESG Committee in place. This Committee is entrusted with the responsibility of driving the Company's sustainability initiatives.  Composition of CSR and ESG Committee is as follows: <ol style="list-style-type: none"> <li>1) Mrs. Neeru Singh, Independent Director – Chairperson</li> <li>2) Mr. Vijay Kumar Arora, Managing Director – Member</li> <li>3) Mr. Ashwani Kumar Arora, Managing Director and CEO – Member</li> <li>4) Mr. Abhiram Seth, Independent Director – Member</li> </ol>								

**10. Details of review of NGRBCs by the Company-**

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action.	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances.	Committee of the Board									Annually								

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

**12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated-**

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





## Section C- PRINCIPLE WISE PERFORMANCE DISCLOSURE



### Principle 1

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

#### SDGs Impacted



#### Capital Linkage



Human Capital



Social and Relationship Capital

Ethical conduct is integral to the fundamental business principles of the Company, underscoring its dedication to sustainable value creation. A comprehensive set of guidelines, including 'anti-corruption and anti-bribery', 'Code of Conduct' and 'Code of Ethics and Business Conduct', inspire each member of the Company to embody the highest standards of integrity, transparency and openness, while remaining accountable and compliant.

The Company has an exhaustive Code of Conduct rooted in the principles of fairness, ethics and exemplary corporate governance. It guides all employees to act in accordance with the highest

standards of personal and professional integrity, honesty and ethical conduct. This includes managing actual or perceived conflicts of interest, ensuring that personal and professional relationships are conducted with probity. Furthermore, it mandates that all actions are free from fraud and deception.

Ethics and integrity lie at the very essence of the Company's work culture and resonates with all stakeholders, including employees, customers, suppliers, government and the community at large. All employees affirm their allegiance to the Code of Conduct.

Essential Indicator-

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Financial update, budgets, corporate planning, corporate governance, ESG and CSR update, statutory update, internal controls, risk management, succession planning and so-on.	100%
Key Managerial Personnel	5	Chief Financial Officer programme, Advanced Strategic Management, certified ESG professional, GMP, EHS, POSH, capability building and other HR-related trainings.	100%
Employees other than Board of Directors and KMPs	85	Strategy and leadership in the VUCA world, enhancing capability in negotiation and influence, leadership with AI, executive programme in strategic marketing for business success, GMP, EHS, POSH, capability building and other HR-related trainings.	100%
Workers	75	GMP, EHS, POSH, capability building and other HR-related trainings.	100%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note- the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	NSE and BSE	16,42,560	Levying penalty due to non-compliance of regulation 17 (1) (b) and 17 (A) of the SEBI LODR	No
	Principle 1	Ministry of Road Transport and Highway	34,000	On road challan for over-loading/ on road challan for line change	No
Settlement	-	-	-	-	-
Compounding fee	Principle 1	Government of Maharashtra, Legal Metrology Organization	50,000	Legal Metrology Officer, Latur	No

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment		NIL		

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

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

Yes, LT Foods Limited has an anti-corruption and anti-bribery policy. It outlines the Company's commitment to ethical business practices, zero tolerance stance on bribery and corruption as well as guidelines for compliance with relevant laws and regulations. With meticulous attention to detail, this policy establishes responsibilities and guidelines for employees and associates, ensuring commitment to ethical conduct and promoting a culture of integrity. The policy's scope encompasses employees (part-time, full-time, permanent, contractual, trainees, interns and Directors), relevant third parties as well as anyone acting on behalf of the Company. Its provisions are communicated at the commencement of business relationships and as appropriate thereafter. For accessing the said policy, please refer to the Company's official website.

The web-link of the policy - [http://www.ltgroup.in/pdf/Anti-Bribery-and-Anti-Corruption\\_FinalUpdate.pdf](http://www.ltgroup.in/pdf/Anti-Bribery-and-Anti-Corruption_FinalUpdate.pdf).

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY2024	FY2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

Particulars	FY2024		FY2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Not Applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format-

	FY2024	FY2023
Number of days of accounts payables	57	37

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format-**

Parameter	Parameter	FY2024	FY2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	65%	62%
	b. Number of dealers / distributors to whom sales are made	1,200	1,200
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	18%	17%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	23%	16%
	b. Sales (Sales to related parties / Total Sales)	88%	47%
	c. Loans and advances (Loans and advances given to related parties / Total loans and advances)	16%	13.9%
	d. Investments (Investments in related parties / Total Investments made)	0	6.7%

### Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year-**

The Company conducts comprehensive awareness programmes for its value chain partners, with a particular focus on packaging vendors. These programmes cover several critical areas:

- **Code of Conduct Awareness:** The Company educates its packaging vendors on its established Code of Conduct, ensuring alignment with its ethical and operational standards.
- **ESG Awareness:** The Company's programmes extend to broader Environmental, Social and Governance (ESG) principles, elucidating how these principles underpin the Company's operations and the specific procedures followed in accordance with its ESG commitments.
- **Environmental Impact of Packaging-** The Company undertakes a perpetual endeavour to enhance awareness among its packaging vendors on the environmental impact of packaging materials. Through education and engagement, vendors are inspired to embrace environmentally conscious packaging.
- **Sustainable Procurement Policy-** The Company offers training programmes and conducts audits that delve into the intricacies of Quality Management System (QMS) and Environmental Management System (EMS).

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
35	Awareness programmes conducted on Code of Conduct, awareness programmes conducted on ESG in general and approach of LT Foods towards the same, working towards educating consumers on the impact of packaging on the environment. This includes methods of disposal and recycling practices.	65%

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

Yes, The Company has established a distinct Code of Conduct for the Board of Directors and Senior Management. The Company strictly prohibits any personal interests from conflicting with its own interests.

A web-link to the specified Code of Conduct can be conveniently accessed on the Company's official website at <http://www.ltgroup.in/pdf/LT-Food-Code-of-Conduct.pdf>.



## Principle 2

Business should provide goods and services in a manner that is sustainable and safe



### SDGs Impacted



### Capital Linkage



Intellectual Capital



Natural Capital



Manufacturing Capital

The Company is dedicated to enhancing environmental and social impacts through strategic investments, sustainable practices and responsible waste management. It ensures sustainable farming practices, adheres to EPR regulations and ensures proper disposal of plastics, e-waste, and hazardous materials. Additionally, the Company prioritises health and safety, conducts comprehensive audits, and collaborates with authorised vendors to maintain high standards of environmental responsibility.

Essential Indicator-

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

Segment	FY2024	FY2023	Details of improvements in environmental and social impacts
R & D	0	0	NA
Capex	10.6%	3.71%	The investment aligns with our sustainable business practices resulting into reduction of greenhouse gas emission and contributing to healthier environment.

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

LT Foods sources rice from the esteemed Sustainable Rice Platform (SRP) ecolabel, cultivating 11,031.78 metric tonnes of sustainable paddy across 39,010 acres. Through its Agri programme, the Company partners with farmers to produce residue-free basmati rice, adhering to SRP's rigorous standards. A comprehensive audit, covering more than 2850 farmers across 5170 acres, is conducted to ensure compliance and drive continuous improvement in sustainability practices.

Furthermore, the Company has ambitious goals to initiate responsible sourcing across its entire product range and continues to engage with farmers in the SRP programme, providing training and promoting awareness about SRP guidelines. This enables certified farmers to confidently attest that their paddy meets SRP standards, as verified by the comprehensive audit report. Through these concerted efforts, LT Foods reaffirms its dedication to sustainability and eco-conscious practices.

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

Under its Sustainability Rice Production Programme (SRP), the Company procures 100% of its inputs from sustainable sources.

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

(a) Plastics (including packaging)

**Proper Disposal of Plastic Waste**

- **On-time Monitoring-** The Company tracks plastic waste disposal through regular reports submitted by authorised vendors.
- **EPR Compliance-** Company ensures that packaging waste is processed through Central Pollution Control Board (CPCB)/ State Pollution Control Board (SPCB) approved vendors and appropriate channels. All plastics and other packaging materials are recycled or safely disposed off by waste management agencies authorized by CPCB / SPCB.

(b) E-waste

The Company collaborates exclusively with authorised vendors to ensure responsible e-waste management and guarantee that all electronic and electrical items are managed in accordance with the highest standards of environmental responsibility.

(c) Hazardous waste

**Waste Management and Disposal Procedures**

- **Air-** Fly ash generated is collected, covered with tarpaulin and transported to an authorised vendor for responsible landfilling.
- **Solid-** Sludge from the Effluent Treatment Plant (ETP) is stored in concrete tanks and disposed of through authorised vendors, ensuring safe and compliant landfilling. Additionally, plant cleaning dust is handed over to authorised vendors in accordance with local government regulations.
- **Liquid Waste-** The Company partners with authorised vendors to ensure the proper disposal of liquid waste, such as black oil and waste oil, in compliance with environmental guidelines.
- **Bio Waste-** The Company ensures responsible bio-waste disposal through authorised vendors, often utilising incineration as an effective method.

(d) Other waste.

NA

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

Yes, the Company strictly adheres to the Extended Producer Responsibility (EPR) regulations as outlined by the Central Pollution Control Board (CPCB), ensuring environmental sustainability and mitigating operational impacts. Independent validation of disposal certificates guarantees compliance with standards and regulations.

### Leadership Indicators -

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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As of now, the Company has not conducted LCA.

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

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

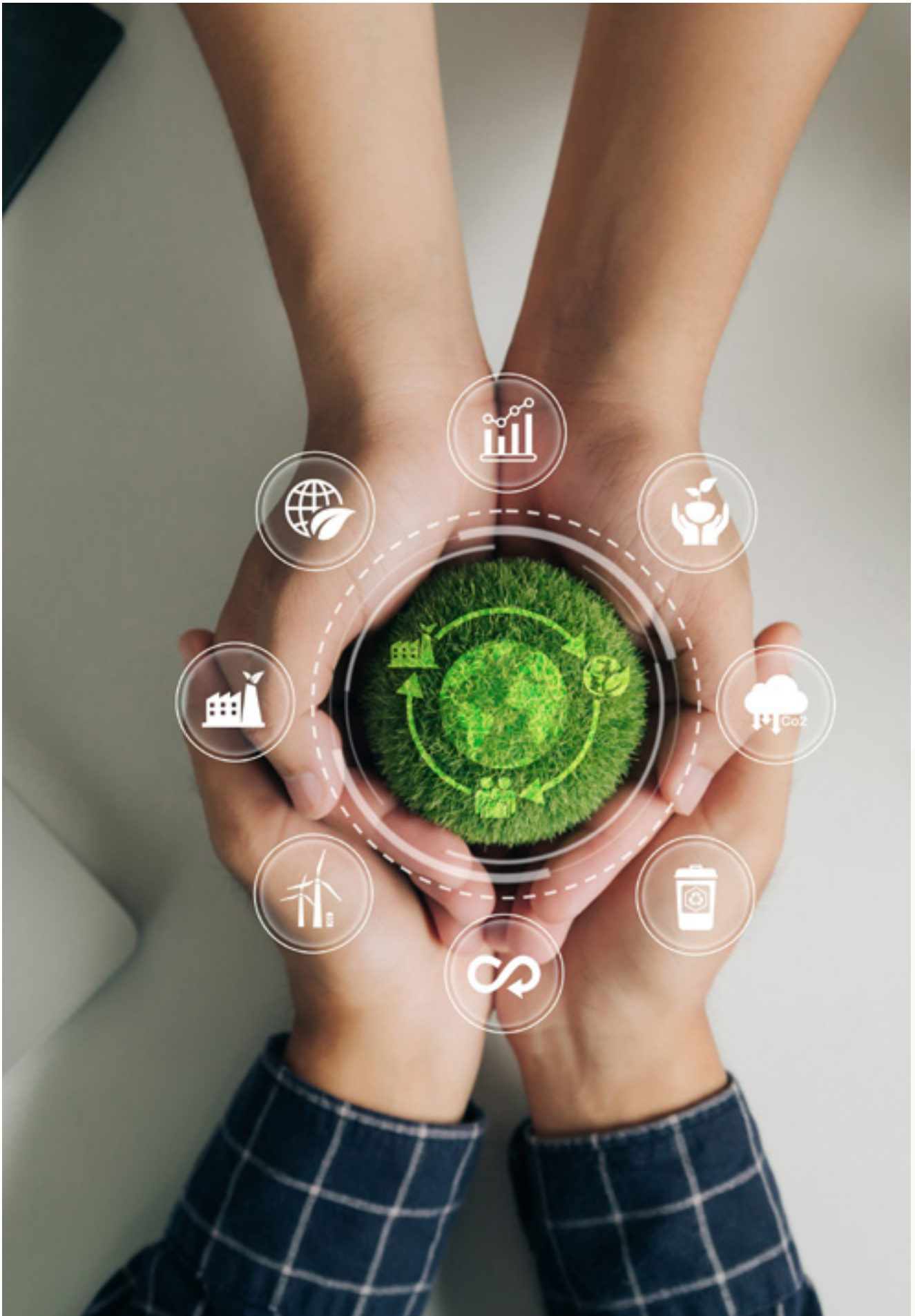
Indicate input material	Recycled or re-used input material to total material	
	FY2024	FY2023
Corrugated fibre-based packaging	19%	20%

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

Particulars	FY2024			FY2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	1,635	0	0	1,584	0
E-waste	0	845	0	0	0.85	0
Hazardous waste	0	0	26.06	0	0	18.80
Other waste	0	0	17.69	0	0	17.13

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Category 1	100%
Category 2	100%







### Principle 3

Business should respect and promote the wellbeing of all employees, including those in their value chains



#### SDGs Impacted



#### Capital Linkage



Human Capital

The Company promotes a diverse and inclusive work environment, engages employees and their families in wellness initiatives and extends its talent management philosophies in performance management, compensation management and competency building. It fosters an inclusive and safe work environment, ensuring compliance with the Rights of Persons with Disabilities Act, 2016 and promotes diversity through its comprehensive policies. Efforts include modifying infrastructure for accessibility, maintaining high return-to-work and retention rates post-parental leave and implementing robust grievance redressal mechanisms. The Company also implements an Occupational Health and Safety Management System, regular training and stringent safety protocols, ensuring compliance with statutory dues by value chain partners and provides life insurance and compensatory packages for employees and workers.

Essential Indicator-

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No.(F)	% (F/A)
<b>Permanent employees</b>											
Male	581	581	100%	581	100%	NA	NA	581	100%	0	0%
Female	67	67	100%	67	100%	67	100%	NA	NA	67	100%
<b>Total</b>	<b>648</b>	<b>648</b>	<b>100%</b>	<b>648</b>	<b>100%</b>	<b>67</b>	<b>100%</b>	<b>581</b>	<b>100%</b>	<b>67</b>	<b>10.34%</b>
<b>Other than Permanent employees</b>											
Male	0	0	0%	0	0%	NA	NA	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No.(F)	% (F/A)
<b>Permanent Workers</b>											
Male	539	539	100%	539	100%	NA	NA	539	100%	0	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
<b>Total</b>	<b>540</b>	<b>540</b>	<b>100%</b>	<b>540</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>539</b>	<b>100%</b>	<b>1</b>	<b>100%</b>
<b>Other than Permanent Workers</b>											
Male	996	996	100%	996	100%	NA	NA	996	100%	0	0%
Female	149	149	100%	149	100%	149	100%	NA	NA	149	100%
<b>Total</b>	<b>1,145</b>	<b>1,145</b>	<b>100%</b>	<b>1,145</b>	<b>100%</b>	<b>149</b>	<b>100%</b>	<b>996</b>	<b>100%</b>	<b>149</b>	<b>100%</b>

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY2024	FY2023
Cost incurred on well- being measures as a % of total revenue of the company	0.08%	0.08%

2. Details of retirement benefits, for Current and Previous Financial Year.

Particulars	FY2024			FY2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others- please specify	NA	NA	NA	NA	NA	NA

### 3. Accessibility of workplaces

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

Yes, The Company emphasises inclusion, providing equal opportunities for all employees, including those with special needs. Efforts are being undertaken to modify the infrastructure as required, ensuring compliance with the standards established in the Rights of Persons with Disabilities Act, 2016. and has implemented a comprehensive Diversity and Equal Opportunity Policy to support these initiatives.

The web-link the policy- [http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy\\_Final.pdf](http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy_Final.pdf)

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

Yes. The Company is devoted to inclusion, with a policy in place to promote diversity and prevent discrimination, ensuring a fair and welcoming work environment for all. The web link of the policy: <http://www.ltgroup.in/pdf/LT-Foods-Diversity-Policy-2021.pdf>.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	0	0
Female	100%	100%	0	0
Total	100%	100%	0	0

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes, the Company has a dedicated Grievance Redressal Committee at each plant and an online portal for easy access, ensuring prompt attention to employee concerns.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

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

Category	FY2024		FY2023		%(D/C)
	Total employees/workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B) %(B/A)	Total employees/workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	
Total Permanent Employees					
- Male					
- Female					
Total Permanent Workers					
- Male					
- Female					

**8. Details of training given to employees and workers-**

Particulars	FY2024					FY2023*				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	581	581	100%	581	100%	580	580	100%	580	100%
Female	67	67	100%	67	100%	58	49	84%	41	71%
<b>Total</b>	<b>648</b>	<b>648</b>	<b>100%</b>	<b>648</b>	<b>100%</b>	<b>638</b>	<b>629</b>	<b>99%</b>	<b>621</b>	<b>97%</b>
<b>Workers</b>										
Male	539	539	100%	539	100%	511	511	100%	423	83%
Female	1	1	100%	1	100%	0	0	0%	0	0%
<b>Total</b>	<b>540</b>	<b>540</b>	<b>100%</b>	<b>540</b>	<b>100%</b>	<b>511</b>	<b>511</b>	<b>100%</b>	<b>423</b>	<b>83%</b>

\*Previous year, the Company provided the number of employees and workers on a cumulative basis. However, due to a grade band revision of employees and restructuring, the data for the current financial year has been disclosed as per requirement.

**9. Details of performance and career development reviews of employees and workers-**

Category	FY2024			FY2023*		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	581	581	100%	580	580	100%
Female	67	67	100%	58	58	100%
<b>Total</b>	<b>648</b>	<b>648</b>	<b>100%</b>	<b>638</b>	<b>638</b>	<b>100%</b>
<b>Workers</b>						
Male	539	539	100%	511	511	100%
Female	1	1	100%	0	0	0
<b>Total</b>	<b>540</b>	<b>540</b>	<b>100%</b>	<b>511</b>	<b>511</b>	<b>100%</b>

\*Previous year, the Company provided the number of employees and workers on a cumulative basis. However, due to a grade band revision of employees and restructuring, the data for the current financial year has been disclosed as per requirement.

**10. Health and Safety Management System-**

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

Yes, In accordance with the Company's EHS policy, the Company is dedicated to safeguarding the health and safety of its employees and preventing accidents. This commitment is achieved through the implementation of sound manufacturing practices, the reduction of pollutants, and the elimination of occupational health and safety hazards.

The web link of the policy- <https://ltgroup.in/pdf/EHS-Policy.pdf>

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

The Company's EHS policy identifies and assesses work-related risks, instituting measures to mitigate them and make sure a secure work environment for all. For further details, please refer to the Company's EHS policy available on the website.

The web link of the policy - <https://ltgroup.in/pdf/EHS-Policy.pdf>

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

Yes, All workers and contract labour engaged in LT foods facilities are trained before they commence their jobs. Emphasis is laid on safety training and it is ensured that no untrained workforce is carrying out jobs, be it routine or non-routine. Workers have different avenues to raise their concerns on SHE related matters. Every factory has a robust "Near Miss & Safety Observation Reporting system". Further, if the worker foresees hazards or is uncomfortable in carrying out the job, he or she is free to recuse himself/herself from the job.

He/she can raise concerns to his supervisor and further escalate it to the plant management through the Safety officer or HR officer of the plant. Grievance redressal systems are also available at the plants where the worker can further raise the issues anonymously.

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

Yes, the Company identifies and assesses health risks and conducts pre-employment and periodic health examinations for its employees. This requirement is incorporated into the Company's EHS Policy.

**11. Details of safety related incidents, in the following format-**

Safety Incident /Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.76
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

The Company ensures process safety through robust design safeguards, clear process management, strict adherence to safe working procedures as well as regular reviews and updates. Comprehensive training, personal protective equipment and periodic audits guarantee that all work is conducted safely.

**13. Number of Complaints on the following made by employees and workers-**

Particulars	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	0	0	0	0
Health and Safety	0	0	0	0	0	0

**14. Assessments for the year-**

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

\*Assessed by Audit agencies for ISO 45001/ 14001 / SA 8000 and third party customer audit

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

LT Foods is committed to providing a safe and healthy workplace for its employees. To achieve this, the Company has implemented an Occupational Health and Safety Management System, which includes-

- EHS induction programmes
- Safe operating procedures
- Tools and equipment inspections
- First aid protocols

- Processes for reporting near-misses and incidents

In the event of accidents or incidents, dedicated investigation teams are formed at each site to identify the root cause and recommend corrective and preventive actions. Additionally, a comprehensive hazard identification and risk assessment process is in place to identify and diminish potential health, safety and legal compliance risks.

LT Foods conducts regular internal and external audits to evaluate its Occupational Health and Safety Management System. These audits ensure compliance with safety standards and identify areas for improvement, ensuring ongoing enhancement of workplace safety and employees well-being.

## Leadership Indicators -

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

- Employees- Yes
- Workers- Yes

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

LT Foods ensures that its vendors and suppliers strictly comply with all kind of Statutory law. The Company promotes open communication and cooperation to foster a shared commitment to ethical business practices.

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment-

Particulars	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2024	FY2023
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? - No

5. Details on assessment of value chain partners-

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable





## Principle 4

**Business should respect the interests of and be responsive to all its stakeholders**



### SDGs Impacted



### Capital Linkage



Social and relationship Capital

LT Foods prioritises stakeholder engagement, maintaining open communication with consumers, investors, suppliers and partners to understand their needs and expectations. The Company builds long-term relationships through empathy, respect and sustainable business practices. Additionally, it harnesses technology to gather instant anonymous employee feedback. This integrated approach aligns its ESG strategy with business objectives, fostering transparency, accountability and informed decision-making.

**Essential Indicator-**

**1. Describe the processes for identifying key stakeholder groups of the Company.**

The essence of the Company’s strategy and business model revolves around prioritising stakeholders. By keeping abreast of stakeholders’ changing needs, the Company is able to make well-informed and strategic decisions. To this end, a robust process has been established for identifying stakeholders and engaging with them to strengthen partnerships. Regular stakeholder reviews are conducted to assess and address the evolving interests, concerns, and expectations of the business. Details of such reviews can be found in the stakeholder engagement section of the Report. Regular communication with stakeholders, including consumers, investors, suppliers, employees, and partners, provides valuable insights into their needs and expectations. The Company focuses on building long-term relationships with stakeholders, emphasising empathy, respect, active listening, and a commitment to sustainable business practices. This approach ensures that the Company remains responsive and adaptive to the dynamic business environment, fostering a culture of continuous improvement and mutual benefit.

**2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Consumers	No	Customer satisfaction surveys, social media, website, consumer research	Need basis, continuous	<p>Understanding customer needs and expectations.</p> <ul style="list-style-type: none"> <li>Product awareness and advertising.</li> <li>Gauging customer satisfaction.</li> <li>Identifying areas of improvement.</li> <li>Collecting and analysing consumer feedback.</li> <li>Conducting consumer connect studies to gain insights and enhance consumer engagement</li> </ul>
Communities	Yes	CSR initiatives, satisfaction surveys	Continuous	<ul style="list-style-type: none"> <li>Establishing positive relationships with local communities.</li> <li>Addressing community concerns and interests.</li> <li>Contributing to the wellbeing and development of the communities</li> </ul>
Investors and Shareholders	No	Shareholder meetings, investors meetings and events, emails, website, helpline number, social media, road shows, investor calls	Quarterly, annually, Need-basis, continuous	<p>Financial results, understanding their expectations, communicating the performance of the Company.</p>



Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Bodies	No	Public disclosures, newspapers, email, social media, website, statutory filings.	Continuous, Need-basis	Compliance with rules and regulations, tax revenues, change in laws and regulations.
Employees	No	Town hall meeting, internal grievance committees, HR team meets, training and development activities, social media, internal communication.	Continuous	Identifying areas of improvement, understanding needs of employees, gauging employee satisfaction.
Business Partners, Suppliers and Distributors	No	Supplier / vendor meets, contract meetings, workshops, training sessions.	Continuous, Need-basis	Business performance update, understanding areas of improvement/ bridging gaps in business activities, product awareness and market strategies.
Supply chain partners and farmers	No	Supplier meets, CSR, awareness camps on sustainable agricultural practices, contract meetings, training sessions and workshops, mobile application.	Continuous, Need-basis	Procurement, quality checks, Sustainable rice production programme, awareness sessions, modifications in requirements communication.
Banks and Other financial Institutions.	No	Public disclosures, email, regular file updates, consortium meetings.	Need-basis	Compliance requirements, financial performance, business due diligence.
Media	No	Newspaper, brand building and marketing initiatives, press conference, quarterly/ annual results, social media, media interactions.	Continuous, Need-basis	Business performance and updates, new products launched, product modifications, engagement activities conducted with stakeholders.

## Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

LT Foods has adopted a proactive approach to sustainability by conducting a data-driven materiality assessment to identify key business issues. It engages with stakeholders through an interactive methodology that incorporates best industry practices.

The materiality matrix developed by LT Foods identifies key Environmental, Social and Governance (ESG) parameters by mapping stakeholder importance against business importance. This enables the Company to prioritise and align its ESG strategy with business objectives, thereby enhancing its sustainability performance.

The Company has established a CSR and ESG Committee, comprising Board members, which oversees and reviews the Company's ongoing initiatives. An ESG head is also appointed to engage with relevant stakeholders, ensure effective communication and provide regular updates to the Committee.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder participation is essential in identifying material sustainability issues, allowing the Company to adopt a comprehensive and inclusive approach. By consulting stakeholders, the Company gains diverse perspectives, ensuring a well-rounded understanding of environmental and social topics. This fosters transparency, accountability and informed decision-making and leads to more effective sustainability strategies and outcomes.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

The Company's Corporate Social Responsibility (CSR) activities demonstrate its commitment to social responsibility, particularly in supporting vulnerable populations. It has adopted villages in some of India's most impoverished areas, initiating projects to address essential needs like infrastructure, clean drinking water and educational opportunities, ultimately enhancing the well-being and quality of life for these communities. This reflects the Company's dedication to creating a positive societal impact.





## Principle 5

Business should respect and promote human rights



### SDGs Impacted



### Capital Linkage



Human Capital,



Social and relationship Capital

LT Foods upholds human rights through comprehensive strategies and frameworks, featuring induction workshops, a Code of Conduct and alignment with international standards. The Company ensures fair wages, non-discrimination and prohibition of child labour, while maintaining a safe and inclusive work environment. With dedicated Human Resource personnel and a robust grievance redressal mechanism, the Company proactively addresses human rights concerns and mandates compliance across its value chain, reinforcing its commitment to ethical business practices and the well-being of all stakeholders.

Essential Indicator-

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format-

LT Foods is formulating a comprehensive human rights strategy aligned with international human rights standards and frameworks. This comprises of induction workshops to promote ethical practices as well as a Code of Conduct which employees sign on their first day.

Category	FY2024			FY2023*		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	648	648	100%	638	638	100%
Other than Permanent	-	-	0%	0	0	0%
<b>Total Employees</b>	<b>648</b>	<b>648</b>	<b>100%</b>	<b>638</b>	<b>638</b>	<b>100%</b>
<b>Workers</b>						
Permanent	540	540	100%	508	508	100%
Other than Permanent	1145	824	72%	974	786	81%
<b>Total Workers</b>	<b>1,685</b>	<b>1,364</b>	<b>81%</b>	<b>1,482</b>	<b>1,294</b>	<b>87%</b>

\*Previous year, the Company provided the number of employees and workers on a cumulative basis. However, due to a grade band revision of employees and restructuring, the data for the current financial year has been disclosed as per requirement.

2. Details of minimum wages paid to employees and workers, in the following format-

The Company adheres to labour employment laws and human rights guidelines. This includes ensuring the payment of minimum wages to employees, in strict accordance with human rights requirements.

Particulars	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	581	0	0	581	100%	580	0	0	580	100%
Female	67	0	0	67	100%	58	0	0	58	100%
<b>Other than Permanent</b>										
Male	0	0	0	0	0	0	0	0	0	0.0%
Female	0	0	0	0	0	0	0	0	0	0.0%
<b>Workers</b>										
<b>Permanent</b>										
Male	539	0	0	539	100%	508	0	0	508	100%
Female	1	0	0	1	100%	0	0	0	0	0%
<b>Other than Permanent</b>										
Male	996	0	0	996	100%	896	0	0	896	100%
Female	149	0	0	149	100%	74	0	0	74	100%

\*Previous year, the Company provided the number of employees and workers on a cumulative basis. However, due to a grade band revision of employees and restructuring, the data for the current financial year has been disclosed as per requirement.

**3. Details of remuneration/salary/wages, in the following format-**

a. The details are provided below-

Gender	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	2	4,00,000	2	5,10,000
Key Managerial Personnel (KMP)	2	1,52,82,265	1	80,70,672
Employees other than BoD and KMP	578	5,89,404	66	7,14,540
Workers	539	3,06,708	1	1,65,300

\*Remuneration paid to Mr. Ashawani Kumar Arora, Managing Director and CEO is considered under KMP. Mr. Vijay Kumar Arora, Chairman and Managing Director and Mr. Surinder Kumar Arora, Managing Director do not draw any remuneration from the Company. Remuneration in the form of sitting fees is paid to the Independent Directors, which has been considered. Post appointment of Mr. Raju Lal, Independent Director, w.e.f. January 25, 2024, no Board Meeting was held therefore he is also not being considered.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format-

	FY2024	FY2023
Gross wages paid to females as % of total wages	10%	8%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. The Company is actively developing an extensive human rights policy and framework, aligning with internationally recognised principles. Through thorough assessments and discussions, it addresses potential impacts and concerns. Moreover, dedicated HR personnel at each site are responsible for resolving any human rights issues that may arise.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company is committed to promote an environment of inclusivity, where every individual is accorded the utmost dignity and respect. A robust set of policies has been meticulously designed to address grievances in an effective manner. As part of these policies, The Company has instituted a web portal, designated email IDs, and specific contacts for the receipt and management of complaints. Should any member of staff harbour concerns, the initial point of contact is their respective reporting manager or the Business Integrity Officer. For the purpose of reporting issues, staff members are afforded the option of utilising the web portal or the telephone, with the assurance of anonymity. The respective policies can be found on the Company's website and accessed through the following link-<https://ltgroup.in/business-and-investors.html#policies-and-guidelines>



**6. Number of Complaints on the following made by employees and workers-**

The details are provided below-

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human rights related issues	0	0	0	0	0	0

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format-**

	FY2024	FY2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has instituted a comprehensive diversity policy and a Prevention of Sexual Harassment (POSH) policy, delineating clear procedures to address instances of discrimination and harassment within the workplace. This ensures a safe and respectful working environment. These policies demonstrate the Company's commitment to inclusion and diversity and zero-tolerance for discrimination or harassment.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company ensures its value chain partners adhere to International Labour Organisation (ILO) human rights standards, proactively disseminating and implementing guidelines across its network of suppliers, contractors and collaborators. A dedicated Code of Conduct for vendors and service providers, accessible on the Company's website, reinforces the Company's commitment to upholding human rights and ethical practices throughout its value chain.

Web-link of the Policy- <https://ltgroup.in/business-and-investors.html#policies-and-guidelines>

**10. Assessment for the year-**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100% (in-house)
Forced Labour/ Involuntary Labour	100% (in-house)
Sexual Harassment	100% (POSH committee)
Discrimination at workplace	100% (in-house)
Wages	100% (in-house)

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

The Company upholds ethical and responsible business practices by establishing policies that explicitly prohibit child labour and workplace discrimination. A rigorous Code of Conduct ensures a healthy working environment, where employees feel secure and empowered to report concerns or violations.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

The Company is committed to positively impacting human rights. This commitment extends to its employees, contract workers, customers, supply chain workers, local communities and end users. It strives to avoid infringing on stakeholders' human rights and is currently developing a comprehensive human rights policy that will encompass all pertinent issues. Additionally, its exhaustive Code of Conduct tackles human rights concerns.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

All facilities of LT foods are assessed with ISO 45001 and OSHA 18001 which covers key requirements related to labour, working conditions and human rights.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company is committed to providing equal opportunities for individuals with special abilities and actively developing infrastructure to comply with the Rights of Persons with Disabilities Act, 2016. This ensures accessibility for everyone, including people

with disabilities. Furthermore, its Diversity and Equal Opportunity policy fortifies this commitment.

Web-link of the Policy- [http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy\\_Final.pdf](http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy_Final.pdf)

**4. Details on assessment of value chain partners-**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	Nil
Wages	
Others – please specify	

Comprehensive details are yet to be ascertained. However, the Company has initiated the process of evaluating critical suppliers.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable









## Principle 6

Business should respect and make efforts to protect and restore the environment.



### SDGs Impacted



### Capital Linkage



Natural Capital

The Company is committed to sustainability, primarily focusing on reducing Greenhouse Gas (GHG) emissions, optimising natural resource use and assisting communities in overcoming environmental challenges. It has implemented measures such as Zero Liquid Discharge, renewable energy projects and innovative waste management practices. Additionally, LT Foods adheres to stringent environmental regulations, ensuring compliance and transparency in its operations. Through significant investments in renewable energy, carbon neutrality initiatives and sustainable agricultural practices, the Company reduces its environmental impact and promotes sustainable development.

Essential Indicator-

1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format-

Parameter	FY2024	FY2023
<b>From renewable sources</b>		
Total electricity consumption (A) (Solar)	6,771	1,691.98
Total fuel consumption (B)	0	0
Energy consumption through other sources (C) (Husk)	5,49,513	5,70,599.86
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>5,56,284</b>	<b>5,72,291.84</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	53,905	43,323.20
Total fuel consumption (E)	671	11,669.29
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>54,576</b>	<b>54,992.49</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>6,10,860</b>	<b>6,27,284.33</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) (GJ/Rupees in Lakh)	1.52	1.60
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/Rupees in Lakh)	34.76	36.61
<b>Energy intensity in terms of physical Output (GJ/MT)</b>	1.86	2.15
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format-

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	2,43,788	3,18,463
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,43,788</b>	<b>3,18,463</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>1,35,247</b>	<b>2,26,289.76</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) (KI/Rupees in Lakh)	0.34	0.57
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) (KI/Rupees in Lakh)	7.70	13.04
<b>Water intensity in terms of physical output (KL/MT)</b>	0.41	0.77
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Provide the following details related to water discharged-

Parameter	FY2024	FY2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To groundwater		
- No treatment	-	-
- With treatment – ETP & STP	1,08,541	92,173.24
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>1,08,541</b>	<b>92,173.24</b>

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has implemented a Zero Liquid Discharge mechanism in all its plants. This means that no liquid waste is released into the environment, thus, protecting the environment and upholding responsible industrial practices.

Moreover, the Company regularly submits compliance reports to regulatory bodies, demonstrating compliance with environmental standards for pollution control, wastewater recycling, effluent treatment and waste disposal.

6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY2024	FY2023
NOx	MT	10.97	10.87
SOx	MT	5.09	4.9
Particulate matter (PM)	MT	24.76	26.82
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format-

The details are provided below-

Parameter	Unit	FY2024	FY2023
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tonnes of CO <sub>2</sub> equivalent	1,063	1,303
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tonnes of CO <sub>2</sub> equivalent	10,891	9,799

Parameter	Unit	FY2024	FY2023
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tonnes of CO <sub>2</sub> equivalent / Rs in lakh	0.03	0.02
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tonnes of CO <sub>2</sub> equivalent / Rs in lakh	0.68	0.46
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	tonnes of CO <sub>2</sub> equivalent / MT	0.036	0.038
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

Bio-fuel (Husk) is not considered in the Emission calculation.

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

LT Foods has significantly reduced greenhouse gas emissions by implementing sustainability measures, including solar panels and biofuels. These efforts have resulted in the generation of approximately 1.9 crore KWH units of renewable energy, accounting for 56.9% of its energy share across key plants such as Bahalgarh and Varpal.

**9. Provide details related to waste management by the Company, in the following format:**

The required details are provided below-

Parameter	FY2024	FY2023
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	1,635	1,584
E-waste (B)	845	0.85
Bio-medical waste (C)	0.73	0.72
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	26.06	18.8
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	16.96	16.41
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>2,523.75</b>	<b>1,620.78</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations) (MT/Rupees in Lakh)	0.0062	0.0041
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (MT/Rupees in Lakh) (Total waste generated / Revenue from operations adjusted for PPP)	0.14	0.094
<b>Waste intensity in terms of physical output (MT/MT)</b>	0.0077	0.0055
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity		

Parameter	FY2024	FY2023
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	2,480	1,584.85
(ii) Re-used	2.65	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>2,482.65</b>	<b>1,584.85</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0.73	0.72
(ii) Landfilling	40.37	32.46
(iii) Other disposal operations	0	2.75
<b>Total</b>	<b>41.10</b>	<b>35.93</b>

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. **Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company acknowledges the environmental impact of its product packaging and takes steps to mitigate it by ensuring responsible plastic waste disposal through vendor reports and compliance with Extended Producer Responsibility (EPR) regulations via the CPBC portal. This minimises harm from plastic, hazardous and e-waste.

The Company ensures hazardous waste management through authorised vendors covering appropriate handling of fly ash, ETP sludge, plant cleaning dust, black oil, waste oil, bio waste and operator clothing cleaning. Additionally, the Company responsibly manages e-waste by disposing of all electronic and electrical items through authorised channels.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format-**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
No. The Company does not have any offices/facilities located around ecologically sensitive areas.			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year-**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No such projects were undertaken.					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).**

If not, provide details of all such non-compliances, in the following format-

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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The Company adheres to the Air Act, Water Act and Hazardous Act, ensuring compliance with regulations for air quality, water management and hazardous substance handling. Thus, the Company demonstrates its commitment to environmental protection and community wellbeing as well as underscores its sustainable approach to business operations through regular monitoring.

### Leadership Indicators -

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)-**

For each facility / plant located in areas of water stress, provide the following information-

- (i) Name of the area - Sonipat and Varpal
- (ii) Nature of operations – Rice processing
- (iii) Water withdrawal, consumption and discharge in the following format-

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	2,43,788	3,18,463
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>2,43,788</b>	<b>3,18,463</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>1,35,247</b>	<b>2,26,289.76</b>
<b>Water intensity per rupee of turnover</b> (Water consumed/turnover)	0.34	0.57
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	1,08,541	92,173.24
- No treatment	-	-
- With treatment – please specify level of treatment	1,08,541	92,173.24
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>1,08,541</b>	<b>92,173.24</b>

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

By PHDCCI in FY 2023-24

2. Please provide details of total Scope 3 emissions and its intensity, in the following format-

Parameter	Unit	FY2024	FY2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	NA	NA	NA
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity</b>			

Note- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format-

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sustainable Rice Platform (SRP) Standards	Aligning with SRP standards, LT Foods adopted sustainable and effective plant nutrition management. Initiatives included water and fertiliser conservation, ethical labour practices and reduced chemical use.	Engaged numerous farmers from Haryana, Punjab, Uttar Pradesh, and Madhya Pradesh. Covered 5,170 acres and 280 farmers in Haryana with water-saving techniques, minimising greenhouse gas emissions. Enhanced agricultural productivity and environmental health.
2	Renewable Energy Initiatives	Used solar panels and biofuels for electricity generation. Improved energy efficiency through various operational measures.	Generated 6,771 GJ from Solar and 5,49,513 GJ from Husk as a renewable energy share of 56.9%.
3	Recyclable Packaging	Transitioned to recyclable packaging for new and existing products. Upgraded machine infrastructure to handle recyclable films.	Reduced plastic use and made packaging more recyclable. Developed machinery for responsible product refills and produced functional items from recycled materials.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

LT Foods has implemented a robust risk management policy, which includes a comprehensive business continuity and disaster management strategy to diminish the impact of natural disasters and supply shortages.

In the event of a natural disaster affecting one facility, the Company has contingency plans to swiftly assess the situation, activate alternative production sites and adjust supply chains accordingly. This enables LT Foods to quickly respond, minimise potential operational disruptions and ensure continued availability of products.

LT Foods' multi-location operations reduce dependence on a single facility. This diversification allows the Company to tap into alternative supply sources, ensuring uninterrupted customer service despite localised disruptions.

Furthermore, LT Foods maintains strong supplier relationships, ensuring seamless coordination and communication during times of crisis. This collaboration ensures a proactive response to supply shortages and identifying alternative sourcing options to maintain consistent product availability. The Company has uploaded Risk Management Policy on its website.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

No significant adverse impact on the environment has been identified arising from the entity's value chain. However, the entity is proactive in ensuring environmental responsibility throughout its operations and supply chain. In alignment with the Company's Code of Conduct for Vendors and Service Providers, all suppliers are required to adhere to strict environmental standards and comply with relevant laws and regulations.

To further mitigate potential environmental impacts, the Company has implemented Sustainable Rice Production (SRP) methods and actively educates farmers on sustainable agricultural practices. These efforts help to manage and minimise any possible environmental repercussions related to agricultural activities. Through these initiatives, the Company reaffirms its commitment to sustainability and the protection of the environment for future generations .

**7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?**

The Company has initiated critical vendor evaluation audits. According to this system, the Company assesses the environmental impact of its value chain partners.







## Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.



### SDGs Impacted



### Capital Linkage



Social and relationship Capital

The Company, in acknowledgement of its pivotal role in shaping public policy, is committed to promoting societal and environmental prosperity. This commitment is demonstrated through principles that make a positive impact on policy formulation. Furthermore, the Company understands that engaging responsibly and transparently in influencing policy not only reflects its fundamental values but also cultivates public trust. Such trust is essential for fostering enduring partnerships and facilitating collective advancement.

## Essential Indicator-

1. a. Number of affiliations with trade and industry chambers/associations.  
Yes, the Company is affiliated with six trade and industry chambers and associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	All India Rice Exporters Association (AIREA)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Progress, Harmony and Development Chamber of Commerce and Industry (India)	National
5	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
6	All India Rice Exporters Federation	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

## Leadership Indicators

1. Details of public policy positions advocated by the Company-

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/Others-please specify)	Web Link, if available
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The Company collaborates with prominent industry institutions, including the Confederation of Indian Industry, the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of Commerce and Industry of India as well as various regional Chambers of Commerce. The Company's engagements with these entities are distinguished by a steadfast commitment to integrity, transparency and thoughtful consideration of all stakeholders.



## Principle 8

**Businesses should promote inclusive growth and equitable development.**



### SDGs Impacted



### Capital Linkage



Human Capital



Social and relationship Capital

LT Foods demonstrates a strong commitment to social responsibility through various initiatives, including the Project Parivartan for village development and comprehensive community feedback mechanisms. The Company sources a significant portion of its inputs from MSMEs within India, actively creating jobs in smaller towns. It maintains a non-discriminatory procurement policy to ensure fair treatment for all suppliers. Additionally, LT Foods undertakes substantial CSR projects, particularly in aspirational districts and regularly assesses and addresses community grievances. The Company also ensures transparency and compliance with industry standards, reflecting its dedication to ethical practices and continuous improvement.

## Essential Indicator-

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Project Parivartan- An integrated village development initiative to transform select villages into model with emphasis on dignity, cleanliness, community service, harmony and eco-friendly practices			YES	NO	NO

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format-**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2023-24 (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company addresses community concerns through a structured feedback method. Community members are invited to provide feedback on the execution of work and the Company conducts satisfaction surveys to assess their satisfaction. The objective of these visits is to identify any gaps or areas of improvement and to ensure that the needs and concerns of the community are addressed. Thus, the Company has implemented a pen-and-paper technique for addressing community issues.

The Village Adoption Project was designed using a bottom-up approach, involving all community members. Based on their suggestions, social development activities were carried out in the villages adopted by the Company. Regular meetings, involving gram panchayats and village heads were organised to gather feedback from community members, if any. A register in the region's language was maintained at the project office to record community members' satisfaction and concerns.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers-**

	FY2024	FY2023
Directly sourced from MSMEs/small producers	33%	9.7%
Directly from within India	77%	81.7%

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY2024	FY2023
Rural	29.3%	27.2%
Semi-urban	1.8%	2.2%
Urban	42.9%	45.8%
Metropolitan	26.0%	24.8%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference- Question 1 of Essential Indicators above)-

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies-

S. No.	State	Aspirational District	Amount spent (In INR)
1	Madhya Pradesh	Chhatarpur	80,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No) -

No. The Company upholds a non-discriminatory approach towards its suppliers and does not maintain a separate preferential procurement policy. Instead, an integrated procurement process has been established, working closely with farmers to ensure the timely acquisition of high-quality paddy.

- (b) From which marginalised/vulnerable groups do you procure? - NA

- (c) What percentage of total procurement (by value) does it constitute?

Procurement is conducted by evaluating the quality of raw materials to ensure compliance with the established criteria, as outlined in the internal checklist prepared by the Company. The purchasing process is devoid of prejudice or bias, with a strong emphasis on fair treatment and equal opportunity for all suppliers.



**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge-**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects-**

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Village adoption Parivartan project Chattarpur	13,039	100%
2	Village adoption Parivartan project Raisen Chattarpur	5,160	100%
3	Udyan Care for promoting education among girls- New Delhi	75	100%
4	Maharaja Jagat Singh Medical Relief for promoting healthcare	2,000	0%
5	Aajevika Swasthya Sahaytya Kendra wellness centre	1,200	0%
6	Improving Rural infrastructure	2,400	100%
7	Farm Mechanisation	210	0%
8	Pardada Pardadi educational society	35	100%



## Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner



### SDGs Impacted



### Capital Linkage



Intellectual Capital



Social and relationship Capital

LT Foods prioritises customer feedback through accessible communication channels and trained sales teams, to develop high-quality products that meet customer expectations. The Company adheres to strict data privacy and cyber security policies, with no reported breaches. Additionally, LT Foods addresses advertising and service delivery issues proactively, ensuring seamless product availability and customer satisfaction. The Company's commitment to ethical practices and continuous improvement underscores its dedication to consumer trust and safety.

## Essential Indicator-

### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At LT Foods, consumer feedback is highly valued. Every product pack includes a customer service phone number and email address, facilitating easy communication for suggestions and feedback. Additionally, the sales teams are trained to gather information directly from consumers regarding their experiences with the products. This information is then compiled and forwarded to the relevant teams for review, research and development.

The Company's prioritises its clients and provides high-quality products that meet customer requirements and expectations. It continually seeks ways to enhance offerings based on customer input.

### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about-

Sl. No.	As a percentage to total turnover
Environmental and social parameters relevant to the product	20%
Safe and responsible usage	20%
Recycling and/or safe disposal	20%

### 3. Number of consumer complaints in respect of the following-

Number of consumer complaints in respect of the following-	FY2024			FY2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	38	0		17	0	
Cyber-security	0	0		0	0	
Delivery of essential services	15	0	Nil	2	0	Nil
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	1,042	0		1,501	0	

### 4. Details of instances of product recalls on account of safety issues-

NIC Code	Number	Reasons for recall
Voluntary recalls	Nil	N.A.
Forced recalls	Nil	

### 5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company's data privacy policy is accessible on the official website and can be reviewed via the following web link- <http://www.ltgroup.in/pdf/ITPrivacy-Policy.pdf>.

Product safety, advertising, cybersecurity and data privacy are paramount for the Company. Adhering to global standards and industry best practices, it navigates the complex landscape of cybersecurity and data privacy with aplomb. It is fully compliant with the IT Act, its rules and guidelines and bases its data privacy governance on existing case laws, guidelines and directions provided by various authorities from time to time.

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No significant concerns/complaints/penalties/regulatory actions were identified during the year. However, in case of any concerns, consumers can reach out to us via multiple channels, i.e., phone, e-mail and social media. We have a pre-defined turnaround time and response mechanism for complaint closure.



**7. Provide the following information relating to data breaches-**

Sl. No.	Provide the following information relating to data breaches-
a. Number of instances of data breaches along-with impact	Nil
b. Percentage of data breaches involving personally identifiable information of customer	NA
c. Impact, if any, of the data breaches	NA

### Leadership Indicators

**1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

Information regarding the Company's product range is available on the official website.

Web link for the same is as follows- <https://ltgroup.in/brands.html>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

To assist consumers in making informed decisions, each product is packaged with a clear message regarding its safety for use. This packaging also includes comprehensive details about its nutritional value and usage instructions. Additionally, the Company has introduced a recipe section on its website, enabling users to discover and learn culinary skills.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

LT Foods has created multiple touch points for consumer connect. In case of disruption or adverse scenarios, the Company reaches out to consumers through channels like social media, TV, print, e-commerce platforms and brand websites. Emails or messages can be sent out to consumer who are connected to LT Foods. In addition, the consumer cell team communicates to consumers, if necessary.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

Yes. LT Foods adheres to all the applicable regulations regarding product labelling and displays relevant information on it. Additional information, over and above the mandated regulation, is displayed wherever applicable. This information is generally related to the benefits of the product.

Consumer satisfaction surveys are conducted regularly by the Company to gauge customer satisfaction across its core products, services and operating locations. These surveys are instrumental in gathering feedback, identifying areas for development and improving the overall quality of products and services. The survey findings are thoroughly examined and the insights gathered are used to guide strategic decision-making, product development and efforts to enhance customer experience. The Company's dedication to client satisfaction is demonstrated in its proactive approach to collecting and implementing consumer feedback.



# Corporate Governance Report

At LT Foods Limited (“LT Foods” or “the Company” or “We” or “Our”) good governance principles are founded upon a rich legacy of fair, ethical and transparent governance practices by adopting the higher standards of professionalism and integrity in day-to-day business activities and decisions. Our Board and the committees uphold all fiduciary responsibilities by ensuring fairness, independence and transparency in all decisions through the governance framework. Sincerity, fairness, and commitment to compliance are key characteristics that drive the relationship of the Board and Senior Management with other stakeholders.

Strong leadership and effective Corporate Governance practices have been the Company’s bedrock towards sustained growth. A principles-based approach to governance provides the foundation for our many actions to create sustainable value for our Shareholders and shared value for all our stakeholders. Business sustainability comes with responsible behaviour towards all its stakeholders and, more specifically, towards the environment and community, and LT Foods has a rich legacy of the same.

Our Corporate Governance reflects our value system, encompassing our culture, policies, and stakeholder relationships. Integrity and transparency are key to our Corporate Governance practices and performance and ensure that we always gain and retain our stakeholders’ trust. LT Foods strongly believes that a company can emerge as a strong leader only by following good and sound corporate governance principles. At LT Foods, good Corporate Governance is a way of life and the way we do our business, encompassing every day’s activities and is enshrined as a part of our way of working.

We believe that to achieve our goals, we must behave with good governance standards towards everyone we collaborate with, the communities we impact, and the environment we shape. This is how we deliver consistent, competitive performance and drive long-term value creation for our shareholders, our people, and our business partners. These principles have guided our actions and will continue to do so in the future.



## Corporate Governance Structure

Our Governance Structure is multi-tiered, comprising the Board of Directors, Board Committees and the Management Committee. The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe. The Board is responsible for the management, general affairs, strategic direction, and performance of the Company and is ably supported by the Board Committees and the Management Committee.

The Board has the ultimate authority for setting the strategy, managing, handling, directing, & enabling the long-term success of the entire business. The Chairman heads the Board and is accountable for its overall efficiency. The Chairman and Managing Director(s) ensure the Directors get accurate, timely and clear information, foster and support positive relationships and effective participation of all Executive and Non-Executive Directors, and promote a culture of transparency and debate. The Independent Directors offer constructive feedback, strategic direction, and expert advice and hold management responsible. The Board has delegated the operational conduct of the business to the Managing Director(s) of the Company.

## Board of Directors

The Board of the Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with majority of the Board members comprising Independent Directors including Independent Women Directors. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "Listing Regulations") as amended

from time to time. As on date of this Integrated Annual Report, the Board consists of nine Directors comprising three Managing Directors including CEO, one Non-Executive and Non-Independent Director and five Independent Directors including two Women Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. None of the Directors is holding directorships in more than 10 public limited companies, and is not holding directorship in more than 7 listed entities or acts as an Independent Director in more than 7 listed entities or 3 listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity, as specified in Regulation 17A of the Listing Regulations. Further, none of the Director of the Company is a member of more than 10 Committees and Chairperson of more than 5 Committees, as specified in Regulation 26 of the Listing Regulations, across all the Indian public limited companies in which he/ she is a Director.

During the year, the Board on the basis of recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Satish Chander Gupta (DIN: 00025780) and Mr. Raju Lal (DIN: 10347298) as Independent Directors of the Company, for a term of 5 (five) consecutive years with effect from June 16, 2023 and January 25, 2024, respectively. The said appointments/re-appointments were duly approved by the Members of the Company through Postal Ballot(s) on September 02, 2023 and March 14, 2024, respectively.

Details pertaining to positions held by the Directors of the Company, in the Board and Board Committees that they occupy in other Companies and changes therein, if any, are being disclosed periodically by each Director. Further, none of the Director of the Company is, inter-se, related to each other, except for the Executive Directors.

The Company does not have any pecuniary relationship and transaction with any of the Non-Executive Directors, other than payment of sitting fees and commission to Independent Directors, as applicable. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings of the Company.

The details of each Member of the Board along with the number of Directorship(s)/Committee Membership(s)/ Chairmanship(s), date of joining the Board and their shareholding in the Company, as on March 31, 2024, are provided herein below:

Name of the Director	Date of Joining	No. of shares held in the Company	Directorships in other Companies*	Number of Committee positions held in other Public Companies**	
				Chairman	Member (Including Chairperson)
Mr. Vijay Kumar Arora	29.09.2004	2,29,86,920	6	0	0
Mr. Ashwani Kumar Arora	22.06.2007	2,29,86,920	4	0	1
Mr. Surinder Kumar Arora	22.06.2007	2,29,86,920	5	0	0
Mr. Abhiram Seth	22.07.2021	35,375	6	1	4

Name of the Director	Date of Joining	No. of shares held in the Company	Directorships in other Companies*	Number of Committee positions held in other Public Companies**	
				Chairman	Member (Including Chairperson)
Mrs. Neeru Singh	17.03.2020	Nil	2	1	3
Mrs. Ambika Sharma	10.03.2021	Nil	6	0	2
Mr. Alrumaih Sulaiman Abdulrahman S	28.02.2023	Nil	0	0	1
Mr. Satish Chander Gupta	16.06.2023	Nil	1	0	0
Mr. Raju Lal	25.01.2024	Nil	2	0	1

\*Excludes directorships in foreign companies, companies registered under Section 8 of the Act, private companies and alternate directorships.

\*\*Membership(s) / Chairmanship(s) of only audit and stakeholders' relationship committees in all public limited companies are considered.

The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and the Listing Regulations.

### Role of the Board of Directors

The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. Further, the Board is also responsible for:

- Monitoring the effectiveness of the Company's governance practices and making changes as necessary.
- Exercising appropriate control to ensure that the Company is managed efficiently to fulfil stakeholders' aspirations and societal expectations.
- Provide strategic guidance to the Company and ensure effective monitoring of the Management.
- Exercising independent judgment on corporate affairs.
- Reviewing and guiding on major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

### Composition and Category of Directors:

The composition of the Board of Directors of the Company as on the date of this Report are as follows:

Sl. No.	Name	Category & Designation
1.	Mr. Vijay Kumar Arora	Promoter - Chairman and Managing Director
2.	Mr. Ashwani Kumar Arora	Promoter - Managing Director & CEO
3.	Mr. Surinder Kumar Arora	Promoter - Managing Director
4.	Mr. Abhiram Seth	Non-Executive Independent Director
5.	Mrs. Neeru Singh	Non-Executive Independent Director
6.	Mrs. Ambika Sharma	Non-Executive Independent Director
7.	Mr. Alrumaih Sulaiman Abdulrahman S	Non-Executive Non-Independent Director
8.	Mr. Satish Chander Gupta*	Non-Executive Independent Director
9.	Mr. Raju Lal**	Non-Executive Independent Director

\*Appointed w.e.f. June 16, 2023.

\*\*Appointed w.e.f. January 25, 2024.

## Key Board qualifications, expertise and attributes

The Company is a Fast Moving Consumer Goods (FMCG) Company with the individual Members of its Board of Directors bringing in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience in the following competence areas:

- ⦿ Financial expertise: Proficiency in complex financial management and experience and expertise in accounting principles, auditing and reporting
- ⦿ Business Strategy, Sales and Marketing: Experience in developing strategies to grow sales and market shares in semi-urban and rural markets, understanding long-term trends, building brand awareness and equity and leading management teams to make strategic choices.
- ⦿ Manufacturing Expertise: Understanding various facets of manufacturing and operations, insight in innovation, ability to foresee and identify potential challenges, expertise in strategising to obtain sustainable advantage.
- ⦿ Governance and Risk Management: Experience in developing governance practices, serving the best interest of all stakeholders, developing insights about management and accountability and driving corporate ethics and values, building long-term effective stakeholder engagements and, the ability to understand, assess and manage risk.
- ⦿ People Management and Leadership: Expertise in developing talent, planning succession, furthering representation and diversity and other strategic human resource advisories.
- ⦿ Technological Expertise: Expertise in Healthcare related technology, biomedical instrumentation, medical devices and diagnostics, insight in innovation and ability to bring in affordable healthcare technologies and healthcare delivery models. Expertise or experience in the information technology business, technology consulting and operations, areas of integration and innovation technologies, digital, cloud and cyber security, technology domain and knowledge of technology trends.

Skill Expertise and Competencies	Mr. Vijay Kumar Arora	Mr. Ashwani Kumar Arora	Mr. Surinder Kumar Arora	Mr. Abhiram Seth	Mrs. Neeru Singh	Mrs. Ambika Sharma	Mr. Alrumaih Sulaiman Abdulrahman S	Mr. Satish Chander Gupta	Mr. Raju Lal
Financial expertise	Y	Y	Y	Y	Y	Y	Y	Y	Y
Business Strategy, Sales and Marketing	Y	Y	Y	Y	Y	Y	Y	Y	Y
Manufacturing Expertise	Y	Y	Y	Y	N	N	N	N	N
Governance and Risk Management	Y	Y	Y	Y	Y	Y	Y	Y	Y
People Management and Leadership	Y	Y	Y	Y	Y	Y	Y	Y	Y
Technological Expertise	Y	Y	Y	Y	Y	Y	Y	N	Y

## Board Meetings

During the financial year 2023-24, four Board Meetings were held on May 18, 2023, July 28, 2023, October 30, 2023 and January 25, 2024. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days. During the financial year 2023-24, all the Board and Committee meetings were conducted through audio-visual means as per the circulars/rules issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") from time to time, for conducting meetings.

The attendance of the Board Members at the Board meetings and the Annual General Meeting (“AGM”) of the Company held during the financial year 2023-24 alongwith shareholding as on March 31, 2024, is as follows:

Sl. No.	Name	Attendance in Board Meetings held on				%age	Attendance at Last AGM held on September 29, 2023
		May 18, 2023	July 28, 2023	October 30, 2023	January 25, 2024		
1.	Mr. Vijay Kumar Arora	Y	Y	Y	Y	100	Y
2.	Mr. Ashwani Kumar Arora	Y	Y	Y	Y	100	Y
3.	Mr. Surinder Kumar Arora	Y	Y	Y	Y	100	Y
4.	Mr. Abhiram Seth	Y	Y	Y	Y	100	Y
5.	Mrs. Neeru Singh	Y	Y	Y	Y	100	Y
6.	Mrs. Ambika Sharma	Y	Y	Y	Y	100	Y
7.	Mr. Alrumaih Sulaiman Abdulrahman S	Y	Y	Y	Y	100	Y
8.	Mr. Satish Chander Gupta*	NA	Y	Y	Y	100	N
9.	Mr. Raju Lal**	NA	NA	NA	NA	NA	NA

\*Appointed w.e.f. June 16, 2023.

\*\* Appointed w.e.f. January 25, 2024.

### Availability of information to Board Members

The Board has unrestricted access to all Company-related information, including that of our employees. At Board meetings, Business Heads and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval. Strategic and operational plans are presented to the Board in addition to the quarterly and annual financial statements. Specific cases of acquisitions, important managerial decisions, material positive / negative developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the committees, to the Board for its approval. As a process, information to Directors is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board Members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters.

The Board agenda generally includes consideration of important corporate actions and events including:

- ⦿ oversight of the performance of the business;
- ⦿ development and approval of overall business strategy;
- ⦿ quarterly and annual results announcements;
- ⦿ declaration of dividends;
- ⦿ review of the functioning of the Committees; and
- ⦿ other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

The Notice of Board/Committee Meetings are given well in advance to all the Directors which is set by the Company Secretary in consultation with the Managing

Director(s) of the Company. The Agenda is circulated a week before the date of the Meeting. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the Meetings to enable the Directors to make informed decisions. Video/ Audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings.

Prior approval from the Board/Committee is obtained for circulating the Agenda items with shorter notice for matters that form part of the Board and Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

### Board Support

The Company Secretary supports the Board by making sure it has the policies, processes, information, time and resources it needs to work effectively and efficiently. The Company Secretary is in charge of collecting, reviewing and distributing all the documents that are submitted to the Board and its Committees for decision making. The Company Secretary is also in charge of preparing the Agenda and convening the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees as a Secretary to the Board Committees. The Company Secretary advises/assures the Board and its Committees on compliance and governance principles and ensures the meeting minutes are recorded properly by providing all the required information for effective decision making.

The Company Secretary also gives the necessary guidance to the Board members about their roles and responsibilities and assists the Chairperson in all Board development processes like Board evaluation, Board re-structuring, succession, inductions and trainings etc.

Besides ensuring compliance with the relevant statutory and regulatory requirements, the Company Secretary also acts as a formalised link between the Board, management and external stakeholders.

### Follow-up Mechanism

The Company has an effective governance mechanism wherein, the important decisions and suggestions of the Board and Committees are promptly communicated to the respective functional departments immediately after the meetings. Post-meeting follow-up, reviews, action taken reports for the discussions are placed at the subsequent meetings of the Board and Committees.

### Statutory Compliance Monitoring Tool

The Company has implemented a web-based Statutory Compliance Monitoring Tool designed to enhance and streamline the tracking of all statutory and legal obligations required by the Company. This innovative tool provides a comprehensive platform for managing compliance across various domains, ensuring that all legal requirements are met promptly and efficiently. It is a reliable resource for the Board, offering necessary assurances regarding the Company's adherence to legal standards. By leveraging this tool, the Company can effectively navigate the complex landscape of statutory requirements, mitigate potential risks, and maintain a robust compliance posture. This, in turn, reinforces the Company's commitment to ethical business practices and good governance, while providing the Board with a clear and transparent view of the Company's compliance status.

### Board Independence

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16 of the Listing Regulations. The Independent Directors provide an annual confirmation that they meet the independence criteria. Based on the confirmations/disclosures received from the Directors and on evaluation of the relationships disclosed, supported by a certificate from D Dixit & Associates, Company Secretaries, as per the requirement of Regulation 25(9) of the Listing Regulations, the Board confirms, that the Independent Directors fulfil the conditions as specified.

### Board Evaluation

An annual performance evaluation of the Board, as per the requirements of the Act and the Listing Regulations, is undertaken where the Board formally assesses its own

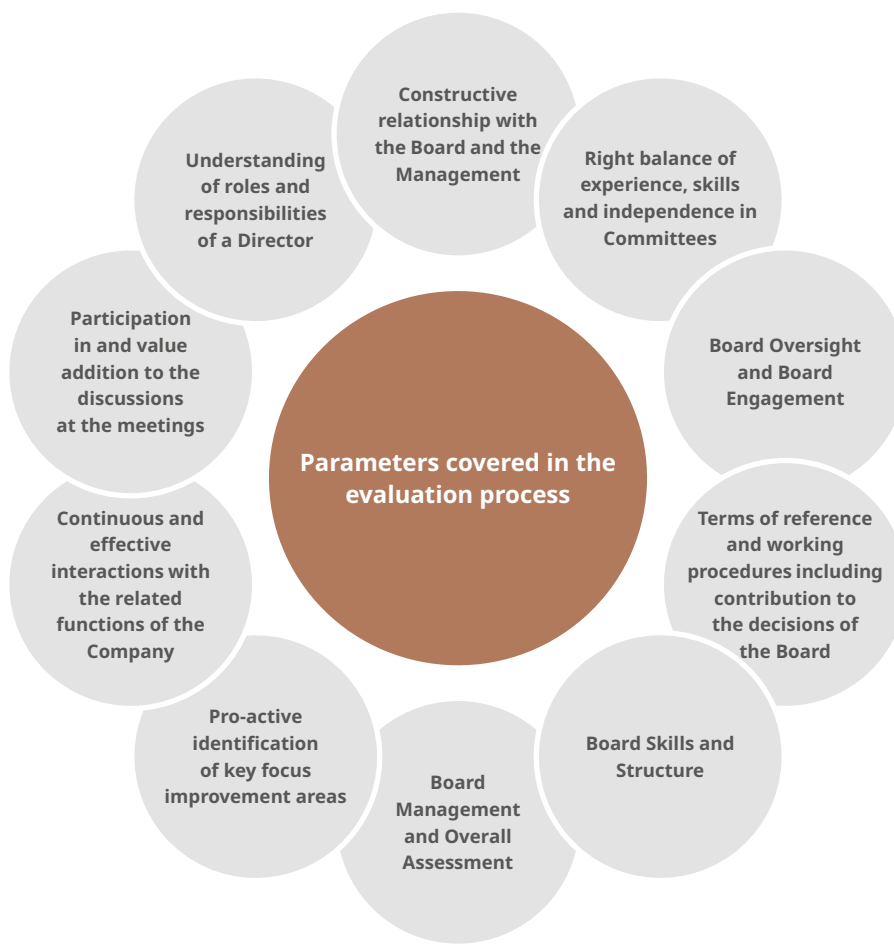
performance with the aim to improve the effectiveness of the Board and the Committees. The Board along with the Nomination and Remuneration Committee has laid down the criteria of performance evaluation of Board, its Committees, and Individual Directors. The performance evaluation criteria forms part of Board Evaluation Policy which is available on the website of the Company at <https://www.ltgroup.in/pdf/LT-Foods-Board-evaluation.pdf>.

### Evaluation Process

During the year, Board Evaluation exercise which includes the evaluation of the Board as a whole, Board Committees, Peer Evaluation of the Directors and evaluation of Chairperson was conducted internally by the Company. Detailed questionnaires were circulated covering various parameters relevant for the evaluation of the Board and Committees.

Additionally, specific feedback was also sought on the manner in which the Chairperson, the Independent Directors and the Executive Directors of the Company discharged their respective roles. For the year under review, the average scores and inputs on every aspect of the evaluation were high and it is a good position for the Board and the Committees collectively. As an outcome of the performance evaluation exercise, it was noted that:

- ⦿ The Board acts in good faith, with due diligence, care and high ethical standards and has a strong focus on governance, people & talent matters, strategy, building future-fit capabilities, environmental & social factors.
- ⦿ Board is collaborative, embraces critical thinking, provides an environment conducive for discussion and is committed to creating value for all stakeholders.
- ⦿ The Committees of the Board have clear terms of reference and working procedures. They are well-functioning, their meetings are well managed and they contribute effectively to the decision-making process of the Board.
- ⦿ The contributions made by the Audit Committee stood out once again, with special praise and recognition of role played by the Chairperson of the Audit Committee.
- ⦿ The Management has been pro-active and diligent in bringing relevant topics to the Risk Management Committee for its consideration. This has in turn added to the robustness of the risk management systems.



### Board Commitment

All Directors are expected to attend each Board Meeting and each Committee Meeting of which they are members, unless there are exceptional reasons preventing them from participating. Only members of the Committees are entitled to attend Committee Meetings, but others may attend at Committee Chairperson’s discretion.

### Certification and Confirmation

The Company annually obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any, regarding their Directorships. The Company has obtained a certificate from D Dixit & Associates, Company Secretaries, under Regulation 34(3) and Schedule V Para C Clause (10)(i) of the Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI and Ministry of Corporate Affairs (MCA) or any such authority and the same forms part of this Integrated Annual Report.

### Separate Meeting of Independent Directors

As per Schedule IV of the Act and Regulation 25(3) of Listing Regulations, the Independent Directors shall hold at least one meeting in a financial year without

the presence of Non- Independent Directors and Management representatives. During the financial year 2023-24, the Independent Directors met on January 23, 2024. The Independent Directors *inter alia* discussed the functioning of the Committee Meetings and Board discussion including reviewing the performance of Non-Independent Directors and the Board of Directors as a whole; reviewing the performance of the Chairperson; quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings occur between the Chairman and Independent Directors. The Independent Directors also have access to the Auditors of the Company and the management for discussions and questions, if any.

### Directors’ Induction and Familiarisation

The Board Familiarisation Programme comprises an induction programme for Non-Executive Directors, Immersion sessions on business and functional issues, and strategy sessions.

All Directors, on their appointment, are taken through a detailed induction and familiarisation programme when they join the Board of the Company. As a part



of induction programme, the Directors also visit the Company's manufacturing locations to understand the operations of the Company. The Directors are exposed to the Board constitution, procedures, matters reserved for the Board and major risks facing the business and mitigation programmes.

The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

In the Board Meetings, sessions are conducted with various functions of the Company, which bring out all facets of the business. These sessions provide the Directors with a good understanding of the business. They are also an opportunity for the Board to interact with the next level of management. To make these sessions meaningful and insightful, pre-reads are circulated in advance.

### Board Committees

In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope. The objective is to focus effectively on specific areas and ensure expedient resolution and decision making. The Committees operate as the Board's empowered agents according to their charter/ terms of reference. The Board has constituted the committees and has laid down their charters and terms of reference. The recommendations of the committees are submitted to the Board for approval. During the year, all recommendations of the committees were approved by the Board. All committee meetings are held before the Board meeting, and the chairperson of the respective committees updates the Board about the deliberations, recommendations and decisions taken by the Committee.

### Audit Committee

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions, in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and is reviewed from time to time. The detailed terms of reference of the Audit Committee are available on the Company's website at <https://www.ltgroup.in/pdf/LT-Foods-Charter.pdf>. Given below is a list of the responsibilities of the Audit Committee:

- ⦿ Reviewing with the management, quarterly/annual financial statements before submission to the Board, focusing primarily on:
  - ⦿ The Company's financial reporting process and the disclosure of its financial information, including earnings, press release, to ensure that the financial statements are correct, sufficient and credible;
  - ⦿ Reports on the Management Discussion and Analysis of financial condition,

results of Operations and the Directors' Responsibility Statement;

- ⦿ Major accounting entries involving estimates based on exercise of judgment by Management;
  - ⦿ Compliance with accounting standards and changes in accounting policies and practices as well as reasons thereof;
  - ⦿ Draft Audit Report, qualifications, if any and significant adjustments arising out of audit;
  - ⦿ Scrutinize inter corporate loans and investments;
  - ⦿ Disclosures made under the CEO and CFO certification; and
  - ⦿ Approval or any subsequent modification of transactions with related parties, including omnibus approval of related party transactions.
- ⦿ Review the statement of uses/applications of funds by major category and the statement of funds utilized for purposes other than as mentioned in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or rights or private placement issue, and make appropriate recommendations to the Board to take up steps in this matter. These reviews are to be conducted till the money raised through the issue has been fully spent.
  - ⦿ Review with the management, Statutory Auditors and Internal Auditors, adequacy of internal control systems, identify weakness or deficiencies and recommending improvements to the management.
  - ⦿ Recommend the appointment/removal of the Statutory Auditors, cost auditor, fixing audit fees and approving non-audit/consulting services provided by the Statutory Auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications, experience, independence and pending proceedings relating to professional misconduct, if any.
  - ⦿ Review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the Chief Internal Auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the Chief Internal Auditor.
  - ⦿ Discuss with the internal auditor and senior management, significant internal audit findings and follow-up thereon.
  - ⦿ Review the findings of any internal investigation into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
  - ⦿ Discuss with the Statutory Auditors before the audit commences, the nature and scope of audit, as well

- as conduct post-audit discussions to ascertain any area of concern.
- ⦿ Review the functioning of the Vigil Mechanism under the Whistle-Blower Policy of the Company.
  - ⦿ Review the financial statements and investments made by subsidiary companies and subsidiary oversight relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.
  - ⦿ Look into reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
  - ⦿ Review the effectiveness of the system for monitoring compliance with laws and regulations.
  - ⦿ Approve the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.

- ⦿ To approve and review policies in relation to the implementation of the Prevention of Insider Trading Code to note the dealings by Designated Persons in securities of the Company and to provide directions on any penal action to be initiated, in case of any violation of the said Code.
- ⦿ Note and take on record the status reports, detailing the dealings by designated persons in listed securities of the Company, as submitted by our compliance officer on a quarterly basis and to provide directions on any penalties for any violations of the Insider Trading Code.

As on date of this Report, the Committee comprises of 4 Members, who are financially literate and have relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is higher.

The Chairperson of the Audit Committee was present at the last AGM of the Company. During the period under review 4 Audit Committee Meetings were held on May 18, 2023, July 28, 2023, October 30, 2023 and January 25, 2024. The requisite quorum was present for all the Meetings.

The composition of the Audit Committee and attendance of its Members at the Meetings held during the year is as follows:

S No.	Name	Designation	Attendance in Audit Committee Meetings held on			
			May 18, 2023	July 28, 2023	October 30, 2023	January 25, 2024
1.	Mr. Abhiram Seth	Chairman	Y	Y	Y	Y
2.	Mrs. Ambika Sharma	Member	Y	Y	Y	Y
3.	Mrs. Neeru Singh	Member	Y	Y	Y	Y
4.	Mr. Alrumaih Sulaiman Abdulrahman S	Member	Y	Y	Y	Y

The Committee meetings are held at the Company's Corporate Office and are attended by the Company Secretary, Chief Financial Officer and Auditors of the Company. The Committee relies on the expertise and knowledge of the Management and the Auditors, in carrying out its oversight responsibilities. It also uses external expertise, if required. The Management is responsible for the preparation, presentation and integrity of the Company's financial statements, including consolidated statements, accounting and financial reporting principles. Further, they are also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal controls.

MSKA & Associates, Chartered Accountants, the Company's Statutory Auditors, appointed by the Shareholders of the Company at the 30th Annual General Meeting held on September 30, 2020, for a term of 5

years, is responsible for performing an independent audit of the financial statements and expressing an opinion on the conformity of those financial statements with the accounting principles generally accepted in India.

#### Fees paid to Statutory Auditor

During the financial year 2023-24, Company had paid an amount of ₹ 202.03 lacs, as fees, on a consolidated basis, to the Statutory Auditors including all entities in their network firm/ network entity of which it is a part.

#### Internal Controls and Risk Management

The Company has robust Internal Audit and Enterprise Risk assessment and mitigation system. The Company has an independent Internal Audit Department assisted by outsourced audit teams. The Internal Audit plan is approved by Audit Committee at the beginning of every year. The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and covers factories, sales

offices, warehouses and centrally controlled businesses and functions. Every quarter, the Audit Committee is presented with a summary of significant audit observations and follow-up remediation actions thereon. Business Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

The Company's internal financial control framework, commensurate with the size and operations of the business and is in line with requirements of the Act. The Company has laid down Standard Operating Procedures and Policies to guide the business's operations. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the Management. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory and Internal Auditors undertake rigorous testing of the Company's control environment.

During the year under review, M/s Grant Thornton India LLP was appointed as the Internal Auditors of the Company for the financial year 2023-24. M/s Grant Thornton India LLP resigned as Internal Auditors of the Company, w.e.f. January 17, 2024, as they have shown their inability to hold such position. In terms of compliance of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Board of Directors on the recommendation of Audit Committee approved the appointment of Protiviti India Member Private Limited as its Internal Auditors of the Company w.e.f. January 25, 2024. The scope of Internal Auditors covers the Company's global operations.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations. The terms of reference enumerated in the Committee Charter, after incorporating therein all applicable regulatory amendments, are as follows:

- ⦿ Recommend to the Board the setup and composition of the Board and its Committees, including the "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". The Committee periodically reviews the composition of the Board to achieve an optimum balance of size, skills, independence, knowledge, age, gender and experience;
- ⦿ For appointment of Independent Directors, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such

evaluation, prepares a description of the role and capabilities required. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description;

- ⦿ Devise and review a Policy on Board diversity;
- ⦿ Recommend the appointment/reappointment or removal of Directors, in accordance with the criteria laid down, including Independent Director's, on the basis of their performance evaluation report;
- ⦿ Recommend on voting on resolutions for appointment and remuneration of Directors on the Boards of its material subsidiary companies and provide guidelines for remuneration of Directors on material subsidiaries;
- ⦿ Identify and recommend to the Board, appointment or removal of Key Managerial Personnel ('KMP') and Senior Management of the Company in accordance with the criteria laid down. In case of appointment of Chief Financial Officer, the Committee shall identify persons, to the Audit Committee and the Board of Directors of the Company;
- ⦿ Carry out evaluation of every Director's performance and support the Board, its Committees and individual Directors, including "Formulation of criteria for evaluation of Independent Directors and the Board";
- ⦿ Oversee the performance review process for the KMP and Senior Management of the Company with a view that there is an appropriate cascading of Company's goals and targets as well as on an annual basis review the performance of the Directors, KMPs, Senior Management and recommend their remuneration;
- ⦿ Recommend to the Board on the extension or continuation of the term of appointment of Independent Director's, based on the report of performance evaluation of the Independent Director's;
- ⦿ Recommend the Remuneration Policy for Directors, KMP, Senior Management and other employees;
- ⦿ Review matters related to voluntary retirement and early separation schemes;
- ⦿ Oversee familiarization programmes for Directors;
- ⦿ Implement and administer any Employees Stock Option Scheme(s) approved by the Board and to establish, amend and rescind any rules and regulations relating to the Scheme(s), and to make any other determinations that it deems necessary or desirable in connection with the Scheme; and

- Perform other activities related to the NRC charter as requested by the Board from time to time, as well as, all other activities as mandated to be conducted by the NRC, as per the applicable regulatory requirements.

As on the date of this Report, the Committee comprises of 3 Independent Director's. The Chairperson of the NRC attended the last AGM of the Company. During the year under review, 3 NRC Meetings were held on May 18, 2023, July 27, 2023 and January 25, 2024. The requisite quorum was present for all the Meetings. The composition of the NRC and attendance of its Members at the Meetings held during the year is as follows:

S No.	Name	Designation	Attendance in Nomination & Remuneration Committee Meetings held on		
			May 18, 2023	July 27, 2023	January 25, 2024
1.	Mr. Abhiram Seth	Chairman	Y	Y	Y
2.	Mrs. Ambika Sharma	Member	Y	Y	Y
3.	Mrs. Neeru Singh	Member	Y	Y	Y

### Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

### Remuneration of Directors:

No pecuniary relationship or transaction happened between the Non-Executive Directors vis-à-vis the listed entity, during the financial year ended March 31, 2024, except for the sitting fees for attending meetings of the Board and other Committees.

### Criteria of making payments to Non-Executive Directors:

Payment in the form of Sitting Fees is paid to the Non-Executive Independent Directors. The details of sitting fees paid to the Non- Executive Independent Directors for attending the meetings of the Board(s) and Committee(s) during the financial year ending March 31, 2024 is as follows:

Name of the Director	Sitting fees paid
Mr. Abhiram Seth	6.00
Mrs. Ambika Sharma	4.60
Mrs. Neeru Singh	5.60
Mr. Satish Chander Gupta*	2.00
Mr. Raju Lal**	0.00
<b>Total</b>	<b>18.20</b>

\*Appointed w.e.f. June 16, 2023

\*\*Appointed w.e.f. January 25, 2024

The details of remuneration paid to the Executive Directors during the financial year ending March 31, 2024 are as under:

Name of Director	Ashwani Kumar Arora
Salary Components(INR)	
Salary	120.07
Benefits(perquisites)	45.08
Bonuses	14.85
Pension	NIL
Fixed Component and performance linked incentives, along with the performance criteria	NIL
Fixed Commission	50.00

(INR Lacs)

Name of Director	Ashwani Kumar Arora
Notice Period	As per terms and conditions of appointment.
Severance Fee	Nil
Stock Options	Nil
No. of shares held	2,29,86,920

Mr. Vijay Kumar Arora, Chairman & Managing Director draws remuneration of ₹ 2.48 Cr. from LT Foods Europe B.V., Step down Subsidiary and Mr. Surinder Kumar Arora, Managing Director of the Company draws remuneration of ₹ 2.30 Cr. from Daawat Foods Limited, subsidiary company. Mr. Vijay Kumar Arora and Mr. Surinder Kumar Arora hold 2,29,86,920 shares each, of the Company.

### Senior Management Personnel

As per the provisions of Regulation 34 (3) read with Para C (5B) of Schedule V of the Listing Regulations, details of Key Managerial Personnel and Senior Management Personnel of the Company are as follows:

S. No.	Name	Designation
1	Mr. Ashok Kumar Arora	President- Punjab Operations
2	Mr. Ritesh Arora	CEO- India & Far East Business
3	Mrs. Monika Chawla Jaggia	Company Secretary
4	Mr. Sachin Gupta	Chief Financial Officer
5	Mr. Amit Mehta	Vice President- Foods
6	Mr. Palash Aggrawal	Chief Human Resource Officer
7	Mr. K Ganapathy Subramaniam	Vice President & Head of Marketing
8	Mr. Sanjeev Uppal	Vice President and Head of Product Delivery
9	Mr. Manoj Chugh	Vice President and Head of RM Procurement
10	Mr. Varun Sharma	Chief Digital Officer
11	Ms. Anu Sharma	Assistant Vice President & Head of Legal
12	Mr. Namit Mehra	Vice President & Head of Ocean Freight Buying

Note: There is no change in the above list from the end of the financial year 2023-24 till the date of this Report.

### Corporate Social Responsibility and Environment Social Governance Committee:

The Committee is constituted by the Board in accordance with the provisions of Section 135 of the Act read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and has been renamed to include the Environment Social Governance priorities, to:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII to the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to in the clause above;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- To recommend the amount to be spent by the Company towards CSR activities.
- To review the progress made at least once a year;
- To formulate and recommend Annual Action Plan to the Board which shall include:
  - the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - the manner of execution of such projects or programs;
  - the modalities of utilization of funds and implementation schedules for the projects or programs;
  - monitoring and reporting mechanism for the projects or programs; and
  - details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- Overseeing the ESG Strategy, goals and roadmap for the Company

8. Oversight on ESG ratings and disclosures
9. Decision making on sustainability related issues
10. To frame policies as are important as an ESG perspective and keep monitoring them.

The Company has set ESG targets, details of which, along with its journey, are covered in the business section of this Annual Report.

As on the date of this Report, the CSR Committee comprises of 2 Independent Directors and 2 Executive Directors. The Chairperson of the CSR Committee also attended the last AGM of the Company. During the period under review, 3 CSR Committee Meetings were held on May 18, 2023, July 27, 2023 and January 23, 2024. The requisite quorum was present for all the Meetings.

The composition of the CSR & ESG Committee and attendance of its Members at its Meetings held during the year is as follows:

S No.	Name	Designation	Attendance in CSR & ESG Committee Meetings held on		
			May 18, 2023	July 27, 2023	January 25, 2024
1.	Mrs. Neeru Singh	Chairperson	Y	Y	Y
2.	Mr. Vijay Kumar Arora	Member	Y	Y	N
3.	Mr. Ashwani Kumar Arora	Member	Y	Y	Y
4.	Mr. Abhiram Seth	Member	Y	Y	Y

### Corporate Social Responsibility Policy

The Company has a Policy on Corporate Social Responsibility which outlines the Company's philosophy and responsibility of aspiring to be a responsible corporate citizen, behave ethically & endeavors to contribute towards sustainable development with the strategies, policies and actions aligned with the wider social, economic & environmental concerns. The Policy strives towards welfare and sustainable development of the different segments of the community, specifically the deprived and underprivileged segment.

The Corporate Social Responsibility Policy of the Company ("CSR Policy") is available on the website of the Company and can be accessed at: <http://ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>.

### Risk Management Committee

The Committee is constituted and functions as per Regulation 21 read with Part D of Schedule II of the Listing Regulations to frame, implement and monitor the risk management plan for the Company. The terms of reference enumerated in the Committee Charter, after incorporating therein after incorporating therein all applicable regulatory amendments, are as follows:

- ⦿ To formulate a detailed Risk Management Policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (Particularly, ESG related risks),

information, cyber security risks or any other risk as may be determined by the Committee.

- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- ⦿ To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- ⦿ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- ⦿ To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- ⦿ To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- ⦿ The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- ⦿ The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- ⦿ Carry out any other function as is referred by the Board from time to time.

The Committee operates according to its Charter, which was approved by the Board, and within its broad guidelines. A comprehensive risk management policy is formulated to inform members of the Board of Directors about effective risk assessment and minimization procedures. The policy is available at the following weblink: <http://www.ltgroup.in/pdf/LT-Foods%20-Risk-Management.pdf>.

The Company has a Risk Management Policy in accordance with the provisions of the Act and the Listing Regulations. It establishes various levels of accountability and overview within the Company while vesting identified managers responsible for each significant risk. The results of the risk assessment are thoroughly discussed with Senior Management before being presented to the Committee. The Board takes responsibility for the overall risk management process in the organization.

The Committee comprises of one Independent Director, one Executive Director, one Non-Executive Director and one Senior Management Personnel of the Company. The Chairperson of the Committee also attended the last AGM of the Company. During the period under review, two Risk Management Committee Meetings were held on July 27, 2023, and January 23, 2024. The requisite quorum was present for all the Meetings.

The composition of the Committee and attendance of its Members at its Meetings held during the year is as follows:

S No.	Name	Designation	Attendance in Risk Management Committee Meetings held on	
			July 27, 2023	January 23, 2024
1.	Mr. Ashwani Kumar Arora	Chairman	Y	Y
2.	Mr. Abhiram Seth	Member	Y	Y
3.	Mr. Ashok Kumar Arora	Member	Y	Y
4.	Mr. Alrumaih Sulaiman Abdulrahman S	Member	Y	Y

### Stakeholders Relationship Committee

The Committee functions in accordance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. The terms of reference enumerated in the Committee Charter are as follows:

- ⦿ Approve the issue of duplicate certificates for securities and transmission of securities;
- ⦿ Resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- ⦿ Review measures taken for effective exercise of voting rights by shareholders;
- ⦿ Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ⦿ Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- ⦿ Oversee statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund ('IEPF') and claims made by members/investors from the IEPF;
- ⦿ Review movements in shareholding and ownership structures of the Company;
- ⦿ Conduct a Shareholders' Satisfaction Survey to ascertain the level of satisfaction among shareholders;
- ⦿ Suggest and drive implementation of various investor-friendly initiatives; and
- ⦿ Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as applicable.

As on the date of this Report, the Committee comprises of two Independent Directors and the two Executive Directors. The Chairperson of the Committee also attended the last AGM of the Company. During the period under review, two Committee Meetings were held on July 27, 2023 and January 23, 2024. The requisite quorum was present for both the Meetings.

The composition of the Committee and attendance of its Members at its Meetings held during the year is as follows:

S No.	Name	Designation	Attendance in Stakeholders Relationship Committee Meetings held on	
			July 27, 2023	January 23, 2024
1.	Mrs. Neeru Singh	Chairman	Y	Y
2.	Mr. Ashwani Kumar Arora	Member	Y	Y
3.	Mr. Surinder Kumar Arora	Member	Y	Y
4.	Mr. Abhiram Seth	Member	Y	Y

### Compliance Officer:

Mrs. Monika Chawla Jaggia, is the Company Secretary & Compliance Officer of the Company.

Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Share Transfer Agents – M/s Bigshare Services Private Limited ('RTA') at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com).

### Number of shareholders' complaints received so far:

The number of shareholders' complaints received and resolved during financial year 2023-24 is given below:

Number of shareholders' complaints received:	1
Number of shareholders' complaints resolved:	1
Number not solved to the satisfaction of shareholders:	None
Number of pending complaints:	Nil

Please refer to the Business Responsibility and Sustainability Report for the status of other stakeholder complaints received, if any.

### Management Committee

The day-to-day management of the Company is vested with the Management Committee, which is subject to the overall control of the Board. The Management Committee comprises of the Managing Directors of the Company.

### Governance of Subsidiary Companies

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit Committee. The Board has appointed an Independent Director of the Company on the Board of unlisted material subsidiary. The Company have material subsidiaries as on the date of this Report details of which are provided in the Notes to the financial statements for the financial year ended 2023-24 alongwith the information in respect of the loans and advances in the nature of loans to subsidiaries/firms/companies in which directors are interested pursuant to Regulation 34 of the Listing Regulations. Further, details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as follows:

Particulars of Company	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
DAAWAT Foods Limited (Subsidiary)	MSKA &	30.11.2019
LT Foods Americas, Inc. (Fellow Subsidiary)	Associates BDO India LLP	10.03.2021
LT Foods Europe, BV (Fellow Subsidiary)	CA Purna Jain	26.10.2023

The policy for determining 'material' subsidiaries is available on the website of the Company under "Policies & Guidelines" section and can be accessed at: <http://ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

### Disclosure of Loans and Advances by the Company/ its subsidiaries in the nature of loans to firms/companies in which Directors are interested

Details of loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested are provided in the Directors Report forming part of this Annual Report.



## General Body Meetings

Particulars of past three Annual General Meetings and the summary of Special Resolutions passed therein are as follows:

Year Ended	General Meeting	Location	Date	Time	Special Resolution passed
March 31, 2023	33 <sup>rd</sup> AGM	Through Audio Visual Means at Unit No. 134, 1st Floor, Rectangle – I, Saket District Centre, New Delhi – 110017.	September 29, 2023	12:00 Noon	No Special resolution was passed.
March 31, 2022	32 <sup>nd</sup> AGM	Through Audio Visual Means at Unit No. 134, 1st Floor, Rectangle – I, Saket District Centre, New Delhi – 110017.	September 30, 2022	12:00 Noon	No Special resolution was passed.
March 31, 2021	31 <sup>st</sup> AGM	Through Audio Visual Means at Unit No. 134, 1st Floor, Rectangle – I, Saket District Centre, New Delhi – 110017.	September 30, 2021	12:00 Noon	No Special resolution was passed.

### Postal Ballot

During the financial year 2023-24 and till the date of this Report, Company approached the members twice for passing of special resolutions through Postal Ballot. The details including voting results of the said Postal Ballot's are mentioned below:

#### 1<sup>st</sup> Postal Ballot

**Date of Postal Ballot Notice:** August 02, 2023

**Voting period:** August 04, 2023 to September 02, 2023

**Date of declaration of result:** September 02, 2023

**Effective date of approval:** September 02, 2023

Particulars	Type of Resolution	Votes Polled	Votes in Favour (No. & %)	Votes Against (No. & %)
Appointment of Mr. Satish Chander Gupta as an Independent Director of the Company.	Special Resolution	19,32,59,102	18,33,54,628 94.88%	99,04,474 5.12%

#### 2<sup>nd</sup> Postal Ballot

**Date of Postal Ballot Notice:** January 25, 2024

**Voting period:** February 14, 2024 to March 14, 2024

**Date of declaration of result:** March 15, 2024

**Effective date of approval:** March 14, 2024

Particulars	Type of Resolution	Votes Polled	Votes in Favour (No. & %)	Votes Against (No. & %)
Appointment of Mr. Raju Lal as an Independent Director of the Company.	Special Resolution	19,39,84,948	19,39,66,352 99.99%	18,596 0.01%

In terms of Board approval Mr. Debasis Dixit, Company Secretary in Practice (Membership No. FCS 7218), of M/s. D Dixit & Associates, Company Secretaries, acted as Scrutinizer for conducting aforementioned Postal Ballots through e-Voting in accordance with the provisions of the Act and the Rules made thereunder and the Listing Regulations in a fair and transparent manner.

applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars issued by the MCA. The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing e-voting facility to all its shareholders, to enable them to cast their votes electronically. In accordance with the circulars issues by MCA, physical ballot papers were not provided to the shareholders.

#### Procedure followed for Postal Ballot

1. The Postal Ballot was carried out in compliance with Regulation 44 of the Listing Regulations and as per the provisions of Sections 108 and 110 and other
2. The Notice also specified the procedure for registering the email addresses and obtaining the Notice of postal ballot and remote e-voting

instructions by the shareholders whose email addresses were not registered with the depositories.

3. An advertisement was published in the Newspapers viz. 'Financial Express' (English) and 'Jansatta' (Hindi) on August 05, 2023 (1st Postal Ballot) and February 15, 2024 (2nd Postal Ballot) giving the requisite details as per the provisions of the Act, MCA circulars and Secretarial Standard - 2.
4. The Scrutinizer submitted his report on September 02, 2023 (1st Postal Ballot) and March 15, 2024 (2nd Postal Ballot) to the Chairman, as authorised by the Board. Based on the report the Company Secretary announced the results.
5. The results of the Postal Ballot's along with the Scrutinizer's Reports were placed on the website of the Company (<http://ltgroup.in/index.html>), NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) and were also communicated to the Stock Exchanges.

As on the date of this report, no special resolution is proposed to be passed through Postal Ballot.

## CODES AND POLICIES

### Code of Conduct

The Company's Code of Conduct reinforces its commitment towards ensuring compliance of all laws and regulations, providing safe and harassment free work place, avoiding conflict of interest at all times, fairness and mutual respect in all dealings, ethical conduct of business with zero tolerance towards bribery and corruption in any form and upholding and protecting company's reputation etc.

The Code is applicable to the Board members, Senior Management and all the employees. As a process, an annual confirmation is sought regarding the compliance with the Code of Conduct. A declaration by the Managing Director & CEO, regarding affirmation of the compliance with the Code of Conduct by Board Members and Senior Management for the financial year ended March 31, 2024, is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2023-24."

Ashwani Kumar Arora

Managing Director & CEO

The Code of Conduct is available on the website of the Company at <http://www.ltgroup.in/pdf/6.LT-Food-Code-of-Conduct.pdf>.

### Risk Management Framework

The Company has established an Enterprise-wide Risk Management (ERM) framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee/ Risk Management Committee and Board at regular intervals. In compliance with Regulation 17 and 21 of the Listing Regulations, the Board of Directors has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

Detailed update on risk management framework has been covered under the risk section, forming part of the Annual Integrated Report.

### Vigil Mechanism/ Whistle Blower Policy

The Company has adopted a Vigil Mechanism/Whistle Blower Policy which forms part of Code of Conduct. It outlines the method and process for stakeholders to voice genuine concerns about unethical conduct that may be an actual or threatened breach with the Company's Code of Conduct.

The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimisation and also allows for anonymous reporting of complaints. All employees of the Company as well as external stakeholders have full access to the Ombudsperson. All such instances are investigated while ensuring confidentiality of the identity of such complainant(s). Matters relating to financial misdemeanours, fraud or impropriety are investigated in consultation with the ombudsperson. The external investigation agencies are also involved, in exceptional circumstances, if required. All investigations are endeavoured to be completed within stipulated time period and final investigation reports are submitted to the competent disciplinary authority under the Policy. Further, any complaint may be escalated at the option of complainant to the Audit Committee.

No whistle-blower complaints were received during the financial year 2023-24, and no person was denied access to the Audit Committee.

Further, the said Policy has been disseminated within the organisation and has also been posted on the Company's website and can be accessed through the following Web-link: [http://ltgroup.in/pdf/Whistle-Blower%20Policy\\_August%202021.pdf](http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf).

### **Code for prevention of Insider Trading**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons (DPs) and their immediate relatives.

The Code, *inter alia*, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarise with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc. The Code was comprehensively reviewed and amended by the Board last year to inter-alia align the same with best practices and latest statutory requirements. A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee and its Chairperson on quarterly basis.

The Company periodically circulates the informative e-mails along with Do's and Don'ts etc. to the employees (including new employees) to familiarise them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitise the employees/ designated persons.

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

The Company is committed to ensuring that all the employees work in an inclusive environment and provides an opportunity to bring their best selves to the workplace. The Company is also committed to providing a work environment that ensures every person is treated with dignity, respect and fair treatment. The Company has formulated a Policy on the Prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder, which is aimed at providing everyone who visits our workplace, experiences an environment that promotes not only diversity and equality but also mutual trust, equal opportunity and respect for human rights. Our POSH Policy is now more inclusive and gender-neutral, detailing the governance mechanisms for the prevention of sexual harassment

issues relating to employees across genders. The Company has constituted Internal Committees ('IC') as per the POSH Act. No Complaints were received during the financial year 2023-24.

### **Dividend Distribution Policy**

The Company has formulated a Dividend Distribution Policy in compliance with Regulation 43A of the Listing Regulations which inter-alia specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividends. Dividend Distribution Policy is available on the website of the Company and can be accessed through the Web-link: [http://www.ltgroup.in/pdf/Dividend-Policy\\_Final.pdf](http://www.ltgroup.in/pdf/Dividend-Policy_Final.pdf).

### **Policy on Related Party Transactions**

The Company has adopted the Policy on Related Party Transactions in line with the requirements of the Act and Listing Regulations, as amended from time to time, which is available on the website of the Company <http://www.ltgroup.in/pdf/LT-Food-Related-Party-Transactions-2021.pdf>. The Policy intends to ensure that proper reporting, approval, and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions, keeping in mind the potential or actual conflicts of interest arising from entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/ or entered in the ordinary course of business and are at arm's length. All Related Party Transactions entered during the year were in ordinary course of business and on arm's length basis.

The Company has not entered into any Material Related Party Transactions during the financial year 2023-24. Further, there are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

### **Policy on Material Subsidiary**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the Company website at <https://www.ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

### **Nomination and Remuneration Policy**

In accordance with the provisions of the Act and the Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management

of the Company, including criteria for determining qualifications, positive attributes, and independence of a Director as well as a policy on Board Diversity. The said policy is available at the website of the Company and the weblink for the same is [http://ltgroup.in/pdf/LT-Foods-Remuneration- Policy.pdf](http://ltgroup.in/pdf/LT-Foods-Remuneration-Policy.pdf). The said policy provides as follows:

- ⦿ The NRC Committee shall take into consideration the following criteria for recommending to the Board for appointment of a Director of the Company:
  - Qualifications & Experience
  - Positive attributes like respect for the Company's core values, professional integrity, strategic capability with business vision, etc.
  - In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as an Independent Director as per the provisions of the Act, Listing Regulations and other applicable laws & regulations and should have the capabilities identified in the description of the role and capabilities required of an independent director as may be prepared by the Committee.
  - The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.
- ⦿ The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to the approval of the Board.
- ⦿ The Board will evaluate the performance of the Board, its Committees, and individual Directors in the manner specified by the Committee from time to time and in accordance with other applicable provisions of the Act and the Listing Regulations.
- ⦿ The Committee will review board diversity from time to time to improve professional performance in different areas of operations, transparency, and corporate governance. The Company will consider succession planning and board diversity when recommending any new Director for appointment to the Board.
- ⦿ The eligibility criteria for appointment of KMPs and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by Senior Personnel having relevant qualifications and experience.

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## Shareholders Communication

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management- shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communication which includes:

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### Integrated Annual Report

Integrated Annual Report containing, *inter alia*, the Report of the Board of Directors, Corporate Governance Report, Additional Shareholder's Information, the Business Responsibility and Sustainability Report, Management's Discussion and Analysis (MD&A), Audited Standalone and Consolidated Financial Statements together with Auditor's Report and other important information are circulated to the Members.

### Financial Results and other Communications

The Annual Report is also available on the website of the Company in a downloadable form.

Quarterly & Annual Results are published in prominent newspapers viz. The Financial Express & Jansatta. The results are also posted on the Company's website: <http://ltgroup.in/index.html>.

Advertisements relating to IEPF, E-Voting, AGM related compliances, etc. are also published in Financial Express & Jansatta.

News Releases	Official news releases that carry material information as per the Company's policy for determination of materiality of events or information, are sent to stock exchanges as well as displayed on the Company's website:
Website	<a href="http://ltgroup.in/index.html">http://ltgroup.in/index.html</a> . The Company's corporate website <a href="http://ltgroup.in/index.html">http://ltgroup.in/index.html</a> provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience.
Filing with Stock Exchanges	Information is also filed with the Stock Exchanges on NEAPS for NSE, on BSE Online for BSE.
Annual Report and Annual General Meeting	Annual Report is circulated to all the members and all others like auditors, equity analysts, etc. To enable a larger participation of shareholders the Company is conducting the Annual General Meeting through Audio Visual Means, as permitted by Ministry of Corporate Affairs. The Annual Report is e-mailed to all members who have registered their email IDs with the Company and to those shareholders who request for the same. The Annual Report would also be made available on the website of the Company. The Chairman suitably responds to the queries raised by the shareholders during the AGM.
SEBI Complaints Redress System (SCORES) / Online Dispute Resolution (ODR) Portal	Investor complaints are processed at SEBI in a centralized web-based complaints redressal system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status. The Company submits ATR on timely basis with respect to the complaints received from SCORES. In case any investor is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal. The ODR Portal has the necessary features and facilities to, <i>inter alia</i> , enrol the investor to file the complaint/ dispute. Your Company has done necessary enrolment on the ODR Portal.
Management Discussion & Analysis	This forms a part of the Annual Report which is mailed to the shareholders of the Company.
Presentations made to Institutional Investors and Analysts	The schedule of analyst / institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and also displayed on the Company's website. The audio recordings and transcripts of these meetings are also uploaded on the Company's website and weblink for the same is intimated to the Exchanges.

### Stakeholder Engagement

The Company recognizes that its stakeholders form a vast and heterogeneous community. Our consumers, shareholders, employees, suppliers, community, etc., have been guideposts of our decision-making process. The Company engages with its identified stakeholders on an ongoing basis through business-level engagements and structured stakeholder engagement programs.

The Company focuses on delivering value to all its stakeholders, especially the disadvantaged communities. The communication channels with the Company's stakeholders include:

For external stakeholders – Stakeholder engagement sessions, client satisfaction surveys, shareholder satisfaction assessment, dealer and stockists meet, analyst / investors meet, periodic feedback mechanism, general meeting for shareholders, corporate social initiatives, online service and dedicated e-mail service for grievances, corporate website, etc.

For internal stakeholders: Employee satisfaction surveys, employee engagement surveys to improve employee engagement processes, circulars and messages from management, welfare initiatives for employees and their families, online news bulletins to convey topical developments, etc.

Each of the businesses has its internal mechanisms to address the grievances of its stakeholders. In addition, at the corporate level, there are committees which can be approached if the stakeholders are not satisfied with the functioning of such internal mechanisms. As part of the vigil mechanism, the Whistle Blower Policy provides access to the Chairperson of the Audit Committee and is displayed on the website of the Company at <http://ltgroup.in/index.html>.

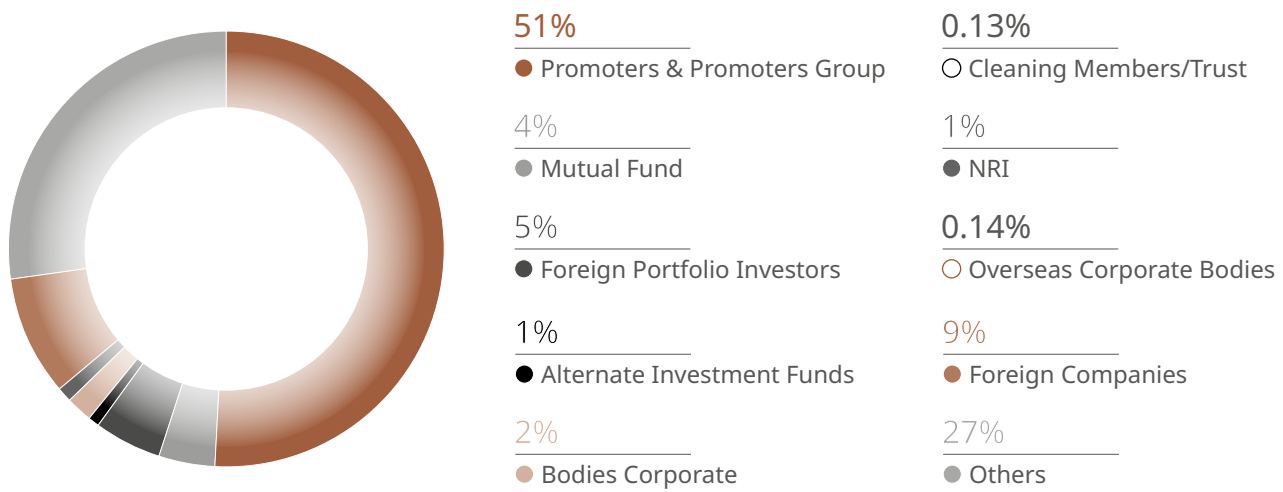
## General Shareholder Information

AGM Date, Time & Venue	Thursday, September 26, 2024, at 12 Noon, through Video Conferencing/ Other Audio - Visual Means , deemed to be held at Unit No. 134, 1st Floor, Rectangle – I, Saket District Centre, New Delhi – 110017
Financial Year	April 01 to March 31
Book Closure Date for AGM and Final Dividend	Thursday, September 19, 2024 to Thursday, September 26, 2024 (Both days inclusive)
Listing of Equity Shares on Stock Exchanges	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; and National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051
Stock Code	BSE Limited: 532783
ISIN	National Stock Exchange of India Ltd.: LTFOODS INE818H01020 – Equity Shares INE818H14015 – Commercial Paper
Listing Fees	Listing fees as prescribed have been paid to the above stock exchanges for the financial year ended March 31, 2024.
Share Registrar and Transfer Agents	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai Pin Code-400072. Contact Person: Mr. N. V. K. Mohan Tel No. 022-28470652 Fax No. 022-28475207 Email id: <a href="mailto:mohan@bigshareonline.com">mohan@bigshareonline.com</a> and <a href="mailto:bssdelhi@bigshareonline.com">bssdelhi@bigshareonline.com</a>
Company Secretary & Contact Address	Mrs. Monika Chawla Jaggia, Company Secretary & Compliance Officer MVL – 1 Park, 4th Floor, Sector – 15, Gurugram-122001 Haryana, India E-mail: <a href="mailto:ir@ltgroup.in">ir@ltgroup.in</a>

## Category of shareholding as on March 31, 2024

Category	Total Shareholders	Total Shares	%
Promoter & Promoter Group	18	17,70,99,002	51.00
Mutual Fund	5	1,21,00,098	3.48
Foreign Portfolio Investors	108	1,78,35,719	5.14
Alternate Investment Funds	4	20,80,000	0.60
Bodies Corporate	567	69,13,993	1.99
Cleaning Members/Trust	34	4,43,883	0.13
NRI	2835	45,95,905	1.32
Overseas Corporate Bodies	1	5,00,000	0.14
Foreign Companies	1	3,20,25,784	9.22
Others	1,74,374	9,40,96,643	27.10
<b>TOTAL</b>	<b>1,77,947</b>	<b>34,72,52,944</b>	<b>100.00</b>

## Shareholding Pattern as on March 31, 2024



## Distribution of Shareholding according to size, class and categories of shareholders as on March 31, 2024

Category		NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL
1	5000	181933	98.74	40456983	11.65
5001	10000	1181	0.64	8637466	2.49
10001	20000	549	0.30	7823217	2.25
20001	30000	189	0.10	4666492	1.34
30001	40000	98	0.05	3471962	1.01
40001	50000	59	0.03	2687720	0.77
50001	100000	93	0.05	6796812	1.96
100001	999999999	159	0.09	272712292	78.53
		<b>156321</b>		<b>347252944</b>	<b>100.00</b>

## Top ten Shareholders as on March 31, 2024

Sl. No.	Name	Shares	Percentage
1.	Raghuvesh Holdings Private Limited	33384472	9.61
2.	Salic International Investment Company	32025784	9.22
3.	Surinder Kumar Arora	22986920	6.62
4.	Ashwani Kumar Arora	22986920	6.62
5.	Vijay Kumar Arora	22986920	6.62
6.	Ashok Kumar Arora	22986920	6.62
7.	Gurucharan Dass Arora	21286920	6.13
8.	Dsp Small Cap Fund	11235890	3.24
9.	Sakshi Arora	8371500	2.41
10.	Anita Arora	7611500	2.19
	<b>TOTAL</b>	<b>205863746</b>	<b>59.28</b>

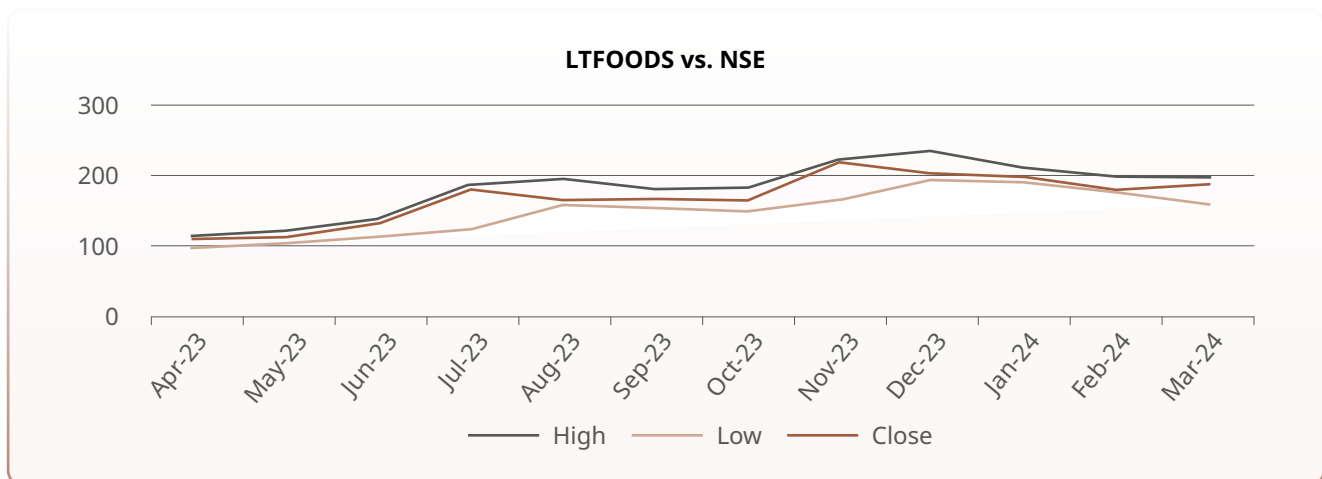
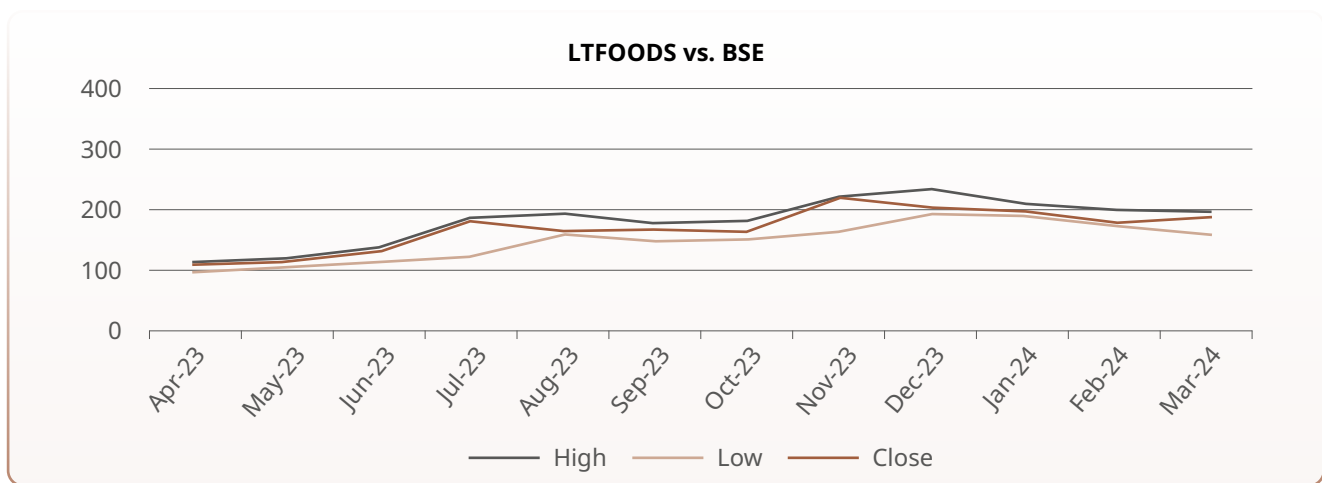
## Dematerialization of shares and liquidity

The Company's shares are in the compulsory demat segment and are available for trading in the depository systems of both NSDL and Central Depository Services (India) Limited (CDSL). As of March 31, 2024, 7,90,602 Equity shares out of 34,72,52,944 Equity Shares of the Company, forming 0.23% of the Company's paid-up capital, are held in dematerialized form. The majority of demat shares are with NSDL. The Company's shares are liquid and actively traded on the NSE and BSE.

During the financial year ended March 31, 2024, there were no outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

## Stock Performance

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
Apr-23	112.37	96.79	110.69	112.40	96.70	110.70
May-23	121.25	106.00	114.75	121.40	106.10	114.60
Jun-23	138.00	113.70	131.55	138.00	114.35	131.70
Jul-23	183.45	124.35	180.65	183.60	124.05	180.65
Aug-23	194.15	158.30	165.35	194.10	157.85	165.40
Sep-23	181.05	148.70	166.05	181.05	153.20	166.35
Oct-23	183.05	151.00	164.80	183.35	150.35	164.95
Nov-23	220.30	165.10	217.55	220.20	164.55	217.45
Dec-23	234.45	193.10	203.05	234.60	193.00	203.20
Jan-24	211.75	190.20	197.05	211.50	190.00	197.00
Feb-24	200.95	175.25	180.05	201.00	175.35	179.65
Mar-24	196.50	160.05	188.30	196.70	160.00	187.65



### Dividend

The Board of Directors at their meeting held on July 28, 2023 declared an interim dividend of Re. 0.50 per equity share of Re. 1/- each i.e. @50% during the financial year 2023-24. Payment of dividend was made within 30 days from the date of declaration.

The Board of Directors, at their meetings held on May 17, 2024, and July 25, 2024, declared an interim dividend of Re. 0.50 per equity share each of Re. 1/- each, i.e. @50%

during the financial year 2024-25. The dividend was paid within 30 days from the date of declaration.

The Board of Directors at their meeting held on May 17, 2024, also recommended a Final Dividend of ₹1/- per equity share of face value of ₹1/- each, for the financial year ended March 31, 2024. Together with the Interim Dividend of ₹ 0.50/- per equity share of face value of ₹ 1/- each, the total dividend for the financial year ended March 31, 2024 amounts to ₹ 1.50/- per share of face value



of ₹1/- each. Final Dividend, if approved by Shareholders, will be paid on or after October 26, 2024.

The Company provides the facility for remittance of dividend to members through DC (Direct Credit)/ NACH (National Automated Clearing House)/NEFT (National Electronic Funds Transfer). In cases where the core banking account details are not available, the Company issues the dividend demand drafts mentioning the existing bank details available with the Company.

Shareholders who have not opted for remittance of dividends through electronic mode and wish to avail the same are required to provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants ("DPs") for shares held in electronic form or to the Company's RTA for shares held in physical form, as the case may be, in order to ensure safe and speedy credit of their dividend into their bank account.

Dividend income is taxable in the hands of shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Further details in this regard have been made available in the Notice for the Company's ensuing 34<sup>th</sup> AGM.

### Unpaid/Unclaimed Dividends

In accordance with the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, dividends that remain unpaid or unclaimed for a period of seven years are to be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government, from the unpaid or unclaimed dividend account of the Company.

The aforesaid provisions also mandate companies to transfer shares of those Members whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF.

### Transfer of unpaid or unclaimed dividends to IEPF

Transfer of unpaid or unclaimed dividends to IEPF Details of dividends transferred to IEPF, during the financial year 2023-24, in terms of the applicable provisions of the Act and IEPF Rules, are given below:

Particulars	Amount of unclaimed dividend transferred (in ₹)
FY 2015-16	2,42,874.00

### Transfer of shares to IEPF

During the financial year 2023-24, the Company transferred 30,669 shares, in respect of which dividends remained unpaid or unclaimed for a period of seven consecutive years, in accordance with the applicable provisions of the Act and IEPF Rules.

Unclaimed Dividend and Shares for the financial year 2016-17 in respect of which dividend entitlements remain unclaimed for 7 (Seven) consecutive years will be due for transfer to the IEPF in October, 2023 in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members who have not encashed their Final Dividends for the financial year 2016-17 or any subsequent year(s) are requested to lodge their claims with the Company.

A separate communication in this regard has already been sent to the Shareholders of the Company who have not encashed their dividend warrants, providing them details of the un-encashed Dividend and requesting them to comply with the procedure for seeking payment of the same.

### Dividend paid to IEPF

Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at <http://www.ltgroup.in/index.html>.

The details of the unclaimed dividends transferred to IEPF, against the shares transferred to IEPF, during the financial year 2023-24 are as follows:

Particulars	Amount of unclaimed dividend transferred (in ₹)
Final Dividend FY 2022-23	2,53,084.00
Interim Dividend FY 2023-24	2,86,284.00
<b>Total</b>	<b>5,39,368.00</b>

### Release of dividends/shares by IEPF

The members who have a claim on the dividends and shares transferred to the IEPF Authority may claim the same by submitting an online application in web Form No. IEPF-5 available on the IEPF website viz. [www.iepf.gov.in](http://www.iepf.gov.in) and sending a duly signed physical copy of the same to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend so transferred.

To ensure maximum disbursement of unclaimed dividend, the Company regularly sends reminder to the relevant investors.

## Dividends due for transfer to IEPF

Details of dividends that are due for transfer to IEPF on their respective due dates, are mentioned below:

Financial Year	Dividend Type	Dividend per Share (₹)	Date of Declaration	Due Date for transfer to IEPF
2016-17	Final	0.15	19.09.2017	25.10.2024
2017-18	Final	0.15	24.09.2018	30.10.2025
2018-19	Final	0.15	30.09.2019	05.11.2026
2019-20	Interim	0.50	12.02.2020	21.03.2027
2019-20	Final	0.50	30.09.2020	05.11.2027
2020-21	Interim	0.50	29.01.2021	06.03.2028
2020-21	Final	0.50	30.09.2021	05.11.2028
2021-22	Interim	0.50	29.10.2021	04.12.2028
2021-22	Interim	0.50	31.01.2022	08.03.2029
2022-23	Interim	0.50	31.10.2022	07.12.2029
2022-23	Final	0.50	29.09.2023	05.11.2030
2023-24	Interim	0.50	28.07.2023	03.09.2030
2023-24	Final*	1.00	26.09.2024	02.11.2031
2024-25	Interim	0.50	17.05.2024	22.06.2031
2024-25	Interim	0.50	25.07.2024	31.08.2031

\*Subject to approval by the shareholders at the AGM scheduled to be held on September 26, 2024.

### Nodal Officer

The Board of Directors of the Company have appointed the Company Secretary & Compliance Officer of the Company as the Nodal Officer, in accordance with the provisions of IEPF Rules. Details of the Nodal Officer for the purpose of co-ordination with the IEPF Authority are given below and are also available on the website of the Company at <http://www.ltgroup.in/index.html>.

**Name:** Mrs. Monika Chawla Jaggia

**E-mail:** [ir@ltgroup.in](mailto:ir@ltgroup.in)

### Reminder Letters sent and Notice published by the Company prior to transfer of shares to IEPF

As per the IEPF Rules, Companies are required to inform regarding the transfer of shares to those Members whose shares are due for transfer to IEPF, three months prior to such transfer, at their latest available address and also publish newspaper advertisement for the same.

In addition to compliance with the above, the Company proactively informed the Members regarding the transfer of unclaimed dividends as well, requesting them to comply with the requirements to claim back the dividends and avoid transfer of shares to IEPF. In order to prevent the shares from getting transferred to IEPF, Members, who have not claimed their dividends for the previous seven years, are hereby requested to approach the Company/its RTA to claim the same, by complying with the necessary requirements.

### Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

As per the provisions of Regulations 34 and 39 read with Schedule V(F) of Listing Regulations, there are no unclaimed shares of the Company, lying in the Demat

Suspense Account/ Unclaimed Suspense Account, at the beginning and end of the financial year.

### Share transfer system

The Company obtains an annual certificate from Practising Company Secretary as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges. In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. April 01, 2019, transfer of securities in physical form are not processed unless the securities are held in the dematerialised mode with a Depository Participant. Further, with effect from January 24, 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialised mode only while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Further, SEBI vide its Circular dated January 25, 2022, clarified that the RTA/ listed company shall verify and process the service requests and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerializing the said securities.

Requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of share

certificates after due verification. A summary of approved transmissions, dematerialisation of shares, etc. is placed before the Board of Directors from time to time as per the Listing Regulations.

The manner and process of making application as per the revised framework and operational guidelines thereto is available on the website of the Company at <http://www.ltgroup.in/index.html>.

Trading in equity shares of the Company is permitted only in dematerialised form.

### Updation of PAN, KYC and Nomination details related requests

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Nomination/Opt-out of Nomination, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from April 01, 2024. Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com), or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. Bigshare Services Private Limited at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai Pin Code-400072.

Members may refer to the FAQs provided by SEBI in this regard, for investor awareness, on its website at [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf).

### Investor Grievance & Investor Contacts

The Board of the Company has constituted Stakeholders' Relationship Committee to examine and redress complaints by shareholders and investors. The status of quarterly complaints is reported to the Stakeholders' Relationship Committee and the Board. The Stakeholders' Relationship Committee meets as and when required to resolve shareholder grievances.

Shareholders may note that the share transfers, dividend payments and all other investor-related activities are attended to and processed at the office of the Company's RTA. For any grievances/complaints, shareholders may

contact the RTA at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com). For any escalations, shareholders may write to the Company at [ir@ltgroup.in](mailto:ir@ltgroup.in).

### Credit Rating

CRISIL has given the credit rating of CRISIL AA-/Stable/CRISIL A1+ on the bank loan facilities and India Ratings & Research Private Limited has given the rating of IND A1+ for Commercial Paper issued by the Company. The details of Credit Rating are available on the website of the Company at <http://www.ltgroup.in/index.html>.

### Reconciliation of share capital audit

Reconciliation of Share Capital Audit Report in terms of SEBI Circular No. CIR/MRD/DP/30/2010 dated September 06, 2010 and SEBI Directive no. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed. The quarterly audit of the Company's share capital is being conducted by the Secretarial Auditor of the Company.

### Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report by Practicing Company Secretary under Form No. MR-3 and is required to be submitted to the Stock Exchanges within 60 days from the end of the financial year.

The Company has engaged the services of D Dixit & Associates, Practicing Company Secretary and Secretarial Auditor of the Company, for providing this certification.

### CEO & CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the CEO/CFO certificate for the financial year 2023-24 signed by Mr. Ashwani Kumar Arora, Managing Director & CEO, and Mr. Sachin Gupta, Chief Financial Officer of the Company was placed before the Board of Directors of the Company at its meeting held on May 17, 2024 and is annexed to this Report as Annexure II.

## OTHER DISCLOSURES

### Compliance with Discretionary Requirements

- **Separate persons hold the posts of Chairman and Managing Director & CEO:**

Mr. Vijay Kumar Arora, is the Chairman and Managing Director of the Company. Mr. Ashwani Kumar Arora, is the Managing Director & CEO of the Company.

- **Shareholders' Rights**

The Company has been releasing a comprehensive quarterly report along with the financial results inter-alia containing financial and operational highlights, significant industry & Company developments / events etc.

The Company acknowledges shareholders' interests and accordingly, follows a robust grievance framework to ensure that shareholders' rights are valued and they are well-informed about key decisions both on financial and non-financial matters. The Company proactively engages with shareholders through earning calls, presentations, meetings, conferences and regular roadshows etc. The audio/video recordings and transcripts of earnings call and Annual General Meeting, comprehensively providing for queries and management responses, are uploaded on Company's website. In addition, all major press releases issued by the Company are simultaneously disseminated to the Stock Exchanges and on its website.

- **Audit Qualifications**

The Company is in the regime of financial statements with unmodified audit opinion.

- **Reporting of Internal Auditor**

The Internal Auditor/ Internal Assurance Partners directly reports to the Audit Committee.

- **Integrated Reporting as per framework prescribed by International Integrated Reporting Council (IIRC)**

The Company has now released its second 'Annual Integrated Report' in accordance with the IIRC's Integrated reporting (IR) Framework.

### **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

During the financial year no funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

### **Disclosure of Accounting Treatment**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian

Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

### **Commodity Price Risk and Foreign Exchange Risk & Hedging Activities**

*Risk management policy of the listed entity with respect to commodities or forex including through hedging*

In terms of provisions of Regulation 34(3) of the Listing Regulations read with SEBI Circular dated 15th November, 2018, companies are required to make necessary disclosures about the Risk Management Policy with respect to commodities in the Corporate Governance Report. Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with its policies. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. Company has a robust framework and governance mechanism in place to ensure that the organisation is reasonably protected from the market volatility in terms of price and availability.

The Company does not enter into any derivative instruments for trading or speculative purposes. The details of foreign exchange exposures as on March 31, 2024 are disclosed in the notes to Financial Statements.

*Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year*

Not Applicable

*Commodity risks faced by the listed entity during the year and how they have been managed*

Not Applicable

### **Disclosures by Management to the Board**

All disclosures related to financial and commercial transactions where Directors & Promoters may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

### **Compliance by the Company**

The Company has materially complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years.

During the last three financial years there were instances of non-compliances basis which the Stock exchanges have imposed fines as per their defined SOP's viz. Non-compliance under Regulation 23 of the Listing Regulations pertaining to delay in filing of half - yearly Related Party Transaction Report by the Company

during the financial year 2022-23, and under Regulation 17(1)(b) and 17 (1A) of the Listing Regulations pertaining to composition of Board of Directors.

### **Confirmation of Compliance**

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Secretarial Auditors' Certificate certifying that the Company has complied with the conditions of Corporate Governance is annexed to this Report as Annexure III.

### **Plant and Office locations**

#### **Registered Office:**

Unit No. 134, 1st Floor, Rectangle – I, Saket District Centre, New Delhi – 110017.

#### **Corporate Office:**

4th Floor, MVL-I-Park, Sector – 15, Gurgaon – 122001

#### **Plants Locations of the Company including that of its Subsidiaries:**

Bahalgarh, Sonapat, Haryana

Mandideep, Bhopal, Madhya Pradesh

Bhikiwind, Amritsar, Punjab

Varpal, Punjab

Kamaspur, Sonapat, Haryana

Rotterdam, Europe

Houston, United States

Harlow, United Kingdom

Uganda, Africa

**For and on behalf of Board of Directors of LT Foods Limited**

Gurugram  
July 25, 2024

**Vijay Kumar Arora**  
Chairman and Managing Director

# Annexure I

**PRACTICING COMPANY SECRETARY'S CERTIFICATE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTOR OF THE COMPANIES BY THE BOARD /MINISTRY OF CORPORATE AFFAIRS OR ANY STATUTORY AUTHORITY.**

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I certify that none of the directors on the board of LT Foods Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority as on 31st March 2024.

**For D Dixit & Associates**  
Company Secretaries

Date: 18.07.2024  
Place: New Delhi

**Debasis Dixit**  
FCS-7218, CP-7871  
UDIN - F007218F000772246  
PR- 1823/2022

# Annexure II

## CEO/ CFO CERTIFICATION

(As per Regulation 17(8) of the Listing Regulations)

We, Managing Director & CEO and Chief Financial Officer, certify to the Board of Directors of LT Foods Limited (the "Company") that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. that there are no significant changes in internal control during the year;
  - ii. that there are no significant changes in accounting policies during the year other than those which have been disclosed in the notes to the financial statements; and
  - iii. that there are no instances of significant fraud of which we became aware or the involvement therein, of any member of management or an employee having a significant role in the Company's internal control system over financial reporting.

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773  
Date: May 17, 2024

**Sachin Gupta**  
Chief Financial Officer  
M. No. 99415

## Annexure III

### PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

I have examined the compliance of conditions of Corporate Governance by LT Foods Limited, for the year ended March 31, 2024 as stipulated in applicable Regulations 17, 18, 19, 20, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

In my opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 except the following:

- a. Due to appointment of one Non-executive non-independent Director in the Board on 28th February 2023, company's Board composition was not as required under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. Company has appointed Mr. Satish Chander Gupta as Independent Director in violation of Regulation 17(1A). However, company has taken shareholder approval on 2nd September 2023 and accordingly complied Regulation 17(1A)

**For D Dixit & Associates**  
Company Secretaries

**Debasis Dixit**  
FCS-7218, CP-7871  
UDIN- F007218F000772367  
PR- 1823/2022

Date: 18.07.2024  
Place: New Delhi



# Independent Auditor's Report

To the Members of **LT Foods Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of LT Foods Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue recognition – Sale of goods</b></p> <p>Refer Note 1 to the standalone financial statements with respect to the accounting policies followed by the Company for recognizing revenue from sale of products.</p> <p>The Company recognised revenues amounting to ₹ 4,02,012.20 lakhs for the year ended March 31, 2024, as disclosed in Note 30 and Note 52 to the standalone financial statements.</p> <p>Revenue comprises of sale of manufactured goods (rice), traded goods and by products – which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.</p>	<p>Our audit procedures in respect of this area, among others, included the following:</p> <ul style="list-style-type: none"> <li>• Understood the business process of revenue and receivables process for evaluating the design effectiveness of internal financial controls;</li> <li>• Validated the operating effectiveness of internal financial controls in revenues and receivables process;</li> <li>• Assessed the appropriateness of the accounting policies relating to revenue recognition by ensuring their compliance with Ind AS 115 -Revenue from Contracts with Customers;</li> <li>• Performed substantive analytical procedures on revenue which includes margins analysis (corroboration between revenues and costs for current year and its comparison with last year), analysis for key customers etc.;</li> <li>• Evaluated the terms and conditions of the key contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the Indian Accounting Standards;</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of the multiplicity of Company's products, multiple channels for sales, transactions with subsidiaries and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<ul style="list-style-type: none"> <li>● Performed substantive testing on test check basis for revenue transactions recognised during the year by testing their underlying documents which include purchase orders from customers, proof of deliveries (bill of lading for export sales and lorry receipts etc. for domestic sales), invoices and collection of money from the customers (as applicable). Considering different categories of customers, the nature of documents supporting accuracy and occurrence of transactions varies. Our testing methodology was designed and implemented considering these facts and circumstances;</li> <li>● Reviewed reconciliation of revenues between books and revenues disclosed in statutory returns (i.e., GST returns);</li> <li>● Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors; and</li> <li>● Assessed the adequacy and appropriateness of the disclosures made in financial statements in compliance with the requirements of Ind AS 115 - Revenue from contracts with customer.</li> </ul>
2	<p><b>Inventory – existence and valuation</b></p> <p>Refer Note 1 to the standalone financial statements which includes the accounting policies followed by the Company for valuation of inventory.</p> <p>The Company's inventory is valued at the lower of cost and Net Realizable Value (NRV).</p> <p>The Company is engaged in the business of manufacturing and selling rice and the Company's inventory primarily comprises of raw material i.e., paddy, semifinished rice, finished rice, stores and spares and packing material. Such inventory is stored in plant, rented warehouses, silos and storage bags. Inventory holding is generally significant at the end of the financial year considering seasonality of the agricultural produce of paddy and natural ageing process followed by the Company for getting desired level of quality. High quantity of inventory at the year-end makes inventory physical verification an extensive procedure for the management.</p>	<p>Our audit procedures in respect of this area, among others, included the following:</p> <p><b>Existence:</b></p> <ul style="list-style-type: none"> <li>● Assessed the appropriateness of the accounting policies relating to valuation of Inventory by ensuring their compliance with Ind AS 2 ("Inventories") and Ind AS 23 ("Borrowing Costs");</li> <li>● Obtained inventory reports (retrieved from SAP) and results of management conducted count and reviewed reconciliation of differences, if any, between management physical count and inventory records. Verify the necessary adjustments made in the inventory records by the management on test check basis;</li> <li>● Reviewed reconciliation of inventory quantitative details in valuation workings with inventory reports obtained from the management, as retrieved from SAP i.e., the integrated ERP used by the company. Understood and verified the reconciling items on test check basis;</li> <li>● Obtained independent confirmations, on sample basis, for inventory lying with third parties as at year-end;</li> <li>● Observed physical verification done by the management as at year-end and also, independently verified few items physically on sample basis for locations scoped-in, basis materiality of stock lying at such locations to overall inventory balance of the company as at year-end;</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>The valuation of raw material, semi-finished and finished rice is a comprehensive exercise and is carried out manually. The valuation process involves estimation around determination of:</p> <ul style="list-style-type: none"> <li>• Allocable overheads and their absorption rates;</li> <li>• Determination of net realisable value of by-products;</li> <li>• Capitalisation of borrowing costs to paddy, semi-finished and finished rice, given significant holding period between acquisition and production. Period and rate of finance costs to be capitalised.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Company, it is considered to be one of the areas which requires significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation. Hence, we have identified Inventory existence and valuation as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Corroborated the results of our physical verification procedures, on test check basis, with valuation workings obtained from the management; and</li> <li>• Presented our approach and results of physical verification, including but not limited to scoped-in locations, methodology followed for verification of inventory stored in bags and silos and confirmation procedures, to the audit committee.</li> </ul> <p><b>Valuation:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management process of inventory valuation;</li> <li>• Evaluated design effectiveness of controls over inventory valuation process and tested key controls for their operating effectiveness;</li> <li>• Verified inputs into the valuation process from source documents/ general ledger accounts on test check basis;</li> <li>• Verified, on test check basis, quantitative reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the rice yield during the year and to identify any abnormal production loss. Compared the yield between current year and prior year to identify abnormalities, if any;</li> <li>• Compared basis of key estimates, including those involved in computation of allocable overheads and borrowing costs, to prior year and enquired reasons for any significant variations;</li> <li>• Verified net realisable value of by-products from supporting documents and arithmetical accuracy of valuation calculations on test check basis; and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the 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.

## Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for audit of the standalone financial statements.

## 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 sub-section (11) of Section 143 of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, 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 sub clause (iv)(a) and (iv)(b) above, contain any material mis-statement.
  - v. The dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
  - vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
3. In our opinion and according to information and explanations given to us, the remuneration paid and provided by the Company to its directors during the year is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner  
Membership No. 505676  
UDIN: 24505676BKGPPQG3011

Place: Gurugram  
Date: May 17, 2024

# Annexure A

## To the Independent Auditor's Report on even date on the Standalone Financial Statements of LT Foods Limited

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 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.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner  
Membership No. 505676  
UDIN: 24505676BKGPPQ3011

Place: Gurugram  
Date: May 17, 2024

# Annexure B

## To the Independent Auditor's Report of even date on the Standalone Financial Statements of LT Foods Limited

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of LT Foods Limited on the Standalone Financial Statements for the year ended March 31, 2024]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use assets.
    - B. The Company has maintained proper records showing full particulars of Intangible assets.
  - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible assets. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (except for goods in transit) has been physically verified by the management during the year. In our opinion, the frequency of verification, the coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
    - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from Banks or Financial Institutions on the basis of security of current assets and immovable property. The quarterly revised returns and statements filed by the Company with such banks and financial institutions on aggregate basis are, except for few immaterial differences, in agreement with the unaudited books of account of the Company. Also refer Note 57 to the standalone financial statements.
  - iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans or given guarantee or provided security to companies during the year. The Company has granted advances in the nature of loans to other entities during the year.
    - (A) The Company has provided loans to its associates amounting to ₹ 92.00 lakhs during the year and the outstanding balance of such loans provided as at March 31, 2024 amounts to Nil (March 31, 2023: ₹ 35.86 lakhs).
    - (B) According to the information and explanations given to us, in relation to entities other than subsidiaries, joint ventures and associates, the Company has not provided any loans or advances in the nature of loans, except advance paid to suppliers against procurement of material amounting to ₹ 3,605.76 lakhs during the year, which got settled against supply of such material during a period ranging from 90 days to 240 days. These advances have been substantially adjusted against procurement of material

- during the year and the corresponding balance outstanding as at March 31, 2024 is ₹ 174.00 lakhs (March 31, 2023: ₹ 837.68 lakhs). The Company has also given guarantees to entities other than subsidiaries, joint ventures and associates during the year amounting to ₹ 2,250.00 lakhs and the balance outstanding of such guarantees given as at March 31, 2024 amounts to ₹ 2,250.00 lakhs (March 31, 2023: Nil).
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of the loans granted and guarantee given are not prejudicial to the interest of the Company. Regarding advances against supply of material (advances in the nature of loans) granted by the Company to other entities during the year, considering interdependence between various factors which are proprietary in nature including period of advance and its impact on pricing, if any, availability of wide variety of similar material and volumes, we are unable to comment whether the terms and conditions of such advances are prima facie prejudicial to the interest of the Company.
- (c) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest. Regarding supplier advances (advances in nature of loans), the advances are granted interest-free and delivery terms are specified in the agreement against each advance given.
- (d) There are no amounts overdue for more than ninety days in respect of the loans granted to Companies.
- (e) According to the information and explanations provided to us, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties. As mentioned in clause (a) above, the suppliers' advances were settled within a period ranging from 90 days to 240 days which were generally beyond normal supply terms and constitute most of the population of such advances during the year.
- (f) According to the information and explanations provided to us, the Company has granted loans and/ or advances in the nature of loans during the year. These are not repayable on demand/ have stipulated the schedule for repayment of principal and interest/delivery terms. Hence, the requirements under clause 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, accordingly provisions of Section 185 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in clause 3(vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance and income tax, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities during the year.
- There are no undisputed amounts payable in respect of aforementioned statutory dues as at March 31, 2024 which are outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of examination of



records of the Company, the details of statutory dues referred to in sub-clause (a) above which has not been deposited as at March 31, 2024 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (in INR Lakhs)	Amount paid under dispute (in INR Lakhs)	Unpaid Dispute (in INR Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Penalty	36.27	36.27	-	1998-99	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	57.54	-	57.54	2002-03	Assessing Officer
Income tax Act, 1961	Income tax demand	4.84	-	4.84	2006-07	Assessing Officer
Income tax Act, 1961	Income tax demand	327.62	327.62	-	2007-08	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	235.95	223.95	12.00	2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	346.01	103.39	242.62	2009-10	Income Tax Appellate Tribunal
Income tax Act, 1961	Penalty	177.42	10.00	167.42	2009-10	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	142.68	19.50	123.18	2011-12	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	175.62	108.16	67.46	2012-13	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	90.43	90.43	-	2013-14	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	466.81	100.00	366.81	2014-15	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	599.12	-	599.12	2016-17	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	375.57	-	375.57	2017-18	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	20.59	-	20.59	2013-14	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	350.14	-	350.14	2014-15	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessments of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures performed, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year were applied for the purpose for which the loans were raised. Refer Note 19 to the standalone financial statements.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture during the year ended March 31, 2024.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint venture.
- x. (a) The Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by internal auditors during the audit.
- xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions stated in clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of the standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated in clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios (as disclosed in Note 53 to the standalone financial statements), ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial

statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, the provisions stated in clause 3(xx)(a) of the Order are not applicable to the Company.

- (b) In respect of ongoing projects, the Company has transferred unspent amount to a special fund within a period of thirty days from the end of the financial year in compliance with sub-section (6) of Section 135 of the Companies Act, 2013. Refer Note 38 to the standalone financial statements.

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner

Membership No. 505676

UDIN: 24505676BKGPQG3011

Place: Gurugram

Date: May 17, 2024

# Annexure C

## To the Independent Auditor's Report of even date on the Standalone Financial Statements of LT Foods Limited

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of LT Foods Limited on the Standalone Financial Statements for the year ended March 31, 2024]

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of LT Foods Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner

Membership No. 505676

UDIN: 24505676BKGPQG3011

Place: Gurugram

Date: May 17, 2024

# Standalone Balance Sheet

as at March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	25,143.19	24,796.54
Capital work-in-progress	2	769.60	736.38
Right of use assets	2	1,090.03	210.18
Goodwill	3	0.24	0.24
Other intangible assets	3	73.53	79.38
Financial assets			
Investments	4	31,187.33	31,500.64
Loans	5	41.63	41.41
Other financial assets	6	534.29	534.48
Deferred tax assets (net)	7	232.24	96.58
Other non-current assets	8	486.53	231.98
Non-current tax assets	9	3,062.17	3,107.63
<b>Total non-current assets</b>		<b>62,620.78</b>	<b>61,335.44</b>
<b>Current assets</b>			
Inventories	10	1,39,954.57	1,10,325.06
Financial assets			
Trade receivables	11	21,476.92	19,069.24
Cash and cash equivalents	12	1,927.28	230.18
Bank balances other than cash and cash equivalents	13	73.16	632.08
Loans	14	62.89	130.22
Other financial assets	15	509.59	474.54
Other current assets	16	8,336.12	7,810.06
<b>Total current assets</b>		<b>1,72,340.53</b>	<b>1,38,671.38</b>
<b>Total assets</b>		<b>2,34,961.31</b>	<b>2,00,006.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	3,472.53	3,472.53
Other equity	18	1,65,855.62	1,53,254.54
<b>Total equity</b>		<b>1,69,328.15</b>	<b>1,56,727.07</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	19	17.52	119.38
Lease liabilities	20	759.05	35.73
Provisions	21	1,182.34	986.87
Other non-current liabilities	22	68.10	92.93
<b>Total non-current liabilities</b>		<b>2,027.01</b>	<b>1,234.91</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	23	6,198.99	4,312.85
Lease liabilities	26	332.75	185.65
Trade Payable	24		
Due to micro and small enterprises		1,064.59	618.66
Due to others		49,333.85	30,314.08
Other financial liabilities	25	4,274.56	3,221.86
Other current liabilities	27	1,699.54	2,244.78
Provisions	28	297.68	294.59
Current tax liabilities (net)	29	404.19	852.37
<b>Total current liabilities</b>		<b>63,606.15</b>	<b>42,044.84</b>
<b>Total liabilities</b>		<b>65,633.16</b>	<b>43,279.75</b>
<b>Total equity and liabilities</b>		<b>2,34,961.31</b>	<b>2,00,006.82</b>

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	30	4,02,012.20	3,91,459.99
Other income	31	2,922.42	3,682.45
<b>Total income</b>		<b>4,04,934.62</b>	<b>3,95,142.44</b>
<b>Expenses</b>			
Cost of materials consumed	32	2,74,752.53	2,22,329.54
Purchases of stock-in-trade	33	68,344.80	82,065.56
Changes in inventories of semi-finished goods, finished goods and stock-in-trade	34	(21,858.35)	(2,369.11)
Employee benefits expenses	35	10,045.20	8,844.74
Finance costs	36	1,877.25	2,396.79
Depreciation and amortization expenses	37	3,852.44	2,889.97
Other expenses	38	46,791.56	57,916.90
<b>Total expenses</b>		<b>3,83,805.43</b>	<b>3,74,074.39</b>
<b>Profit before tax</b>		<b>21,129.19</b>	<b>21,068.05</b>
<b>Tax expense</b>			
Current tax	39	5,334.41	5,061.71
Deferred tax credit	39	(171.71)	(24.88)
<b>Total tax expense</b>		<b>5,162.70</b>	<b>5,036.83</b>
<b>Profit for the year</b>		<b>15,966.49</b>	<b>16,031.22</b>
<b>Other comprehensive income/(loss):</b>			
1) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of net defined benefit plans		(43.05)	(148.09)
Tax on above	7	10.83	37.27
2) Items that will be reclassified to Statement of Profit and Loss			
Gain/(loss) on cash flow hedge reserve		186.26	(339.64)
Tax on above	7	(46.88)	85.48
<b>Other comprehensive income/(loss) for the year</b>		<b>107.16</b>	<b>(364.98)</b>
<b>Total comprehensive income for the year</b>		<b>16,073.65</b>	<b>15,666.24</b>
<b>Earnings per equity share</b>			
Basic and diluted	40	4.60	4.98

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Standalone Cash Flow Statement

for the period ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from operating activities:</b>		
<b>Net Profit before tax</b>	<b>21,129.19</b>	<b>21,068.05</b>
<b>Adjustments for:-</b>		
Depreciation and amortisation expenses	3,852.44	2,889.97
(Gain)/ Loss on sale of property, plant and equipment	(35.89)	11.24
Unrealised foreign exchange gain	(183.95)	(314.24)
Trade receivables and other amounts written off	10.56	-
Finance cost	1,877.25	2,396.79
Interest income	(26.12)	(43.50)
Dividend income	(1,437.73)	(1,386.84)
Liabilities written back	(59.82)	(34.32)
Provision for doubtful debts	233.18	101.00
Gain on fair valuation of investments	(109.06)	(3.64)
Impairment in value of investments	405.91	719.85
<b>Operating profit before working capital changes</b>	<b>25,655.96</b>	<b>25,404.36</b>
<b>Adjustments for (increase)/ decrease in operating assets</b>		
Trade receivables	(2,519.78)	4,639.57
Inventories	(29,629.51)	4,600.98
Other financial assets (current and non-current)	7.53	648.79
Other assets (current and non-current)	(450.46)	(814.67)
<b>Adjustments for increase/(decrease) in operating liabilities</b>		
Trade payables	19,469.73	(19,300.79)
Other liabilities and provisions (current and non-current)	(414.57)	638.91
Other financial liabilities (current and non-current)	1,298.48	1,373.53
<b>Cash generated from operations</b>	<b>13,417.38</b>	<b>17,190.68</b>
Income tax paid (net of refunds)	(5,737.13)	(4,459.96)
<b>Net cash generated from operating activities (A)</b>	<b>7,680.25</b>	<b>12,730.72</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including CWIP and movement in capital advances)	(4,234.78)	(4,772.23)
Proceeds from sale of property, plant and equipment	112.93	10.72
Purchase of non-current investments	-	(59.47)
Investment in subsidiaries	-	(19,314.17)
Investment in joint venture	-	(511.43)
Interest received	28.09	42.23
Proceeds from sale/maturity of investments	16.46	17.52
Withdrawal from fixed deposits	558.92	13.16
Dividends on non current investments	1,437.73	1,386.84
<b>Net cash used in investing activities (B)</b>	<b>(2,080.65)</b>	<b>(23,186.83)</b>



# Standalone Cash Flow Statement

for the period ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from financing activities</b>		
Proceeds from preferential issue of equity shares (net of transaction cost)	-	38,235.29
Proceeds from long-term borrowings	5.31	-
Repayment of long-term borrowings	(127.88)	(77.87)
Proceeds/(repayment) of short term borrowings (net)	1,906.85	(24,582.31)
Finance charges paid	(1,841.46)	(2,386.81)
Payment towards lease liabilities	(373.06)	(181.24)
Payment towards dividend	(3,472.26)	(1,596.08)
<b>Net cash (used in)/ generated from financing activities (C)</b>	<b>(3,902.50)</b>	<b>9,410.98</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>1,697.10</b>	<b>(1,045.13)</b>
Cash and cash equivalents at the beginning of the year	230.18	1,275.31
<b>Cash and cash equivalents at the end of the year</b>	<b>1,927.28</b>	<b>230.18</b>
<b>Components of cash and cash equivalents (Refer note 12)</b>		
Cash on hand	27.76	65.46
Balances with banks		
- on current accounts	1,899.52	164.72
<b>Total cash and cash equivalents</b>	<b>1,927.28</b>	<b>230.18</b>

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## A. Equity share capital (Refer note 17)

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>3,198.45</b>
Changes during the year	274.08
<b>Balance as at March 31, 2023</b>	<b>3,472.53</b>
Changes during the year	-
<b>Balance as at March 31, 2024</b>	<b>3,472.53</b>

## B. Other equity

Particulars	Reserves and surplus				Total
	Retained earnings	General reserve	Securities premium reserve	Cash flow hedge reserve	
<b>Balance as at April 01, 2022</b>	<b>56,155.68</b>	<b>1,698.31</b>	<b>43,240.01</b>	<b>132.31</b>	<b>1,01,226.31</b>
Profit for the year	16,031.22	-	-	-	16,031.22
<b>Items of other comprehensive income for the year :-</b>					
Loss on cash flow hedge (net of tax)	-	-	-	(254.16)	(254.16)
Remeasurement of defined benefit obligations (net of tax)	(110.82)	-	-	-	(110.82)
<b>Total Comprehensive Income for the year</b>	<b>15,920.40</b>	<b>-</b>	<b>-</b>	<b>(254.16)</b>	<b>15,666.24</b>
Issue of equity shares (net of transaction cost)	-	-	37,961.21	-	37,961.21
Interim dividend	(1,599.22)	-	-	-	(1,599.22)
<b>Balance as at March 31, 2023</b>	<b>70,476.86</b>	<b>1,698.31</b>	<b>81,201.22</b>	<b>(121.85)</b>	<b>1,53,254.54</b>
<b>Balance as at April 01, 2023</b>	<b>70,476.86</b>	<b>1,698.31</b>	<b>81,201.22</b>	<b>(121.85)</b>	<b>1,53,254.54</b>
Profit for the year	15,966.49	-	-	-	15,966.49
<b>Items of other comprehensive income for the year :-</b>					
Gain on cash flow hedge (net of tax)	-	-	-	139.38	139.38
Remeasurement of defined benefit obligations (net of tax)	(32.22)	-	-	-	(32.22)
<b>Total Comprehensive Income for the year</b>	<b>15,934.27</b>	<b>-</b>	<b>-</b>	<b>139.38</b>	<b>16,073.65</b>
Interim dividend	(3,472.57)	-	-	-	(3,472.57)
<b>Balance as at March 31, 2024</b>	<b>82,938.56</b>	<b>1,698.31</b>	<b>81,201.22</b>	<b>17.53</b>	<b>1,65,855.62</b>

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of changes in equity referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 1. Summary of Material Accounting Policies

### i) Corporate Information

LT Foods Limited (the 'Company') is a public company with its registered office in Unit No. 134, 1st floor, Rectangle-1, Saket District Center, New Delhi-110017 India and incorporated under the provisions of the erstwhile Companies Act, 1956. LT Foods Limited is primarily in the specialty rice and rice-based foods business for more than last 70 years. The Company is committed to nurturing the goodness of food for people, the community and the planet. With nurturing goodness at the heart of everything they do, the Company delivers the finest quality and taste experiences in more than 80 countries across India, the U.S., Europe, the Middle East, the Far East and the rest of the world. The Company's flagship brands include DAAWAT®, one of India's most loved and consumed Basmati brands, Royal®, North America's No. 1 Basmati player and many more. The Company is proudly expanding into the future food preferences of millennials by offering organic staples through the brand 'Ecolife' in global markets and supplying organic agri-ingredients to leading business the business of milling, processing and marketing of branded and non-branded basmati rice and manufacturing of rice food products in the domestic and overseas market. LT Foods Limited operations include procurement, storage, processing, packaging and distribution. LT Foods Limited is also engaged in research and development to add value to rice and rice food products. The Company's rice product portfolio comprises brown rice, white rice, steamed rice, parboiled rice, organic rice, quick cooking rice, value added rice and flavored rice in the ready to cook segment.

### ii) Basis of preparation

a) The standalone financial statements ('financial statements') of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have

been measured at fair value (refer accounting policy regarding financial instruments).

### b) Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non current liabilities, as the case may be.

\*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## iv) Material Accounting Policies

### a) Inventory

Inventories are valued as follows:

#### Raw materials, stores and spares and packing materials

Raw materials, stores and spares and packing material are valued at lower of cost and net realisable value. Cost of raw materials, stores and spares and packing material is determined on a 'First in First Out' basis and includes freight costs, interest expense where such materials are stored for a substantial period of time and other expenditure incurred in bringing such inventories to their present location and conditions. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

#### Work in progress

Work in progress is valued at lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion and interest expense where

such materials are stored for a substantial period of time.

#### Finished goods

Finished goods is valued at lower of cost and net realisable value. Cost includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition and also includes interest as a carrying cost of goods where such goods are stored for a substantial period of time. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

## b) Property, Plant and Equipment

### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (against which input has not been availed), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on Property, plant and equipment is provided on the written down value arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

### *De-recognition*

An item of Property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

## c) Intangible assets

### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

### *Subsequent measurement (amortization and useful lives)*

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. Goodwill is tested for impairment annually. The following useful lives are applied:

Intangible assets	Useful life (in years)
Brand	20
Software	03

### *De-recognition*

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

## d) Capital Work in Progress

Capital work in progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises purchase cost, related acquisition expenses and other direct expenses.

## e) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing

for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## g) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

### Foreign Currencies

#### Transactions and balances

##### Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

##### Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

## h) Leases

### Where the Company is the lessee

#### Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

#### Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the Standalone balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

#### Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

### Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

## i) Fair value measurement

The Company measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair value is the price that would be received to sell 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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

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

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the 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 (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

## j) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle

of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer.

### Sale of goods:

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. The Company considers whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the sale of goods. Revenue from such transactions where the Company is acting as an agent is recognized on net basis i.e. after deducting the amount contractually payable to vendor out of the total consideration received and is recognized once the facilitation of such service is done as the Company does not assume any performance obligation.

### Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

the goods and the fulfillment of the Company's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Company transfers control at the point in time the customer takes undisputed delivery of the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

## Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 0-180 days. No element of financing is deemed present as the sales are made with a credit term of 180 days, which is consistent with market practice.

## Rental income:

Rental income for operating lease is recognized on straight line basis with reference to terms of the agreements.

## Interest income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

## k) Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the

transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

## Financial assets

### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Financial assets at amortized cost** – a financial instrument is measured at amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

ii. **Investments in equity instruments of subsidiaries, associates and joint venture** - Investments in equity instruments of subsidiaries, associates and joint venture are accounted for at cost less accumulated impairment in accordance with Ind AS 27 Separate Financial statements.

iii. **Financial assets at fair value**

- **Investments in equity instruments other than above** - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- **Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

#### **De-recognition of financial assets**

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from assets have expired or the Company has transferred its rights to receive cash flows from the asset. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial asset is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

#### **Financial liabilities**

##### **Subsequent measurement**

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derivative liabilities - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

#### **De-recognition of financial liabilities**

The Company de-recognises financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial liability is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Impairment of financial assets**

- The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. The Company computes ECL based on a provision matrix.

- **Other financial assets:**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## l) Hedge accounting

### Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the

risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income ("OCI") and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk associated with recognized liabilities in the financial statements.

### When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the standalone statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the standalone statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or

# Notes to the Standalone Financial Statements

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liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the standalone statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction occurs, the cumulative gain or loss is taken to the standalone statement of profit and loss. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

## m) Retirement and other employee benefits

### Defined Contribution plan

Retirement benefit in the form of provident fund, employees' state insurance and labour welfare fund are a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes

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

### Defined benefit plans

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise. Gratuity fund is administered through Life Insurance Corporation of India.

### Other Employee Benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

### Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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## n) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

## o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their

conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

## p) Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## q) Government grants and subsidies

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

## r) Segment reporting

In terms of Paragraph 4 of Ind AS 108 'Operating Segments', entity wide disclosures have been presented in the consolidated financial statements.

## s) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Commission charged from the entity on whose behalf the guarantee has been issued

is taken as corporate guarantee charges in the Statement of profit and loss.

## t) Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize contingent liability but discloses its existence in the financial statements.

## v) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### a. Impairment of trade receivables -

The impairment for trade receivables reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.

- b. Defined benefit obligation (DBO) -** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- c. Evaluation of indicators for impairment of assets -** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- d. Recognition of deferred tax assets -** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- e. Contingent liabilities -** The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances

of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

- f. Inventory -** The valuation of finished rice involves estimations around determination of overhead absorption rates, rice yield from paddy and quantum of purchased rice and manufactured rice forming part of closing inventory. The production process also involves ageing the paddy/ rice to achieve the desired quality of rice and thus calculation of holding period and determination of weighted average borrowing cost involves management estimation. Further, management estimates the net realisable values of inventories including by-products, taking into account the most reliable evidence available at each reporting date.
- g. Impairment of Investments -** The Company estimates the value in use of the investments based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value. Further details of the Company's impairment review and key assumptions are set out in note 4 of accompanying financial statements.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 2 (i) Property, plant and equipment

Particulars	Freehold land	Building	Plant and machinery	Furniture and fixture	Office equipment	Vehicle	Grand Total
<b>Gross carrying value</b>							
<b>As at April 01, 2022</b>	<b>3,815.33</b>	<b>14,816.67</b>	<b>29,091.18</b>	<b>1,059.52</b>	<b>1,143.46</b>	<b>2,085.57</b>	<b>52,011.73</b>
Additions	258.66	1,302.59	3,111.20	353.33	273.72	123.08	5,422.58
Disposals	-	-	(38.57)	(89.38)	(105.33)	(123.30)	(356.58)
<b>As at March 31, 2023</b>	<b>4,073.99</b>	<b>16,119.26</b>	<b>32,163.81</b>	<b>1,323.47</b>	<b>1,311.85</b>	<b>2,085.35</b>	<b>57,077.73</b>
Additions	367.67	945.75	1,913.17	32.55	137.85	539.51	3,936.50
Disposals	-	-	(65.51)	-	(4.60)	(352.48)	(422.59)
<b>As at March 31, 2024</b>	<b>4,441.66</b>	<b>17,065.01</b>	<b>34,011.47</b>	<b>1,356.02</b>	<b>1,445.10</b>	<b>2,272.38</b>	<b>60,591.64</b>
<b>Accumulated depreciation</b>							
<b>As at April 01, 2022</b>	-	<b>5,930.71</b>	<b>20,820.85</b>	<b>832.23</b>	<b>906.08</b>	<b>1,426.78</b>	<b>29,916.65</b>
Charge for the year	-	691.44	1,592.09	75.49	138.25	201.89	2,699.16
Disposals	-	-	(31.05)	(86.08)	(100.34)	(117.15)	(334.62)
<b>As at March 31, 2023</b>	-	<b>6,622.15</b>	<b>22,381.89</b>	<b>821.64</b>	<b>943.99</b>	<b>1,511.52</b>	<b>32,281.19</b>
Charge for the year	-	747.01	2,172.33	126.87	189.93	276.68	3,512.82
Disposals	-	-	(53.74)	-	(4.37)	(287.45)	(345.56)
<b>As at March 31, 2024</b>	-	<b>7,369.16</b>	<b>24,500.48</b>	<b>948.51</b>	<b>1,129.55</b>	<b>1,500.75</b>	<b>35,448.45</b>
<b>Net carrying value as at March 31, 2023</b>	<b>4,073.99</b>	<b>9,497.11</b>	<b>9,781.92</b>	<b>501.83</b>	<b>367.86</b>	<b>573.83</b>	<b>24,796.54</b>
<b>Net carrying value as at March 31, 2024</b>	<b>4,441.66</b>	<b>9,695.85</b>	<b>9,510.99</b>	<b>407.51</b>	<b>315.55</b>	<b>771.64</b>	<b>25,143.19</b>

### a. Contractual obligations

Refer note 41(B) for disclosure of capital commitments for the acquisition of property, plant and equipment.

### b. Property, plant and equipment pledged as security

Refer note 45 for information on property, plant and equipment pledged as security by the Company.

### c. The Company has not revalued its Property, plant and equipments, Right of use asset and Intangible assets during the current and previous year.

## (ii) Right of use assets

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	210.18	379.08
Addition	1,211.62	-
Depreciation	(331.77)	(168.90)
<b>Net carrying value</b>	<b>1,090.03</b>	<b>210.18</b>
<b>Carrying amount of Right of use assets :</b>		
Equipment	-	20.90
Building	1,090.03	189.28
<b>Total</b>	<b>1,090.03</b>	<b>210.18</b>

a. Additions to the Right of use assets during the year were ₹ 1,211.62 Lakhs (March 31, 2023: Nil)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

- b. Nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right to use	Equipments *	Building
Number of right-of-used assets leased	3	10
Range of remaining lease term	21 months	1 to 56 months
Average of remaining lease term	21 months	28 months
No. of lease with extension options	0	10
No. of lease with options to purchase	0	0
No. of lease with variable payments linked to an index	0	0
No. of lease with termination option	3	10

\* The lease term for equipments leased by the Company has expired during the year.

- c. The following are amounts recognised in profit or loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets	331.77	168.90
Interest expense on lease liabilities	31.86	19.63

### (iii) Capital work-in-progress ("CWIP")

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	769.60	736.38

### Movement in capital work in progress:

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>1,142.47</b>
Additions during the year	733.97
Capitalisation during the year	(1,140.06)
<b>Balance as at March 31, 2023</b>	<b>736.38</b>
Additions during the year	753.83
Capitalisation during the year	(720.61)
<b>Balance as at March 31, 2024</b>	<b>769.60</b>

### Ageing analysis of CWIP:

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	470.75	298.85	-	-	769.60
Projects temporarily suspended	-	-	-	-	-
	<b>470.75</b>	<b>298.85</b>	-	-	<b>769.60</b>

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	736.38	-	-	-	736.38
Projects temporarily suspended	-	-	-	-	-
	<b>736.38</b>	-	-	-	<b>736.38</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 3 Intangible assets

Right to use	Goodwill	Brand	Software	Grand Total
<b>Gross carrying value</b>				
<b>As at April 01, 2022</b>	<b>12.11</b>	<b>310.28</b>	<b>1,186.53</b>	<b>1,508.92</b>
Additions	-	-	0.65	0.65
Disposals	-	-	(145.03)	(145.03)
<b>As at March 31, 2023</b>	<b>12.11</b>	<b>310.28</b>	<b>1,042.15</b>	<b>1,364.54</b>
Additions	-	-	2.00	2.00
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>12.11</b>	<b>310.28</b>	<b>1,044.15</b>	<b>1,366.54</b>
<b>Accumulated Amortization</b>				
<b>As at April 01, 2022</b>	<b>11.84</b>	<b>290.07</b>	<b>1,100.03</b>	<b>1,401.94</b>
Charge for the year	0.03	2.20	19.68	21.91
Disposals	-	-	(138.93)	(138.93)
<b>As at March 31, 2023</b>	<b>11.87</b>	<b>292.27</b>	<b>980.78</b>	<b>1,284.92</b>
Charge for the year	-	0.45	7.40	7.85
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>11.87</b>	<b>292.72</b>	<b>988.18</b>	<b>1,292.77</b>
<b>Net carrying value as at March 31, 2023</b>	<b>0.24</b>	<b>18.01</b>	<b>61.37</b>	<b>79.62</b>
<b>Net carrying value as at March 31, 2024</b>	<b>0.24</b>	<b>17.56</b>	<b>55.97</b>	<b>73.77</b>

## 4 Investments - Non-current

	As at March 31, 2024	As at March 31, 2023
<b>Investments carried at cost</b>		
(i) In subsidiary companies		
- in Equity instruments	26,891.24	26,891.24
- in Preference instruments	2,000.00	2,000.00
(ii) In associate companies	321.50	321.50
(iii) In joint venture	2,917.07	2,917.07
Less: Impairment in value of investment in equity instrument of Joint venture (Refer footnote)	(1,444.77)	(1,038.86)
	<b>30,685.04</b>	<b>31,090.95</b>
<b>Investments at fair value through Statement of Profit and Loss</b>		
Key man insurance policies	502.03	409.43
Equity instruments - Quoted	0.21	0.21
Equity instruments - Unquoted	0.05	0.05
	<b>502.29</b>	<b>409.69</b>
<b>Total Investments</b>	<b>31,187.33</b>	<b>31,500.64</b>
<b>Aggregate amount of</b>		
Quoted investments	0.21	0.21
Unquoted investments	32,631.89	32,539.29
Less: Impairment in value of investment	(1,444.77)	(1,038.86)
<b>Total</b>	<b>31,187.33</b>	<b>31,500.64</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Details of investment is as follows:

	As at March 31, 2024	As at March 31, 2023
<b>Investments carried at cost</b>		
<b>Equity instruments - Unquoted</b>		
<b>(i) in subsidiary companies</b>		
- Nature Bio Foods Limited 2,000,000 (March 31, 2023: 2,000,000) fully paid up equity shares of ₹10 each	200.00	200.00
- LT Foods Holdings ME Limited (formerly known as Sona Global Limited) 1,32,900 (March 31, 2023: 1,32,900) fully paid up equity shares of AED 100 each	2,505.07	2,505.07
- Daawat Foods Limited 18,905,286 (March 31, 2023: 18,905,286) fully paid up equity shares (with voting rights) of ₹10 each	19,041.82	19,041.82
250,049 (March 31, 2023: 250,049) fully paid up equity shares (without voting rights) of ₹10 each	25.01	25.01
- LT Overseas North America, Inc 338,500 (March 31, 2023: 338,500) shares fully paid up equity shares of USD 20 each	2,822.31	2,822.31
- Raghunath Agro Industries Private Limited 4,078,020 (March 31, 2023: 4,078,020) equity shares fully paid up of ₹10 each	2,296.03	2,296.03
- Deva Singh Sham Singh Exports Private Limited 10,000 (March 31, 2023: 10,000) shares fully paid up equity shares of ₹ 10 each	1.00	1.00
<b>Total (A)</b>	<b>26,891.24</b>	<b>26,891.24</b>
<b>Investment in subsidiary company carried at cost</b>		
<b>Preference shares - Unquoted</b>		
- Daawat Foods Limited 1,562,500 (March 31, 2023: 1,562,500) 10% Non cumulative redeemable preference shares fully paid of ₹ 10 each	2,000.00	2,000.00
<b>Total (B)</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>(ii) In associate companies</b>		
- Raghuvesh Warehousing Private Limited 1,600,000 (March 31, 2023: 1,600,000) equity shares of ₹10 each fully paid up	160.00	160.00
- Raghuvesh Agri Foods Private Limited 1,600,000 (March 31, 2023: 1,600,000) equity shares of ₹10 each fully paid up	160.00	160.00
- Raghuvesh Infrastructure Private Limited 15,000 (March 31, 2023: 15,000) equity shares of ₹10 each fully paid up	1.50	1.50
<b>Total (C)</b>	<b>321.50</b>	<b>321.50</b>
<b>(iii) In joint venture</b>		
- Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited) 29,170,673 (March 31, 2023: 29,170,673) equity shares of H10 each fully paid up	2,917.07	2,917.07
Less: Impairment in value of investment	(1,444.77)	(1,038.86)
<b>Total (D)</b>	<b>1,472.30</b>	<b>1,878.21</b>
<b>Total investments carried at cost less impairment loss (A + B + C + D)</b>	<b>30,685.04</b>	<b>31,090.95</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>Investments at fair value through statement of profit and loss</b>		
Key man insurance policies	502.03	409.43
<b>Equity instruments - Quoted</b>		
747 (March 31, 2023: 747) equity shares - Union bank of India of ₹10 each fully paid up	0.21	0.21
<b>Equity instruments - Unquoted</b>		
<b>Fully paid-up equity shares</b>		
500 (March 31, 2023: 500) equity shares of India International Marketing Limited of ₹ 10 each fully paid up	0.05	0.05
<b>Total</b>	<b>502.29</b>	<b>409.69</b>
<b>Total investments - non-current</b>	<b>31,187.33</b>	<b>31,500.64</b>

## Footnote:

The Company has long-term investments in subsidiaries, associates and joint venture which are measured at cost less accumulated impairment. During the year ended March 31, 2024, the Company considered indicators of impairment such as operational losses in previous years and current year, changes in outlook of future profitability for its investment in Kameda LT Foods (India) Private Limited.

The management assesses the performance of this entity including the future projections and relevant economic and market conditions in which it operates to identify if there is any indicator of impairment in the carrying value of the investments. In case indicators of impairment exist, the impairment loss is measured by estimating the recoverable amount based on 'value-in-use' estimates determined using discounted cash flow projections. The future cash flow projections are specific to the entity based on its business plan and may not be the same as those of market participants. The future cash flows consider key assumptions such as volume projections, margins, terminal growth rates, etc. with due consideration for the potential risks given the current economic environment in which the entity operates. The discount rates used are pre-tax rates based on weighted average cost of capital and reflects market's assessment of the risks specific to the asset as well as time value of money. The recoverable amount estimates are based on judgements, estimates, assumptions and market data as on reporting date and ignore subsequent changes in the economic and market conditions.

The estimated value in use is based on the future cash flows using annual growth rate for future period of 8 years. The weighted average cost of capital is considered as 20.90% (March 31, 2023: 20.30%) and the terminal growth rate is considered as 5% (March 31, 2023: 5%) while determining the value in use.

Accordingly, the Company determined the recoverable amount of its investment in joint venture and other exposures related to this entity and recorded a provision of ₹ 405.91 lakhs (March 31, 2023: ₹ 719.85) for the year ended March 31, 2024.

## Impact of possible changes in key assumptions

If the weighted average cost of capital applied to the cash flow projections of this investment had been 1% higher than management's estimates with all other variables held constant, the Company would have had to recognise an additional impairment loss of ₹ 169.40 (March 31, 2023: ₹ 174.98).

If the terminal growth rate applied to the cash flow projections of this investment had been 1% lower than management's estimates with all other variables held constant, the Company would have had to recognise an additional impairment loss of ₹ 93.21 (March 31, 2023: ₹ 84.10).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 5 Loans (Non-current)

	As at March 31, 2024	As at March 31, 2023
<b>Loan receivable considered good-Unsecured</b>		
Loan to employees	41.63	41.41
	<b>41.63</b>	<b>41.41</b>

### Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Loans considered good -Secured	-	-
Loans considered good -Unsecured	41.63	41.41
Loan which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	<b>41.63</b>	<b>41.41</b>

## 6 Other non-current financial assets

	As at March 31, 2024	As at March 31, 2023
Security deposits	728.03	534.48
Less: Impairment loss	(193.74)	-
	<b>534.29</b>	<b>534.48</b>

## 7 Deferred tax assets

	As at March 31, 2024	As at March 31, 2023
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax liability arising on account of :</b>		
Property, plant and equipment and intangible assets	(357.12)	(258.71)
Key man insurance policy	(126.36)	(103.05)
Unrealised foreign exchange gain on forward contracts	(6.28)	-
	<b>(489.76)</b>	<b>(361.76)</b>
<b>Deferred tax asset arising on account of :</b>		
Provision for employee benefits	202.35	170.07
Impairment of trade receivables	91.71	81.77
Impairment in value of investment	74.32	74.32
Lease liabilities	274.79	55.72
Impairment of Advance given	48.76	-
Unrealised foreign exchange loss on forward contracts	-	40.60
Others	30.07	35.86
	<b>722.00</b>	<b>458.34</b>
<b>Deferred tax assets</b>	<b>232.24</b>	<b>96.58</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Movement in deferred tax assets

Particulars	As at April 01, 2023	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2024
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and intangible assets	(258.71)	-	(98.41)	(357.12)
Key man insurance policy	(103.05)	-	(23.31)	(126.36)
Unrealised foreign exchange (gain)/loss on forward contracts		(6.28)	-	(6.28)
	<b>(361.76)</b>	<b>(6.28)</b>	<b>(121.72)</b>	<b>(489.76)</b>
<b>Deferred tax assets arising on account of:</b>				
Provision for employee benefits	170.07	10.83	21.44	202.35
Impairment of trade receivables	81.77	-	9.95	91.71
Impairment in value of investment	74.32	-	-	74.32
Impairment of Advance given	-	-	48.76	48.76
Lease liabilities	55.72	-	219.08	274.79
Unrealised foreign exchange (gain)/loss on forward contracts	40.60	(40.60)	-	-
Others	35.86	-	(5.79)	30.07
	<b>458.34</b>	<b>(29.77)</b>	<b>293.43</b>	<b>722.00</b>
<b>Net Deferred tax assets</b>	<b>96.58</b>	<b>(36.05)</b>	<b>171.71</b>	<b>232.24</b>

Particulars	As at April 01, 2022	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2023
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and intangible assets	(298.75)	-	40.04	(258.71)
Key man insurance policy	(91.57)	-	(11.48)	(103.05)
Unrealised foreign exchange gain on forward contracts	(44.95)	85.55	-	40.60
	<b>(435.27)</b>	<b>85.55</b>	<b>28.56</b>	<b>(321.16)</b>
<b>Deferred tax assets arising on account of:</b>				
Provision for employee benefits	112.85	37.27	19.95	170.07
Impairment of trade receivables	56.35	-	25.42	81.77
Impairment in value of investment	74.32	-	-	74.32
Lease liabilities	96.39	-	(40.67)	55.72
Others	44.24	-	(8.38)	35.86
	<b>384.15</b>	<b>37.27</b>	<b>(3.68)</b>	<b>417.74</b>
<b>Net Deferred tax (liabilities)/ assets</b>	<b>(51.12)</b>	<b>122.82</b>	<b>24.88</b>	<b>96.58</b>

## 8 Other non-current assets

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	6.00	14.51
Capital advances (considered good -Unsecured)	480.53	217.47
	<b>486.53</b>	<b>231.98</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 9 Non-current tax assets

	As at March 31, 2024	As at March 31, 2023
Income tax assets (Net of provision)	3,062.17	3,107.63
	<b>3,062.17</b>	<b>3,107.63</b>

## 10 Inventories

	As at March 31, 2024	As at March 31, 2023
Raw material*	45,411.30	37,924.19
Semi-finished goods*	72,847.97	52,473.90
Finished goods* [including goods in transit of ₹ 4,386.41 (March 31, 2023: ₹ 3,284.97)]	15,680.03	14,201.05
Traded goods	2,096.48	2,091.18
Stores and spares	862.72	799.36
Packing material		
Bardana	1,204.01	1,005.24
Others	1,852.06	1,830.14
	<b>1,39,954.57</b>	<b>1,10,325.06</b>

\* The interest capitalised as at March 31, 2024 is ₹ 3,049.33 (March 31, 2023 ₹ 2,215.16).

## 11 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade receivables*	21,841.25	19,394.13
Less: Allowance for expected credit loss	(364.33)	(324.89)
	<b>21,476.92</b>	<b>19,069.24</b>

### Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	21,476.92	19,069.24
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	364.33	324.89
<b>Total</b>	<b>21,841.25</b>	<b>19,394.13</b>
Less: Loss allowance	(364.33)	(324.89)
<b>Total trade receivables</b>	<b>21,476.92</b>	<b>19,069.24</b>

**Note:-** No trade receivables are due from directors or other officers of the Company either severally or jointly with any other persons or from the companies in which Directors hold directorship other than below.

The Company's exposure to customers is diversified and no single customer other than subsidiaries, contributes more than 10% of the outstanding receivables except for one customer whose balance amounts to Nil and ₹ 2,445.22 as at March 31, 2024 and March 31, 2023 respectively.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

\*Includes receivables from related parties (refer note 50)

	As at March 31, 2024	As at March 31, 2023
LT Foods Americas Inc.	1,274.73	2,756.70
LT Foods Middle East DMCC	5,903.11	2,603.19
LT Foods Europe B.V.	558.84	1,463.14
Ecopure Specialities limited	54.41	184.02
Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited)	80.54	-
LT Foods U.K. Limited	709.34	-
LT Foods Europe Holding Limited (formerly known as LT Foods International Limited)	23.03	22.71
Nature Bio Foods Limited	232.73	243.91
Global Foods Trading Gmbh	1,365.23	834.92
Global Foods Trading Ltd.	338.30	192.73
Global Foods Trading Spain S.L	518.83	304.45
GFT France SARL	531.86	267.48
Nature Bio Foods Inc.	23.97	27.11
Nature Bio Foods BV	174.95	140.27
Sidhu Foods B.V.	305.62	-

## Ageing of Trade Receivables

March 31, 2024

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	18,430.77	3,046.15	-	-	-	-	21,476.92
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	85.86	76.30	27.31	174.86	364.34
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(85.86)	(76.30)	(27.31)	(174.86)	(364.34)
	-	18,430.77	3,046.15	-	-	-	-	21,476.92

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## March 31, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	17,060.70	1,899.51	109.03	-	-	-	19,069.24
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	12.13	128.76	169.78	14.22	324.89
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(12.13)	(128.76)	(169.78)	(14.22)	(324.89)
	-	<b>17,060.70</b>	<b>1,899.51</b>	<b>109.03</b>	-	-	-	<b>19,069.24</b>

Refer Note 48 for expected credit loss.

## 12 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks on current accounts	1,899.52	164.72
Deposits with original maturity less than 3 months		
Cash on hand		
In Indian currency	24.35	63.28
In foreign currencies	3.41	2.18
	<b>1,927.28</b>	<b>230.18</b>

## 13 Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts (earmarked)	67.83	24.63
Deposits with original maturity more than 3 months and less than 12 months	5.33	607.45
	<b>73.16</b>	<b>632.08</b>

- (i) ₹ 5.33 (March 31, 2023: ₹ 607.45) represents deposits with maturity more than 3 months but less than 12 months as at year end, held by the entity and are not available for use by the Company, as these are pledged.
- (ii) Refer note 47 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 48 - Financial risk management for assessment of expected credit losses.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 14 Loans (Current)

	As at March 31, 2024	As at March 31, 2023
<b>Loan receivable considered good-Unsecured</b>		
Loans to related parties*	-	35.86
Loan to employees	62.89	94.36
	<b>62.89</b>	<b>130.22</b>

### Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Loans considered good- Secured	-	-
Loans considered good- Unsecured	62.89	130.22
Loan which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
	<b>62.89</b>	<b>130.22</b>
*Includes loans given to related parties (refer note 50)		
Raghuvesh Agri Foods Private Limited	-	35.45
Raghuvesh Warehousing Private Limited	-	0.41

## 15 Other current financial assets

	As at March 31, 2024	As at March 31, 2023
Derivative assets	21.02	-
Security deposits	144.32	103.09
Export incentive recoverable	324.42	339.64
Others	19.83	31.81
	<b>509.59</b>	<b>474.54</b>

## 16 Other current assets

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	2,083.78	1,771.78
Balances with government authorities	589.40	458.65
Advance to suppliers *	5,662.94	5,579.63
	<b>8,336.12</b>	<b>7,810.06</b>
* Includes advances given to related parties (refer note 50)		
Raghunath Agro Industries Private Limited	2,976.79	2,943.62
Daawat Foods Limited	1,783.78	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 17 Equity share capital

	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
36,00,00,000 Equity shares of ₹ 1 each (March 31, 2023 : 36,00,00,000 equity shares of ₹ 1 each)	3,600.00	3,600.00
<b>Issued, subscribed and paid up</b>		
34,72,52,944 Equity shares of ₹ 1 each (March 31, 2023 : 34,72,52,944 equity shares of ₹ 1 each)	3,472.53	3,472.53
	<b>3,472.53</b>	<b>3,472.53</b>

### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	34,72,52,944	3,472.53	31,98,44,780	3,198.45
Changes during the year (refer footnote)	-	-	2,74,08,164	274.08
<b>Equity shares at the end of the year</b>	<b>34,72,52,944</b>	<b>3,472.53</b>	<b>34,72,52,944</b>	<b>3,472.53</b>

### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 1 per share (March 31, 2023: ₹ 1 per share). Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2024 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1.00 per share (March 31, 2023: ₹ 0.50 per share).

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	No of shares	% holding	No of shares	% holding
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.31%
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	9.61%
SALIC International Investment Company	3,20,25,784	9.22%	3,20,25,784	9.22%
	<b>17,92,78,196</b>	<b>51.62%</b>	<b>17,92,78,196</b>	<b>51.62%</b>

### (d) The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (e) Details of promoters holding in the Company

	As at March 31, 2024		As at March 31, 2023		Change	
	No of shares	% holding	No of shares	% holding	No of shares	%
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.31%	-	-
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Ms. Vandana Arora	60,87,690	1.76%	60,87,690	1.76%	-	-
Ms. Sakshi Arora	83,71,500	2.41%	83,71,500	2.41%	-	-
Mr. Munish Kumar Arora	6,43,660	0.19%	6,43,660	0.19%	-	-
Ms. Anita Arora	76,11,500	2.19%	76,11,500	2.19%	-	-
Mr. Vaneet Arora	1,60,000	0.05%	1,60,000	0.05%	-	-
Ms. Ranju Arora	54,29,350	1.56%	54,29,350	1.56%	-	-
Mr. Aditya Arora	6,33,340	0.18%	6,33,340	0.18%	-	-
Mr. Abhinav Arora	6,39,140	0.18%	6,33,340	0.18%	5,800	0.00
Mr. Gursajan Arora	1,26,660	0.04%	1,26,660	0.04%	-	-
Mr. Ritesh Arora	41,700	0.01%	41,700	0.01%	-	-
Mr. Anmol Arora	1,07,850	0.03%	1,07,850	0.03%	-	-
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	9.61%	-	-
	<b>17,71,04,802</b>	<b>51.00%</b>	<b>17,70,99,002</b>	<b>51.00%</b>	<b>5,800</b>	<b>0.00%</b>

### Footnote:

During previous year, the Shareholders at its meeting (Extra Ordinary General Meeting) held on December 07, 2022, approved the proposal to issue, offer and allot on preferential and private placement basis, for cash, to SALIC International Investment Company ("Salic") a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia with registration number 1010769582, of 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) ("Equity Shares") at face Value of 1/- per Equity Share and Securities Premium of 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share aggregating 142.23/- (Rupees One Hundred and Forty Two and Twenty Three Paise) per Equity Share amounting to 7.89% (Seven point Eight Nine Percent) of the share capital of the Company on a fully diluted basis for an aggregate subscription amount of 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Seven Two Paise). The Board of Directors, thereafter, in its meeting held on February 28, 2023, allotted aforementioned equity shares to Salic on Preferential basis. Post allotment of 27,408,164 equity shares the paid-up share capital of the Company has been increased to 34,72,52,944/- of face value of 1/- each. The preferential issue of equity shares was completed with due approval of statutory authorities concerned and the amount raised has been utilised for the purpose for which the funds were raised.

## 18 Other equity

	As at March 31, 2024	As at March 31, 2023
<b>(i) Retained earnings</b>		
Opening balance	70,476.86	56,155.68
Add: Net profit for the year	15,966.49	16,031.22
<b>Add : Other comprehensive income (OCI)</b>		
- Remeasurements of post-employment benefits obligation (net of taxes)	(32.22)	(110.82)
Less : Equity dividend	(3,472.57)	(1,599.22)
<b>Profit available for appropriation</b>	<b>82,938.56</b>	<b>70,476.86</b>
<b>(ii) General reserve</b>		
Opening balance	1,698.31	1,698.31
Change during the year	-	-
<b>Closing balance</b>	<b>1,698.31</b>	<b>1,698.31</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>(iii) Securities premium reserve</b>		
Opening balance	81,201.22	43,240.01
Change during the year (net of issuance cost)*	-	37,961.21
<b>Closing balance</b>	<b>81,201.22</b>	<b>81,201.22</b>
<b>(iv) Cash flow hedging reserve</b>		
Opening balance	(121.85)	132.31
Change during the year	139.38	(254.16)
<b>Closing balance</b>	<b>17.53</b>	<b>(121.85)</b>
<b>Total other equity</b>	<b>1,65,855.62</b>	<b>1,53,254.54</b>

## Nature and purpose of other reserves

### General reserve:

The Company had transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

### Securities premium reserve:

Securities premium reserve represents premium received on issue of shares. The reserve is to be utilized in accordance with the provisions of the Companies Act.

### Cash flow hedging reserve:

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

\* During the previous year, total costs related to the issuance of shares amounting to ₹ 747.34 have been recognised against equity.

## 19 Long-term borrowings

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Vehicle loans		
From banks	16.49	51.23
From others	1.03	68.15
	<b>17.52</b>	<b>119.38</b>
Current maturities of long-term borrowings (Refer note 23)		
Vehicle loans		
From banks	34.63	32.12
From others	0.44	23.66
	<b>35.07</b>	<b>55.78</b>
	<b>52.59</b>	<b>175.16</b>

Details of borrowings are as follows:

Name of the bank/ financial institution	Repayments *	Total amount of instalment	As at	As at
			March 31, 2024	March 31, 2023
<b>a) Vehicle loans (Refer point A part (i) for interest rate and point B part (i) for security)</b>				
HDFC Bank	36 - 60 months	0.69	7.96	15.29
ICICI Bank	48 months	2.41	43.16	67.96
BMW Financial Services India	36 months	0.05	1.47	91.91
			<b>52.59</b>	<b>175.16</b>

\* From the date of disbursement

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## A. Details of interest rate for each type of borrowings

- i. The interest on above vehicle loans from banks and financial institutions are fixed in nature. As at March 31, 2024 the interest rates ranges from 7.35% to 14.00% per annum (March 31, 2023: 7.35% to 8.35% per annum).

## B. Details of security for each type of borrowing :

- i. Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.

Refer note 45 for assets pledged as security.

## C. Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Lease Liability	Long-term borrowings #	Short-term borrowings	Total
<b>Net debt as at April 01, 2022</b>	<b>382.99</b>	<b>253.03</b>	<b>28,839.38</b>	<b>29,475.40</b>
Cash movement:				
- Repayment of long term borrowings	-	(77.87)	-	(77.87)
- Payment of lease liabilities	(181.24)	-	-	(181.24)
- Repayment of short term borrowings (net)	-	-	(24,582.31)	(24,582.31)
- Interest paid	-	(16.35)	(2,370.46)	(2,386.81)
<b>Non cash movement</b>				
- Impact of currency restatement on packing credit foreign currency (gain)	-	-	9.65	9.65
- Interest expense	19.63	16.35	2,360.81	2,396.79
<b>Net debt as at March 31, 2023</b>	<b>221.38</b>	<b>175.16</b>	<b>4,257.07</b>	<b>4,653.61</b>

Particulars	Lease Liability	Long-term borrowings #	Short-term borrowings	Total
<b>Net debt as at April 01, 2023</b>	<b>221.38</b>	<b>175.16</b>	<b>4,257.07</b>	<b>4,653.61</b>
Cash movement:				
- Proceeds from long term borrowings ^	-	5.31	-	5.31
- Repayment of long term borrowings	-	(127.88)	-	(127.88)
- Payment of lease liabilities	(373.06)	-	-	(373.06)
- Proceeds/(repayment) of short term borrowings (net)	-	-	1,906.85	1,906.85
- Interest paid *	-	(12.09)	(1,829.37)	(1,841.46)
<b>Non cash movement</b>				
- Addition during the year	1,211.62	-	-	1,211.62
- Interest expense	31.86	12.09	1,833.30	1,877.25
<b>Net debt as at March 31, 2024</b>	<b>1,091.80</b>	<b>52.59</b>	<b>6,167.85</b>	<b>7,312.24</b>

# Includes current maturities of long term borrowings.

\* Includes adjustment for accrued interest on short term borrowings.

^ Money raised by way of term loans during the year have been applied for the purpose for which they were raised.

## 20 Lease liabilities (Non-current)

	As at March 31, 2024	As at March 31, 2023
Lease liabilities	759.05	35.73
	<b>759.05</b>	<b>35.73</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

i) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	332.75	185.65
Non-current lease liabilities	759.05	35.73
<b>Total</b>	<b>1,091.80</b>	<b>221.38</b>

The following is the movement in lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	221.38	382.99
Add: Additions	1,211.62	-
Add: Finance cost accrued during the year	31.86	19.63
Less: Payment of lease liabilities	(373.06)	(181.24)
<b>Balance at the end of the year</b>	<b>1,091.80</b>	<b>221.38</b>

The Company has lease for laboratory equipments and building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Company has considered automatic extension option available for laboratory equipment in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period.

ii) Total cash outflow for leases for the year ended March 31, 2024 was ₹ 373.06 (March 31, 2023: ₹ 181.24)

iii) Also, refer Note 2(ii) for the details of assets leased.

## 21 Long-term provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions for employee benefits		
Provision for gratuity	810.67	690.81
Provision for compensated absences	371.67	296.06
	<b>1,182.34</b>	<b>986.87</b>

Refer note 46 on Employee benefit obligations

## 22 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred government grant	68.10	92.93
	<b>68.10</b>	<b>92.93</b>

Refer note 44 on Deferred government grant

## 23 Short-term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Rupee working capital loans	6,163.92	4,257.07
Current maturities of long-term borrowings	35.07	55.78
	<b>6,198.99</b>	<b>4,312.85</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## i) Particulars

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a) Rupee working capital loans</b>		
The rupee working capital loans are secured by hypothecation of all current assets, personal guarantee of Directors of the Company and their relatives and First Pari-Passu Charge over the office property at Gurugram, factory land and building at Bahalgarh and Varpal, lien of cash deposit of Nil (March 31, 2023: ₹ 541.36 lakhs) with Punjab National Bank for and on behalf of the consortium and on entire moveable fixed assets of the Company except vehicle financed.	6,163.92	4,257.07
The rupee working capital loans are repayable on demand and interest on the above loans from banks are linked to the respective bank MCLR/Repo/T-Bills/CD Rate which are floating in nature. The interest rate ranges from 6.80% to 9.35% (March 31, 2023: 5.30% to 9.69%) on rupee working capital loans.		

ii) Refer note 45 for assets pledged as security

## 24 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to		
Micro and small enterprises	1,064.59	618.66
Others *	49,333.85	30,314.08
	<b>50,398.44</b>	<b>30,932.74</b>
* Includes payable to related parties (refer note 50)		
Daawat Foods Limited	-	1,790.44
Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited)	-	280.13
Super Texfab Private Limited	1,583.38	-
Deva Singh Sham Singh Exports Private Limited	-	100.28

a) Due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent information available with the management is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount remaining unpaid	1,064.59	618.66
- Interest accrued and remaining unpaid as at year end	4.77	0.37
ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
iii) Amount paid to the suppliers beyond the respective due date.	563.49	96.59
iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	11.05	0.73
v) Amount of interest accrued and remaining unpaid at the end of accounting period.	15.82	1.10
vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	18.52	2.70

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## March 31, 2024

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	956.83	107.76	-	-	-	1,064.59
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	29,770.78	19,353.74	135.09	67.12	7.12	49,333.85
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>30,727.61</b>	<b>19,461.50</b>	<b>135.09</b>	<b>67.12</b>	<b>7.12</b>	<b>50,398.44</b>

## March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	615.98	2.68	-	-	-	618.66
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	27,651.23	2,511.85	143.84	2.46	4.70	30,314.08
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>28,267.21</b>	<b>2,514.53</b>	<b>143.84</b>	<b>2.46</b>	<b>4.70</b>	<b>30,932.74</b>

## 25 Other current financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	26.92	22.99
Unclaimed dividend*	67.82	67.55
Derivative liabilities	-	165.24
Other liabilities	4,179.82	2,966.08
	<b>4,274.56</b>	<b>3,221.86</b>

\* Not due for deposit to Investor education and protection fund.

## 26 Lease liabilities (current)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 20)	332.75	185.65
	<b>332.75</b>	<b>185.65</b>

## 27 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers *	1,064.34	1,153.18
Statutory liabilities	439.13	983.52
Deferred government grant (Refer note 44)	51.43	51.43
Other liabilities	144.64	56.65
	<b>1,699.54</b>	<b>2,244.78</b>

\* Includes advances from related parties (refer note 50)

Deva Singh Sham Singh Exports Private Limited	91.76	-
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# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 28 Short-term provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits</b>		
Provision for gratuity	228.55	228.71
Provision for compensated absence	69.13	65.88
	<b>297.68</b>	<b>294.59</b>

Refer note 46 on Employee benefit obligations

## 29 Current tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for taxation (Net of advance tax)	404.19	852.37
	<b>404.19</b>	<b>852.37</b>

## 30 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products *</b>		
Export	1,34,865.03	1,21,372.23
Domestic	1,85,541.67	1,59,296.13
<b>Sale of traded goods *</b>		
Export	47,233.94	51,589.34
Domestic	31,521.04	55,512.05
<b>Other operating revenue</b>		
Service charges	1,109.98	1,480.98
Processing charges	82.40	16.70
Rental income (refer note A below)	102.74	102.74
Export Incentives	1,530.57	2,059.53
Government grant income (refer note 44)	24.83	30.29
	<b>4,02,012.20</b>	<b>3,91,459.99</b>

### \*Details of products sold

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products</b>		
Rice	3,06,576.75	2,41,046.13
By products	8,166.71	8,192.44
Paddy	3,563.91	-
Bardana	975.45	442.21
Others	1,123.88	30,987.58
<b>Sale of traded goods</b>		
Rice	74,753.14	79,023.36
Paddy (refer note B below)	1,084.43	25,815.90
Others	2,917.41	2,262.13
	<b>3,99,161.68</b>	<b>3,87,769.75</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

- (A) The Company has entered into rent agreements as a lessor for Silos, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2024 and March 31, 2023 was ₹ 102.74 and ₹ 102.74 respectively. The Company has not executed any non-cancellable operating leases.
- (B) Under the agency relationship, the Company had procured paddy amounting to ₹ 25,185.72 during the financial year 2022-2023 which has been directly sold to Daawat Foods Limited (wholly owned subsidiary) for ₹ 25,815.90 during the previous year.

## 31 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other Incomes</b>		
Liabilities written back	59.82	34.32
Rental income (refer note A below)	159.86	157.48
Dividend from non trade investments	1,437.73	1,386.84
<b>Interest income on:</b>		
Fixed deposits with banks	22.08	24.06
Others	4.04	19.44
Corporate service charges	588.18	748.14
Corporate guarantee charges	431.04	356.50
Gain from sale of property, plant and equipment (net)	35.89	-
Gain on investments carried at fair value through profit and loss	109.06	3.64
Net gain on foreign currency transactions	-	845.56
Miscellaneous income	74.72	106.47
<b>Total other income</b>	<b>2,922.42</b>	<b>3,682.45</b>

- A. The Company has entered into rent agreements as a lessor for area of premises owned by the Company, which are in the nature of operating lease. Rental income for operating lease for the period ended March 31, 2024 and March 31, 2023 was ₹ 159.86 and ₹ 157.48 respectively. The Company has not executed any non-cancellable operating leases.

## 32 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Opening stock</b>		
Raw Material	37,924.19	24,258.24
Bardana	1,005.24	1,028.79
Packing material	1,830.14	1,785.98
	<b>40,759.57</b>	<b>27,073.01</b>
<b>Add: purchases</b>		
Raw Material	1,49,171.80	1,27,722.60
Bardana	886.41	1,203.72
Packing material	8,550.06	9,237.32
Rice	1,23,852.06	97,852.46
	<b>2,82,460.33</b>	<b>2,36,016.10</b>
<b>Less: closing stock</b>		
Raw Material	45,411.30	37,924.19
Bardana	1,204.01	1,005.24
Packing material	1,852.06	1,830.14
	<b>48,467.37</b>	<b>40,759.57</b>
	<b>2,74,752.53</b>	<b>2,22,329.54</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Consumption details</b>		
Raw Material	1,41,684.69	1,14,056.65
Bardana	687.64	1,227.27
Packing material	8,528.14	9,193.16
Rice	1,23,852.06	97,852.46
	<b>2,74,752.53</b>	<b>2,22,329.54</b>

### 33 Purchases of stock in trade

	Year ended March 31, 2024	Year ended March 31, 2023
Rice	64,953.73	54,277.43
Paddy	1,081.87	25,185.72
Others	2,309.20	2,602.41
	<b>68,344.80</b>	<b>82,065.56</b>

### 34 Changes in inventories of semi-finished goods, finished goods and stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Opening Stock</b>		
Semi-finished goods	52,473.90	53,649.62
Finished goods	14,201.05	9,939.35
Traded goods	2,091.18	2,808.05
<b>Closing stock</b>		
Semi-finished goods	72,847.97	52,473.90
Finished goods	15,680.03	14,201.05
Traded goods	2,096.48	2,091.18
	<b>(21,858.35)</b>	<b>(2,369.11)</b>

### 35 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus and other allowances	8,934.12	7,914.87
Gratuity expenses	211.64	151.30
Contribution to provident and other fund (Refer note 46)	273.15	257.11
Staff welfare expenses	626.29	521.46
	<b>10,045.20</b>	<b>8,844.74</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 36 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on working capital loans	1,524.19	1,951.22
Interest on term loans	12.09	16.35
Interest on lease liabilities	31.86	19.63
	<b>1,568.14</b>	<b>1,987.20</b>
Other borrowing costs	309.11	409.59
	<b>1,877.25</b>	<b>2,396.79</b>

**Note:** The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 7.23% p.a. (March 31, 2023 - 6.25% p.a.). Also, refer note 10.

## 37 Depreciation and amortization expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	3,512.82	2,699.16
Depreciation of right-of-use-assets	331.77	168.90
Amortization of intangible assets	7.85	21.91
	<b>3,852.44</b>	<b>2,889.97</b>

## 38 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Warehouse rent (refer note A)	1,166.42	892.24
Wages and other manufacturing expenses	1,939.35	1,465.16
Factory insurance	529.32	423.45
Power and fuel	1,305.84	1,062.28
Security services	262.11	219.31
Packing expenses	947.29	758.79
Repairs & maintenance to:		
- Plant and machinery	184.08	144.48
- Building	112.39	119.68
- Others	172.18	133.51
Stores and spares consumed	2,429.14	2,375.07
Advertisement	7,645.56	5,578.71
Insurance	286.30	390.36
Legal and professional charges	2,259.35	2,111.83
Rates and taxes	892.25	854.80
Donation and charity	112.01	65.50
Corporate social responsibility expense (refer note C)	345.00	273.50
Directors' sitting fees	18.20	19.60
Auditors' remuneration (refer note B)	47.00	47.00
Vehicle running and maintenance	294.57	262.72
Travelling and conveyance	1,562.98	1,408.57
Commission to selling agents	193.94	379.38
Clearing, forwarding and freight charges	11,616.09	26,602.16

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Impairment of trade receivables	50.00	101.00
Loss from sale of property, plant and equipment (net)	-	11.24
Freight outward	8,895.15	8,515.95
Write off/ impairment in the value of investment	405.91	719.85
Provision against advance given	193.74	-
Business promotion expenses	134.29	187.82
Other selling expenses	2,041.28	1,718.84
Other administrative expenses	749.82	1,074.10
	<b>46,791.56</b>	<b>57,916.90</b>

A. The Company has entered into rent agreements as a lessee for warehouses and office premises, which are in the nature of short-term leases. These leases has been accounted for applying Paragraph 6 of Ind AS 116 - Leases and accordingly, the Company has recognised expense amounting to ₹ 1,166.42 and ₹ 892.24 for the years ended March 31, 2024 and March 31, 2023 respectively.

**B. Auditors' remuneration (exclusive of applicable goods and service tax)**

	Year ended March 31, 2024	Year ended March 31, 2023
Statutory audit (including fees for limited reviews)	47.00	47.00
	<b>47.00</b>	<b>47.00</b>

**C. Corporate social responsibility expenditure ("CSR")**

	Year ended March 31, 2024	Year ended March 31, 2023
i) Gross amount required to be spent as per section 135 of the Companies Act, 2013	344.75	270.73
ii) Amount spent during the year on:		
a) Construction/acquisition of an asset	-	-
b) on purpose other than (a) above	244.70	273.50
Amount transferred to Unspent CSR Account*	100.30	-
Shortfall at the end of the year	-	-

\* The amount transferred to Unspent CSR Account represents CSR expense relating to ongoing projects as at March 31, 2024 . The same has been transferred to Unspent CSR Account by the Company with in 30 days from the end of financial year.

## 39 Tax expense

	Year ended March 31, 2024	Year ended March 31, 2023
<b>The income tax expense consists of the following :</b>		
Current tax expense	5,334.41	5,061.71
Deferred tax credit	(171.71)	(24.88)
<b>Total income tax</b>	<b>5,162.70</b>	<b>5,036.83</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before income taxes	21,129.19	21,068.05
At India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	5,317.79	5,302.41
<b>Adjustments in respect of current income tax:</b>		
Donation and charities	115.02	85.32
Fines, penalties and interest on statutory dues	8.80	18.03
Expenses on preferential issue of equity share	-	(187.38)
Deduction under chapter VI-A	(374.54)	(363.19)
Impairment of investments and other assets	102.16	181.17
Others	(6.53)	0.47
<b>Total income tax expense</b>	<b>5,162.70</b>	<b>5,036.83</b>

## 40 Earnings per equity share

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders	15,966.49	16,031.22
Numbers of weighted average equity share outstanding at the year end for basic and diluted EPS	34,72,52,944	32,21,72,597
Nominal value per share	1.00	1.00
<b>Earnings per equity share</b>		
Basic and diluted	4.60	4.98

**Note:** There are no potential equity shares in the Company.

## 41 Contingencies and commitments

### (A) Contingent liabilities

	As at March 31, 2024	As at March 31, 2023
I Income-tax demands (refer footnote a)	3,296.62	3,260.32
II Demand from Food Corporation India for differential price/ freight/ taxes	75.69	75.69
III Claims on Company	30.77	30.77
IV Duty saved under EPCG licenses (export obligation outstanding ₹ 1,113.19 (March 31, 2023: ₹ 1,044.32))	185.53	174.05
V Bank guarantees	17.10	12.60
VI Guarantee given by Company to bank on behalf of subsidiaries (refer footnote b)	23,734.13	24,755.63
VII Other gaurantees (refer note 51)	1,110.47	-
<b>Total</b>	<b>28,450.31</b>	<b>28,309.06</b>

#### Footnote:-

- a. The Company has pending appeals at Income Tax Appellate Tribunal (ITAT) for the assessment years 2008-09 to 2010-11 and 2012-13 to 2014-15. For assessment years 2008-09 and 2009-10, no relief was granted by the Dispute Resolution Panel (DRP) (Appeals) on matters amounting to ₹ 453.57 (March 31, 2023: Nil). Further, for assessment years 2010-11 and 2012-13 to 2014-15, no relief was granted by the Commissioner of Income Tax (CIT) (Appeals) on matters amounting to ₹ 754.74 (March 31, 2023: ₹ 1,208.31).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

The Company had ongoing appeals for assessment years 2003-04 and 2007-08 amounting to ₹ 57.54 and ₹ 4.84 (March 31, 2023: ₹ 57.54 and ₹ 4.84) respectively, against which the Income Tax Appellate Tribunal (ITAT) has passed an order in favour of the Company. However, the appeal effect is yet to be processed by the Ld. Assessing Officer.

The Company in previous years has received demand order under section 271(1)(c) of the Income Tax Act for the assessment year 1999-00 amounting to ₹ 36.27 (March 31, 2023: ₹ 36.27) against which an appeal before the Income Tax Appellate Tribunal (ITAT) has been filed. Further, the Company has also received demand order for assessment year 2010-11, amounting to ₹ 177.43 (March 31, 2023: ₹ 177.43) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeals is pending.

The Company during the financial year 2019-20, has received demand under section 147 of the Income Tax Act for the assessment year 2015-16 amounting to ₹ 466.81 (March 31, 2023: ₹ 466.81) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeal is pending.

The Company during the financial year 2021-22, has received demand under section 143(3) of the Income Tax Act for the assessment year 2017-18 amounting to ₹ 599.12 (March 31, 2023: ₹ 599.12) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeal is pending.

The Company in previous years has received demand order under section 143(3) of the Income Tax Act for the assessment year 2018-19 amounting to ₹ 375.57 (March 31, 2023: ₹ 375.57) against which an appeal before the Income Tax Appellate Tribunal (ITAT) has been filed. The outcome of such appeal is pending.

The Company during the current year has received revised demand order vide dated May 17, 2023 and February 06, 2024 for assessment year 2014-15 and 2015-16 under section 147 which are subject to potential rectification under section 154 of the Income Tax Act. Post such rectification, the Company anticipates that these demands shall be ₹ 20.59 (March 31, 2023: ₹ 43.97) and ₹ 350.14 (March 31, 2023: ₹ 290.46) pertaining to assessment years 2014-15 and 2015-16 respectively. Currently, the Company is in the process of filing an appeal before the Commissioner of Income Tax (CIT) (Appeals).

The Company has paid ₹ 1,651.26 (March 31, 2023: ₹ 1,651.26) as per the directions of the Income Tax Department against the outstanding demands of various assessment years and the same will be adjusted/ refunded, once the appeals are finalised. The amount paid includes ₹ 631.95 lakhs deposited against cases in respect of which favourable order has been received.

The Company is confident that its position is likely to be upheld in the appeals pending before various appellate authorities and no liability could arise on account of these proceedings.

- b. The guarantees given by LT Foods Limited on behalf of subsidiary companies against the loan availed by subsidiaries for their business purposes.

Name of bank	Name of subsidiary company	As at March 31, 2024		As at March 31, 2023		Purpose
		Sanction limit	Outstanding amount	Sanction limit	Outstanding amount	
SBICAP Security Trustee Company Limited	Daawat Foods Limited	33,300.00	14,642.65	33,300.00	16,659.60	Working capital loan
Oriental Bank of Commerce	Raghunath Agro Industries Private Limited	6,980.00	612.66	6,980.00	871.54	Working capital loan
Kotak Mahindra Bank Limited	Nature Bio Foods Limited	3,200.00	6,688.15	3,200.00	5,972.02	Working Capital
CTBC Bank	Nature Bio Foods Limited	2,900.00		2,900.00		
Indusind Bank Limited	Nature Bio Foods Limited	5,200.00		5,200.00		

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of bank	Name of subsidiary company	As at March 31, 2024		As at March 31, 2023		Purpose
		Sanction limit	Outstanding amount	Sanction limit	Outstanding amount	
Indusind Bank Limited	Ecopure Specialities Limited	4,240.00	1,790.67	4,240.00	1,252.47	Working capital loan
SBM Bank (India) Ltd.	Ecopure Specialities Limited	-		2,000.00		
SBI Bank	Ecopure Specialities Limited	3,300.00		3,300.00		
<b>Grand Total</b>		<b>59,120.00</b>	<b>23,734.13</b>	<b>61,120.00</b>	<b>24,755.63</b>	

## (B) Capital commitments

Capital commitments remaining to be executed and not provided for, net of capital advances ₹ 75.36 (March 31, 2023: ₹ 788.18).

## 42 Segment information

In terms of Paragraph 4 of Ind AS 108 'Operating Segments', entity wide disclosures have been presented in the consolidated financial statements.

## 43 Transfer pricing

As per the international transfer pricing norms introduced in India with effect from April 01, 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the Company and its associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the Management the same would not have a material impact on these standalone financial statements. Accordingly, these financial standalone statements do not include any adjustments for the transfer pricing implications, if any.

## 44 Deferred government grants

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	144.36	174.65
Released during the year	(24.83)	(30.29)
<b>At the end of the year</b>	<b>119.53</b>	<b>144.36</b>

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Government grants	51.43	68.10	51.43	92.93



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 45 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Non-current assets</b>		
<b>First charge</b>		
Property, plant, and equipments and CWIP	22,714.84	21,856.38
<b>Total non-current assets pledged as security</b>	<b>22,714.84</b>	<b>21,856.38</b>
<b>Current assets</b>		
<b>First charge</b>		
Inventories	1,39,954.57	1,10,325.06
Trade receivables	21,476.92	19,069.24
Cash and cash equivalents	1,927.28	230.18
Other bank balances	73.16	632.08
Loans	62.89	130.22
Other financial assets	509.59	474.54
Other current assets	8,336.12	7,810.06
<b>Total current assets pledged as security</b>	<b>1,72,340.53</b>	<b>1,38,671.38</b>
<b>Total assets pledged as security</b>	<b>1,95,055.37</b>	<b>1,60,527.76</b>

## 46 Employee benefit obligations

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Gratuity	228.55	810.67	228.71	690.81
Compensated absences	69.13	371.67	65.88	296.06
<b>Total</b>	<b>297.68</b>	<b>1,182.34</b>	<b>294.59</b>	<b>986.87</b>

### A Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. The planned assets are managed by Life Insurance Corporation of India. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognized funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

#### Disclosure of gratuity

(i) Amount recognised in the Statement of Profit and Loss is as under:

Description	March 31, 2024	March 31, 2023
Current service cost	147.48	102.35
Interest cost (net)	64.16	48.95
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>211.64</b>	<b>151.30</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

(ii) Breakup of actuarial loss recognised in other comprehensive income (OCI)

Description	March 31, 2024	March 31, 2023
<b>Remeasurement on the net defined benefit obligation</b>		
Actuarial loss/(gain) arising from change in demographic assumption	9.85	(26.02)
Actuarial loss arising from change in financial assumption	21.52	7.42
Actuarial loss arising from change in experience assumption	20.62	163.94
<b>Remeasurement on plan assets</b>		
Return on plan assets (excluding interest)	(8.94)	2.75
<b>Total actuarial loss recognised in OCI</b>	<b>43.05</b>	<b>148.09</b>

(iii) Movement in the defined benefit obligation during the year is as under:

Description	March 31, 2024	March 31, 2023
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>1,420.73</b>	<b>1,164.37</b>
Current service cost	147.48	102.35
Interest cost	100.75	73.36
Actuarial loss recognised during the year	51.99	145.34
Benefits paid	(105.75)	(64.69)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>1,615.20</b>	<b>1,420.73</b>

(iv) Change in fair value of assets:

Description	March 31, 2024	March 31, 2023
<b>Fair value of plan assets at the beginning of the year</b>	<b>501.21</b>	<b>370.98</b>
Interest income on plan assets*	36.59	24.42
Contribution	134.99	173.25
Actuarial loss	8.94	(2.75)
Benefits paid	(105.75)	(64.69)
<b>Fair value of plan assets* at the end of the year</b>	<b>575.98</b>	<b>501.21</b>

\*Plan assets consist of 100% non-quoted insurer managed funds and T-Bills

(v) Actuarial assumptions

Description	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09%	7.30%
Retirement age	58 years	58 years
Employee turnover	10.00%	8.00%
Rate of increase in compensation	8.00%	8.00%
Mortality rate	(IALM) 2012-2014 Ultimate	(IALM) 2012-2014 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vi) Movement in provision recognised in balance sheet

Description	As at March 31, 2024	As at March 31, 2023
Provision for defined benefit obligation	1,615.20	1,420.73
Fair value of plan assets	(575.98)	(501.21)
Provision (net) recognised in the Balance Sheet	1,039.22	919.52

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (vii) Sensitivity analysis for provision for defined benefit obligation

Description	As at March 31, 2024	As at March 31, 2023
<b>Impact of the change in discount rate</b>		
<b>Present value of obligation at the end of the year</b>	<b>1,615.20</b>	<b>1,420.73</b>
Impact due to increase of 1 %	(88.49)	(85.56)
Impact due to decrease of 1 %	98.96	96.66
<b>Impact of the change in salary increase</b>		
<b>Present value of obligation at the end of the year</b>	<b>1,615.20</b>	<b>1,420.73</b>
Impact due to increase of 1 %	71.71	69.35
Impact due to decrease of 1 %	(69.13)	(66.67)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

## (viii) Maturity profile of defined benefit obligation (undiscounted)

Description	As at March 31, 2024	As at March 31, 2023
Within next 12 months	236.52	236.93
Between 2-5 years	731.82	577.88
Between 6-10 years	725.17	637.78

## B Compensated absence

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

### (i) Actuarial assumptions

Description	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09%	7.30%
Future basic salary increase	8.00%	8.00%
Employee turnover/ Withdrawal rate	10.00%	8.00%
Retirement age	58 years	58 years

#### Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

## C Provident fund and ESI fund

Contribution made towards provident fund by the Company during the year is ₹ 255.92 (March 31, 2023: ₹ 236.11)

Contribution made towards ESI fund by the Company during the year is ₹ 17.23 (March 31, 2023: ₹ 21.00)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 47 Fair value disclosures

### i) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments *	502.29	-	-	409.69	-	-
Trade receivables	-	-	21,476.92	-	-	19,069.24
Cash and cash equivalents	-	-	1,927.28	-	-	230.18
Other bank balances	-	-	73.16	-	-	632.08
Loans	-	-	104.52	-	-	171.63
Other financial assets	21.02	-	1,022.86	-	-	1,009.02
<b>Total</b>	<b>523.31</b>	<b>-</b>	<b>24,604.74</b>	<b>409.69</b>	<b>-</b>	<b>21,112.15</b>
<b>Financial liabilities</b>						
Borrowings	-	-	6,216.51	-	-	4,432.23
Lease Liability	-	-	1,091.80	-	-	221.38
Trade payable	-	-	50,398.44	-	-	30,932.74
Other financial liabilities	-	-	4,274.56	165.24	-	3,056.62
<b>Total</b>	<b>-</b>	<b>-</b>	<b>61,981.31</b>	<b>165.24</b>	<b>-</b>	<b>38,642.97</b>

\* Investment in equity instruments and preference shares of subsidiaries, joint venture and associates has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

### ii) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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.

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2024	Level 1	Level 2	Total
<b>Financial assets</b>			
Key man insurance policies	-	502.03	502.03
Equity instruments - Unquoted	-	0.05	0.05
Equity instruments - Quoted	0.21	-	0.21
Derivative asset	-	21.02	21.02
<b>Total financial assets</b>	<b>0.21</b>	<b>523.10</b>	<b>523.31</b>

There are no financial liabilities as at March 31, 2024 which have been measured at fair value.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

As at March 31, 2023	Level 1	Level 2	Total
<b>Financial assets</b>			
Key man insurance policies	-	409.43	409.43
Equity instruments - Unquoted	-	0.05	0.05
Equity instruments - Quoted	0.21	-	0.21
<b>Total financial assets</b>	<b>0.21</b>	<b>409.48</b>	<b>409.69</b>
<b>Financial liabilities</b>			
Derivative liabilities	-	165.24	165.24
<b>Total financial liabilities</b>	<b>-</b>	<b>165.24</b>	<b>165.24</b>

## Valuation process and technique used to determine fair value

- (i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- (ii) In order to arrive at the fair value of unquoted investments, the Company obtains independent valuations. The techniques used by the valuer are as follows:
  - a) Asset approach - Net assets value method
  - b) Income approach - Discounted cash flows ("DCF") method
  - c) Market approach - Enterprise value/Sales multiple method
- (iii) Key man insurance policy fair value is based on surrender value stated by Life Insurance Corporation of India, Max New York Life Insurance Company Limited, SBI Life Insurance Company Limited, Star Union Dai-Ichi Life Insurance and Canara HSBC OBC Life Insurance which represents surrender value for the investors.

## Derivative financial assets/liabilities:

The Company enters into derivative financial instruments with various counterparties and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates etc.

## iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Loans	Level 3	104.52	104.52	171.63	171.63
Trade receivables	Level 3	21,476.92	21,476.92	19,069.24	19,069.24
Cash and cash equivalents	Level 3	1,927.28	1,927.28	230.18	230.18
Other bank balances	Level 3	73.16	73.16	632.08	632.08
Other financial assets	Level 3	1,022.86	1,022.86	1,009.02	1,009.02
<b>Total financial assets</b>		<b>24,604.74</b>	<b>24,604.74</b>	<b>21,112.15</b>	<b>21,112.15</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	6,216.51	6,216.51	4,432.23	4,432.23
Lease Liabilities	Level 3	1,091.80	1,091.80	221.38	221.38
Trade payable	Level 3	50,398.44	50,398.44	30,932.74	30,932.74
Other financial liabilities	Level 3	4,274.56	4,274.56	3,221.86	3,221.86
<b>Total financial liabilities</b>		<b>61,981.31</b>	<b>61,981.31</b>	<b>38,808.21</b>	<b>38,808.21</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

The management assessed that loans, trade receivables, cash & cash equivalents, other bank balances, other financial assets, borrowings and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities are estimated at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) All the borrowing facilities (other than vehicles loans) availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

## 48 Financial risk management

### (i) Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, favourable derivative financial instruments, financial assets measured at amortised cost and fair value through profit or loss.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - foreign exchange	Future commercial transactions, Recognised financial assets and liabilities not denominated in Indian Rupees(INR)	Cash flow forecasting	Forward contract and hedging.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk - security price	Investments in equity securities	Sensitivity analysis	Company presently does not have any significant investments in equity shares, except for entities where it exercises control or significant influence.

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk –

Credit rating	Particulars	As at	As at
		March 31, 2024	March 31, 2023
A: Low	Loans	104.52	171.63
	Other financial assets	1,043.88	1,009.02
	Cash and cash equivalents	1,927.28	230.18
	Other bank balances	73.16	632.08
	Trade receivables	21,476.92	19,069.24
B: Medium	Trade receivables	364.33	324.89
	Other financial assets	193.74	-

### Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

### Trade receivables

The Company closely monitors the creditworthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

## b) Expected credit losses

### Expected credit losses for financial assets other than trade receivables

The Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since, the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of other financial assets, credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision
Cash and cash equivalents	1,927.28	0.00%	1,927.28	230.18	0.00%	230.18
Other bank balances	73.16	0.00%	73.16	632.08	0.00%	632.08
Loans	104.52	0.00%	104.52	171.63	0.00%	171.63
Other financial assets	1,237.62	15.65%	1,043.88	1,009.02	0.00%	1,009.02

## Expected credit loss for trade receivables under simplified approach

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. The Company believes that amount receivable from related parties is collectible in full, based on historical payment behaviour and hence no loss allowance has been recognized on the same. The Company based upon past trends determines an impairment allowance for loss on receivables from others.

Particulars	0-1 Year	More than 1 year
<b>As at March 31, 2024</b>		
Trade receivables	21,476.92	364.33
Default rate	-	100.00%
Expected credit loss	-	364.33
<b>As at March 31, 2023</b>		
Trade receivables	19,069.24	324.89
Default rate	-	100.00%
Expected credit loss	-	324.89

Reconciliation of loss allowance	Trade receivables
<b>Loss allowance on April 01, 2022</b>	<b>223.89</b>
Add/ (Less): Changes in loss allowances	101.00
<b>Loss allowance on March 31, 2023</b>	<b>324.89</b>
Add/ (Less): Bad debts written off	(10.56)
Add/ (Less): Changes in loss allowances	50.00
<b>Loss allowance on March 31, 2024</b>	<b>364.33</b>

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## a) Financing arrangements

The Company had access to the following undrawn 'fund based' borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
- Expiring within one year (cash credit and other facilities)	63,636.08	67,242.93
- Expiring beyond one year (term loans)	-	-
	<b>63,636.08</b>	<b>67,242.93</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

## b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2024	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	6,198.99	17.52	-	6,216.51
Lease liabilities	332.75	754.60	97.32	1,184.66
Trade payable	50,398.44	-	-	50,398.44
Other financial liabilities	4,274.56	-	-	4,274.56
<b>Total</b>	<b>61,204.74</b>	<b>772.12</b>	<b>97.32</b>	<b>62,074.17</b>

As at March 31, 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,312.85	119.38	-	4,432.23
Lease liabilities	185.65	56.80	-	242.45
Trade payable	30,932.74	-	-	30,932.74
Other financial liabilities	3,056.62	-	-	3,056.62
<b>Total</b>	<b>38,487.86</b>	<b>176.18</b>	<b>-</b>	<b>38,664.04</b>

## c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### 1) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, GBP, Euro and CHF. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Company's policy is to hedge the risk of changes in foreign currency. The Company uses combination of pre-shipment credit in foreign currency (PCFC) and forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Company designate both change in spot and forward element of forward contracts and change in spot of PCFCs to hedge exposure in foreign currency risk on highly probable forecast sales.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

(i) Exposure to currency risk:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	In foreign currency		In INR	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Trade receivables</b>				
EURO	25.80	26.47	2,327.62	2,371.77
USD	199.86	129.63	16,663.11	10,657.45
GBP	16.15	4.90	1,700.49	499.18
CHF	-	0.17	-	15.27
<b>Foreign exchange forward contracts (Sell foreign currency)</b>				
EURO	(10.00)	(21.00)	(902.18)	(1,881.35)
USD	(198.00)	(279.19)	(16,508.03)	(22,953.73)
GBP	(25.00)	-	(2,632.34)	-
<b>Trade payables and other payables</b>				
EURO	0.20	0.79	18.46	70.46
USD	8.42	0.06	702.05	5.13
CHF	0.00	-	0.18	-
AED	10.28	-	233.25	-
<b>Net exposure:</b>				
EURO	15.60	4.68	1,406.98	419.96
USD	(6.56)	(149.62)	(546.97)	(12,301.41)
GBP	(8.85)	4.90	(931.85)	499.18
CHF	(0.00)	0.17	(0.18)	15.27
AED	(10.28)	-	(233.25)	-

The following significant exchange rates have been applied:

	Year end spot rate	
	March 31, 2024	March 31, 2023
EURO	90.22	89.61
USD	83.37	82.22
GBP	105.29	101.87
CHF	92.39	89.82
AED	22.69	22.38

(a) Disclosure of effects of Cash flow hedge on financial position (Hedge Accounting)

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign currency risk									
(i) Foreign exchange forward contracts	20,130.32	-	21.02	-	April 30, 2024 - November 29, 2024	1:1	USD: ₹83.52 EUR: ₹91.89 GBP: ₹106.59	21.02	(21.02)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign currency risk									
(i) Foreign exchange forward contracts	24,865.70	-	-	165.24	28 April 2023 - 22 January 2024	1:1	USD: ₹82.70 EUR: ₹84.65	(165.24)	165.24

'0' represents amount which is below the rounding off norms adopted by the Company.

## (b) Disclosure of effects of Cash flow hedge on financial performance

### For the year ended March 31, 2024

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Foreign exchange forward contracts	186.26	-	(137.76)	Revenue and other income

### For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Foreign exchange forward contracts	(339.69)	-	(952.37)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	0.05	-	(67.65)	Revenue and other income

'0' represents amount which is below the rounding off norms adopted by the Company.

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For forward contracts, hedge effectiveness testing (Retrospective and Prospective) have been carried out using Dollar Offset Method by a management expert, engaged by the Company.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (c) Movements in cash flow hedging reserve

Particulars	Amount
<b>As at April 01, 2022</b>	<b>132.31</b>
Add: Changes in fair value of forward contracts	(1,292.06)
Add: Changes in fair value of PCFCs	(67.60)
Less: Amount reclassified to profit or loss	1,020.02
Less: Tax relating to above (net)	85.48
<b>Net Change during the year ended March 31, 2023</b>	<b>(254.16)</b>
<b>As at March 31, 2023</b>	<b>(121.85)</b>
Add: Changes in fair value of forward contracts	48.50
Add: Changes in fair value of PCFCs	-
Less: Amount reclassified to profit or loss	137.76
Less: Tax relating to above (net)	(46.88)
<b>Net Change during the year ended March 31, 2024</b>	<b>139.38</b>
<b>As at March 31, 2024</b>	<b>17.53</b>

### Sensitivity

A reasonably possible strengthening (weakening) of the Euro, US dollar, GBP and CHF against all other currencies at March 31, 2024 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. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in foreign currency (PCFC) designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Currency	Strengthen		Strengthen		Weaken		Weaken	
		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Sensitivity of change in exchange rate by 1%*	EURO	17.28	17.22	(6.75)	(14.08)	(17.28)	(17.22)	6.75	14.08
Sensitivity of change in exchange rate by 1%*	USD	119.44	79.71	(124.02)	(171.77)	(119.44)	(79.71)	124.02	171.77
Sensitivity of change in exchange rate by 1%*	GBP	12.73	3.74	(19.71)	-	(12.73)	(3.74)	19.71	-
Sensitivity of change in exchange rate by 1%*	CHF	(0.00)	0.11	-	-	0.00	(0.11)	-	-
Sensitivity of change in exchange rate by 1%*	AED	(1.75)	-	-	-	1.75	-	-	-

\* Holding all other variables constant

## 2) Interest rate risk

### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

#### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowing	6,163.92	4,257.07
Fixed rate borrowing	52.59	175.16
<b>Total borrowings</b>	<b>6,216.51</b>	<b>4,432.23</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Particulars	Effect on profit after tax	
	March 31, 2024	March 31, 2023
Total borrowings		
- Impact due to increase of 50 basis points*	(23.06)	(15.93)
- Impact due to decrease of 50 basis points*	23.06	15.93

\*Holding all other variable constant

## ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## 3) Price risk exposure

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

## 49 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio as at year end were as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Total borrowings including lease liabilities	7,308.31	4,653.61
Less : cash and cash equivalents	(1,927.28)	(230.18)
<b>Net debt</b>	<b>5,381.03</b>	<b>4,423.43</b>
Total equity	1,69,328.15	1,56,727.07
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.03</b>	<b>0.03</b>

## a) Dividend paid on equity shares

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
<b>(i) Interim Dividend</b>		
For the year ended March 31, 2023 of ₹ 0.50 per share	-	1,599.22
For the year ended March 31, 2024 of ₹ 0.50 per share	3,472.57	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## b) Loan covenants

Under the terms of major borrowing facilities, the Company is required to comply with the following covenants:

- the current ratio must be more than 2 times (March 31, 2023: 1.33 times);
- the debt to equity must remain lower than 2 times (March 31, 2023: 1 times);
- the promoter's holding must not be less than 51%;
- the total outside liability to tangible net worth ratio must not exceed 2 times (March 31, 2023: 1 times);
- the Debts to Earnings Before Interest, Taxes, Depreciation and Amortisation must not exceed 4 times;
- the Net Working Capital to be maintained at minimum level of 25% of current assets;
- Interest Service Coverage Ratio to be more than 2 times;
- Asset Coverage Ratio not to fall below as approved at the time of assessment
- To maintain a minimum Adjusted Tangible Net Worth of INR 12,000 million
- Debt Service Coverage Ratio not less than 1.5 times

The Company has complied with these covenants throughout the reporting period.

## 50 Related party disclosures

The Company's related party transactions and outstanding balances are with its subsidiaries, step down subsidiaries, associates and joint venture, key management and others as described below.

### A. Relationships

#### a) Subsidiaries

Daawat Foods Limited  
Nature Bio Foods Limited  
LT Overseas North America, Inc.  
LT Foods Holdings ME Limited (formerly known as Sona Global Limited)  
Deva Singh Sham Singh Exports Private Limited  
Raghunath Agro Industries Private Limited

#### b) Step down subsidiaries

LT Foods America Inc.  
LT Foods USA LLC  
LT Foods Middle East DMCC  
Ecolife LLC  
Nature Bio Foods B.V.  
LT Foods U.K. Limited  
LT Agri Services Private Limited  
LT Foods Europe B.V.  
Ecopure Specialities limited  
Nature Bio Foods Inc.  
LT Foods Europe Holding Limited (formerly known as LT Foods International Limited)  
Bonne Nature Limited

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## c) Joint venture

Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited)

## d) Associate enterprises

Raghuvesh Agri Foods Private Limited

Raghuvesh Warehousing Private Limited

Raghuvesh Infrastructure Private Limited

## e) Key management personnel and Directors

### - Key management personnel

Name	Designation
Mr. Vijay Kumar Arora	Managing Director
Mr. Surinder Kumar Arora	Managing Director
Mr. Ashwani Kumar Arora	Managing Director and Chief Executive Officer
Mr. Ashok Kumar Arora	President - Punjab operations
Mr. Alrumaih Sulaiman Abdul Rehman S	Additional Director (w.e.f. February 28, 2023)
Mr. Sachin Gupta	Chief Finance Officer (w.e.f. May 30, 2022)
Ms. Monika Chawla Jaggia	Company Secretary

### - Directors

Ms. Ambika Sharma	Independent Director
Ms. Neeru Singh	Independent Director
Mr. Abhiram Seth	Lead Independent Director
Mr. S C Gupta	Independent Director (w.e.f. June 2023)
Mr. Anil Khandelwal	Independent Director (upto February 22, 2023)
Mr. Raju Lal	Independent Director (w.e.f. January 2024)

## f) Enterprise having significant influence

SALIC International Investment Company ("SALIC")

United Farmers Investment Company-Subsidiary of SALIC

### - Relatives of Key Management Personnel (with whom transactions have taken place during the year)

Name	Relationship
Ritesh Arora	Son of Mr. Ashwani Kumar Arora
Anmol Arora	Son of Mr. Surinder Kumar Arora
Aditya Arora	Son of Mr. Ashok Kumar Arora
Gursajan Arora	Son of Mr. Ashok Kumar Arora
Abhinav Arora	Son of Mr. Vijay Kumar Arora
Parvesh Rani	Mother of Mr. Vijay Kumar Arora
Ranju Arora	Wife of Mr. Vijay Kumar Arora
Sakshi Arora	Wife of Mr. Surinder Kumar Arora
Anita Arora	Wife of Mr. Ashok Kumar Arora
Vandana Arora	Wife of Mr. Ashwani Kumar Arora

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Entities in which Key Management Personnel and their relatives have significant influence with whom transactions have taken place during the current year and/or previous year:

Super Texfab Private Limited

Raghuvesh Holdings Private Limited

Global Foods Trading Gmbh

Global Foods Trading Ltd.

Global Foods Trading Spain S.L

Global Foods Trading France Sarl

Sidhu Foods B.V.

Transactions with Subsidiary Companies, Step down Subsidiary Companies, Joint venture, Associate Companies and entities where key management personnel has significant influence

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sales</b>		
LT Foods America Inc.	90,281.66	82,366.10
Raghunath Agro Industries Private Limited	398.63	64.23
LT Foods Middle East DMCC	29,230.12	19,662.40
Daawat Foods Limited	2,025.96	27,194.12
Global Foods Trading Gmbh	3,578.48	2,309.51
Global Foods Trading Ltd.	738.60	367.62
Global Foods Trading Spain S.L	1,566.89	979.09
Sidhu Foods B.V.	305.62	-
LT Foods Europe B.V.	7,499.26	13,711.68
Kameda LT Foods (India) Private Limited	109.75	57.08
LT Foods International Limited	709.78	-
Global Foods Trading France Sarl	1,334.63	1,310.47
<b>Purchases</b>		
Raghunath Agro Industries Private Limited	13,129.30	6,926.28
Daawat Foods Limited	59,808.44	40,917.52
Nature Bio Foods Limited	-	13.75
Super Texfab Private Limited	6,427.05	2,616.18
Kameda LT Foods (India) Private Limited	541.59	302.85
<b>Rental income</b>		
Kameda LT Foods (India) Private Limited	154.59	154.59
<b>Fumigation income</b>		
Nature Bio Foods Limited	46.97	87.06
<b>Reimbursement of expenses received</b>		
Kameda LT Foods (India) Private Limited	80.37	51.76
Nature Bio Foods Limited	213.93	101.87
Raghuvesh Infrastructure Private Limited	10.23	9.45
Daawat Foods Limited	141.40	205.96
Raghunath Agro Industries Private Limited	9.41	8.79
Ecopure Specialities Limited	50.80	85.47
Deva Singh Sham Singh Exports Private Limited	0.30	0.86
<b>Reimbursement of expenses paid</b>		
Raghunath Agro Industries Private Limited	6.24	-
Nature Bio Foods Limited	30.27	-
<b>Investments</b>		
Kameda LT Foods (India) Private Limited	-	511.43
LT Foods Holdings ME Limited	-	1,597.34



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Purchase of shares of Daawat Foods Limited</b>		
United Farmers Investment Company	-	17,583.02
<b>Processing charges income</b>		
Nature Bio Foods Limited	82.40	16.70
<b>Freight Expense</b>		
Daawat Foods Limited	42.18	37.79
<b>Rental Expense</b>		
Deva Singh Sham Singh Exports Private Limited	84.00	57.00
<b>Transport income</b>		
Nature Bio Foods Limited	-	5.69
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>Interest income</b>		
Raghuvesh Agri Foods Private Limited	0.75	10.17
Raghuvesh Warehousing Private Limited	-	0.13
<b>Dividend income</b>		
Daawat Foods Limited	200.00	200.00
Raghuvesh Warehousing Private Limited	34.00	-
LT Foods America Inc.	1,203.73	1,186.83
<b>Fumigation expense</b>		
Raghunath Agro Industries Private Limited	4.87	5.59
Deva Singh Sham Singh Exports Private Limited	0.13	15.51
<b>Business Support Services income</b>		
Daawat Foods Limited	248.37	247.23
LT Foods Europe B.V.	-	92.85
Nature Bio Foods Inc.	23.89	27.12
Nature Bio Foods BV	175.12	139.59
Nature Bio Foods Limited	125.67	110.48
Ecopure Specialities Limited	15.13	130.87
<b>Corporate guarantee charges income</b>		
Daawat Foods Limited	279.92	216.52
Nature Bio Foods Limited	98.61	89.95
Raghunath Agro Industries Private Limited	26.70	14.79
Ecopure Specialities Limited	25.81	35.24
<b>Loan granted</b>		
Raghuvesh Agri Foods Private Limited	68.00	75.00
Raghuvesh Warehousing Private Limited	24.00	5.00
<b>Payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	103.16	275.00
Raghuvesh Warehousing Private Limited	24.12	8.65
<b>Sale of Property, plant &amp; Equipment</b>		
Daawat Foods Limited	11.42	8.83
<b>Purchase of Property, plant &amp; Equipment</b>		
Raghunath Agro Industries Private Limited	-	11.00

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Transactions with key management personnel</b>		
<b>Remuneration (excluding long term employee benefit)</b>		
Mr. Vijay Kumar Arora	-	215.51
Mr. Ashwani Kumar Arora	230.00	211.32
Mr. Sachin Gupta	79.43	64.74
Ms. Monika Chawla Jaggia	80.71	66.99
Dividend paid to the key management personnel	919.48	459.74

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Transactions with relatives of key management personnel</b>		
<b>Remuneration</b>		
Mr. Ritesh Arora	78.07	64.47
<b>Dividend paid to relatives of key management personnel and entities in which key management personnel have significant influence</b>		
Details of parties to whom dividend paid is more than 10%		
Raghuvesh Holdings Private Limited	333.84	166.92
Others	517.67	281.92
<b>Director sitting fees</b>		
Mr. S C Gupta	2.00	-
Ms. Neeru Singh	5.60	5.40
Ms. Ambika Sharma	4.60	4.60
Mr. Anil Khandelwal	-	3.80
Mr. Abhiram Seth	6.00	5.80

Mr. Vijay Kumar Arora, Mr. Ashwini Kumar Arora, and Mr. Surinder Kumar Arora, the Directors have given personal guarantees against the short term borrowings (except vehicles loans) availed by the Company as disclosed under:

Particulars	As at March 31, 2024	As at March 31, 2023
Short-term borrowings	6,163.92	4,257.07

Balances at the year-end {net receivable/(net payable)}

Particulars	As at March 31, 2024	As at March 31, 2023
LT Foods Middle East DMCC	5,903.11	2,603.19
LT Foods America Inc.	1,274.73	2,756.70
Daawat Foods Limited	1,783.78	(1,790.44)
Ecopure Specialities Limited	54.41	184.02
Nature Bio Foods Limited	232.73	243.91
Raghunath Agro Industries Private Limited	2,976.79	2,943.62
LT Foods U.K. Limited	709.34	-
LT Foods Europe Holding Limited	23.03	22.71
LT Foods Europe B.V.	558.84	1,463.14
Deva Singh Sham Singh Exports Private Limited	(91.76)	(100.28)
Nature Bio Foods Inc.	23.97	27.11
Nature Bio Foods BV	174.95	140.27
Raghuvesh Agri Foods Private Limited	-	35.45
Raghuvesh Warehousing Private Limited	-	0.41
Kameda LT Foods (India) Private Limited	80.54	(280.13)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at	
	March 31, 2024	March 31, 2023
Super Texfab Private Limited	(1,583.38)	-
Global Foods Trading GmbH	1,365.23	834.92
Sidhu Foods B.V.	305.62	-
Global Foods Trading Ltd.	338.30	192.73
Global Foods Trading Spain S.L	518.83	304.45
GFT France SARL	531.86	267.48
Mr. Sachin Gupta	2.30	-
Ms. Monika Chawla Jaggia	4.18	10.43
<b>Corporate guarantees given (outstanding) on behalf of</b>		
Daawat Foods Limited	14,642.65	16,659.60
Nature Bio Foods Limited	6,688.15	5,972.02
Raghunath Agro Industries Private Limited	612.66	871.54
Ecopure Specialities limited	1,790.67	1,252.47

## Terms and conditions of transactions with related parties

The transactions with related parties have been entered into by Company in the ordinary course of business, on arm's length basis on terms prevailing in the open market at that time.

## 51 Details of loan, investment made and guarantee given covered under section 186(4) of Companies Act, 2013

### (i) Loans granted to associates

Name of the Loanee	Rate of interest	Maximum balance outstanding during the year	As at	
			March 31, 2024	March 31, 2023
Raghuvesh Agri Foods Private Limited	10.00% p.a.	65.16	-	35.45
Raghuvesh Warehousing Private Limited	10.00% p.a.	24.12	-	0.41
<b>Total</b>			<b>-</b>	<b>35.86</b>

(ii) Refer note 4 for details of Investments made in subsidiaries, associates, joint venture and in other entities.

### (iii) Guarantee provided

Name of Bank/Financial Institutions	Guarantees outstanding, given behalf of	Purpose	As at March 31, 2024		As at March 31, 2023	
			Sanction amount	Outstanding amount	Sanction amount	Outstanding amount
SBICAP Security Trustee Company Limited	Daawat Foods Limited	Working capital loan	33,300.00	14,642.65	33,300.00	16,659.60
Oriental Bank of Commerce, Amritsar	Raghunath Agro Industries Private Limited	Working capital loan	6,980.00	612.66	6,980.00	871.54
CTBC Bank	Nature Bio Foods Limited	Working capital loan	2,900.00		2,900.00	
Kotak Mahindra Bank Limited	Nature Bio Foods Limited	Working capital loan	3,200.00	6,688.15	3,200.00	5,972.02
Indusind Bank Limited	Nature Bio Foods Limited	Working capital loan	5,200.00		5,200.00	
Indusind Bank Limited	Ecopure Specialities Limited	Working capital loan	4,240.00		4,240.00	

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of Bank/Financial Institutions	Guarantees outstanding, given behalf of	Purpose	As at March 31, 2024		As at March 31, 2023	
			Sanction amount	Outstanding amount	Sanction amount	Outstanding amount
SBM Bank (India) Limited	Ecopure Specialities Limited	Working capital loan	-	1,790.67	2,000.00	1,252.47
SBI Bank	Ecopure Specialities Limited	Working capital loan	3,300.00		3,300.00	
Tata Capital Financial Services Limited	Dealers and Wholesalers	Working capital loan	1,250.00	870.36	-	-
Kotak Mahindra Bank	Dealers and Wholesalers	Working capital loan	1,000.00	240.11	-	-
<b>Total</b>			<b>61,370.00</b>	<b>24,844.60</b>	<b>61,120.00</b>	<b>24,755.63</b>

The above guarantees were made for business purposes only.

## 52 Revenue from Contracts with Customers

Indian Accounting Standard 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

### Significant changes in contract assets and liabilities

There has been no significant changes in the nature of contract assets/contract liabilities during the year.

### Revenue recognised in relation to contract liabilities

#### Advance from Customers:

Description	Year ended March 31, 2024	Year ended March 31, 2023
Amounts included in contract liabilities at the beginning of the year	1,153.18	1,153.18
Performance obligations satisfied in current year	(1,076.53)	(1,062.58)
Amount received in the current year having outstanding performance obligations	987.69	1,062.58
Amounts included in contract liabilities at the end of the year	1,064.34	1,153.18

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Company.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Timing of revenue recognition	Year ended	Year ended
	March 31, 2024	March 31, 2023
Revenue recognised over time	1,192.38	1,497.68
Revenue recognised at point in time	3,99,161.68	3,87,769.75
	<b>4,00,354.06</b>	<b>3,89,267.43</b>

## Assets and liabilities related to contracts with customers

Description	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods and services</b>				
Advance from customers	-	1,064.34	-	1,153.18

## Reconciliation of revenue recognised with contract price

Description	March 31, 2024	March 31, 2023
Contract price	4,09,345.56	3,96,696.04
Adjustment for:		
Incentives and discounts	(8,991.50)	(7,428.61)
<b>Revenue from Operations</b>	<b>4,00,354.06</b>	<b>3,89,267.43</b>

## 53 Ratios

S No.	Ratio	Formula	Particulars		Ratio as on	Ratio as on	Variation
			Numerator	Denominator	March 31, 2024	March 31, 2023	
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets = Current Inventories + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Bank Balance + Loans + Other Financial Assets	Current Liability = Short term borrowings + Trade Payables + Other financial Liability + Current tax Liabilities + Lease Liabilities + Provisions + Other Current Liability	2.71	3.30	-17.8%
(b)	Debt-Equity Ratio	Debt / Equity	Debt = long term borrowing + short term borrowing + Non-current and current lease liabilities	Equity = Equity + Reserve and Surplus	4.32	2.97	45.4%
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income = Net profit before taxes + Non-cash operating expenses + finance cost	Debt Service = Interest and Lease Payments + Principal Repayments of lease liabilities and long term borrowing	11.49	10.23	12.2%

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

S No.	Ratio	Formula	Particulars		Ratio as on	Ratio as on	Variation
			Numerator	Denominator	March 31, 2024	March 31, 2023	
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profit after taxes	Shareholder's Equity = Equity + Reserves & surplus	0.09	0.10	-7.8%
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of good sold=Cost of Material Consumed + Purchases of Stock in Trade + Changes in Inventory	Average Inventory = (Opening Inventory + Closing Inventory)/2	2.57	2.68	-4.2%
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sale=Sale of products + Sales of traded goods	Average Trade Receivables = (Opening Trade Receivables + Closing Trade Receivables)/2	19.70	18.21	8.2%
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	Average Trade Payables = (Opening Trade Payables + Closing Trade Payables)/2	8.69	7.90	10.0%
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue from Operations	Average Working Capital= Average of Current assets – Current liabilities	3.92	4.84	-19.1%
(I)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Revenue from Operations	0.04	0.04	-3.0%
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Equity Share Capital + Other Equity + Non Current and Current borrowings + Total Lease Liabilities	0.13	0.15	-10.4%
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Equity Share Capital	4.60	4.62	-0.5%

## Explanation for change in the ratios by more than 25%:

### (i) Debt-Equity Ratio

The increase in debt equity ratio is due to increase in borrowing and lease liabilities during the current financial year.

**54** The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. There are numerous interpretation issues relating to the judgement passed by Supreme Court dated February 28, 2019 in the matter of Surya Roshni Ltd and others v/s State of M.P. on Provident fund. The order does not specifically mention the date of applicability of this judgement, whether it will be retrospectively or prospectively. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company for the previous periods, if any, can be ascertained. However, the Company has adopted the above changes prospectively.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**55** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## 56 New and amended standards adopted by the Company

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company has applied these amendments for the first-time in these financial statements.

**Amendments to Ind AS 8 - definition of accounting estimates:** The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on these financial statements.

**Amendments to Ind AS 1 - disclosure of accounting policies:** The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

**Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction:** The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the financial statements.

### New and amended standards issued but not effective

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**57** The Company has a working capital limit of ₹ 69,800 (March 31, 2023: ₹ 71,500). For said facility, the management files returns/ statements, including information about inventory, debtors (with their ageing) and creditors, with such banks on monthly basis. The management also files revised returns/ statements, including similar information as at quarter-end and for the quarter then ended, with such banks on quarterly basis after reconciling the data with quarter-end accounts. The revised returns/ statements filed with such banks, except for few immaterial differences, are in agreement with the unaudited books of accounts of the Company on aggregate basis.

## 58 Other statutory information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

- (v) The Company has no 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.
- (vi) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) The Company does not have any transactions with company struck-off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (ix) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.
- (xii) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Company.

## 59 Previous year figures

Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

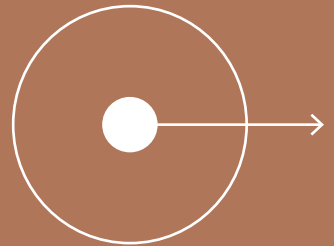
**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150



# Consolidated

Financial  
Statements



# Independent Auditor's Report

To the Members of **LT Foods Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of LT Foods Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, 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 material accounting policy information 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 consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2024, its consolidated total comprehensive income (comprising of its 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 of the consolidated financial statements in accordance with the Standards on Auditing ("SAs"), as 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 associates and its

joint ventures 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 Institute of Chartered Accountant of India ("ICAI"), 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 we have obtained and the audit evidence obtained by the other auditors in terms of the reports referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 9 to the Consolidated Financial Statements with reference to a subsidiary, Daawat Foods Limited ("DFL"), with regards to litigation about the recoverability of an Insurance claim (asset) amounting to INR 13,410.53 lakhs as at March 31, 2024. The Insurance Company had repudiated the insurance claim vide its order dated February 04, 2016 against which DFL had filed a commercial suit with District Court of Raipur, Bhopal. During the year ended March 31, 2024, the District Court of Raipur, Bhopal (District Court) passed a decree in the favour of DFL, allowing the claim of DFL for an amount of INR 16,120.27 lakhs as per the terms and conditions of the Insurance policy, along with interest thereon @ 6% p.a. with effect from the date of fire incident estimated to INR 12,293.59 lakhs. The insurance company has filed an appeal with the Hon'ble High Court of Madhya Pradesh against the order of the district court and while the application on admissibility of appeal and stay has been recently heard by the Hon'ble High Court, the order has been reserved on the same and hence, the outcome is pending.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. 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.

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

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue recognition – Sale of goods</b></p> <p>Refer Note 1 of consolidated financial statements with respect to the accounting policies followed by the Group for recognizing revenue from sale of products.</p> <p>The Group recognised revenues amounting to ₹ 7,77,240.70 lakhs for the year ended March 31, 2024, as disclosed in Note 34 and Note 56 to the consolidated financial statements.</p> <p>Revenue comprises of sale of manufactured goods (rice), traded goods and by products – which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.</p> <p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of multiple channels for sales, transactions with subsidiaries and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<p>Our audit work included the following procedures:</p> <ul style="list-style-type: none"> <li>● Understood the business process of revenue and receivables process for evaluating the design effectiveness of internal financial controls;</li> <li>● Validated the operating effectiveness of internal financial controls in revenues and receivables process;</li> <li>● Assessed the appropriateness of the accounting policies relating to revenue recognition by ensuring their compliance with Ind AS 115 (“Revenue from Contracts with Customers”);</li> <li>● Performed substantive analytical procedures on revenue which includes margins analysis (corroboration between revenues and costs for current year and its comparison with last year), analysis for key customers etc.;</li> <li>● Evaluated the terms and conditions of the key contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the Indian Accounting Standards;</li> <li>● Performed substantive testing on test check basis for revenue transactions recognised during the year by testing their underlying documents which include purchase orders from customers, proof of deliveries (bill of lading for export sales and lorry receipts etc. for domestic sales), invoices and collection of money from the customers (as applicable). Considering different categories of customers, the nature of documents supporting accuracy and occurrence of transactions varies. Our testing methodology was designed and implemented considering these facts and circumstances;</li> <li>● Reviewed reconciliation of revenues between books and revenues disclosed in statutory returns (i.e., GST returns);</li> <li>● Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors; and</li> <li>● Assessed the adequacy and appropriateness of the disclosures made in financial statements in compliance with the requirements of Ind AS 115 - ‘Revenue from contracts with customer’.</li> </ul>
2	<p><b>Inventory – existence and valuation</b></p> <p>Refer Note 1 to the consolidated financial statements which includes the accounting policies followed by the Group for valuation of inventory.</p> <p>The Group’s inventory is valued at the lower of cost and Net Realizable Value (NRV).</p> <p>The Group is engaged in the business of manufacturing and selling rice and the Group’s inventory primarily comprises of raw material i.e., paddy, semifinished rice,</p>	<p>Our audit procedures in respect of this area, among others, included the following:</p> <p><b>Existence:</b></p> <ul style="list-style-type: none"> <li>● Assessed the appropriateness of the accounting policies relating to valuation of Inventory by ensuring their compliance with Ind AS 2 (“Inventories”) and Ind AS 23 (“Borrowing Costs”);</li> <li>● Obtained inventory reports (retrieved from SAP) and results of management conducted count and</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>finished rice, soya, stores and spares and packing material. Such inventory is stored in plant, rented warehouses, silos and storage bags. Inventory holding is generally significant at the end of the financial year considering seasonality of the agricultural produce of paddy and natural ageing process followed by the Group for getting desired level of quality. High quantity of inventory at the year-end makes inventory physical verification an extensive procedure for the management.</p> <p>The valuation of raw material, semi-finished and finished rice is a comprehensive exercise and is carried out manually. The valuation process involves estimation around determination of:</p> <ul style="list-style-type: none"> <li>• Allocable overheads and their absorption rates;</li> <li>• Determination of net realisable value of by-products;</li> <li>• Capitalisation of borrowing costs to paddy, semi-finished and finished rice, given significant holding period between acquisition and production.</li> <li>• Period and rate of finance costs to be capitalised.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Group, is considered to be one of the areas which required significant attention owing to the complexity and judgement involved in the process of physical count and valuation.</p> <p>Hence, we have identified this as a key audit matter.</p>	<p>reviewed reconciliation of differences, if any, between management physical count and inventory records. Tested the necessary adjustments, if any, made in the inventory records by the management;</p> <ul style="list-style-type: none"> <li>• Reviewed reconciliation of inventory quantitative details in valuation workings with inventory reports obtained from the management, as retrieved from SAP i.e., the integrated ERP used by the Group. Understood and tested the reconciling items, if any;</li> <li>• Obtained independent confirmations, on sample basis, for inventory lying with third parties as at year-end;</li> <li>• Observed physical verification done by the management as at year-end and also, independently verified few items physically on sample basis for locations scoped-in, basis materiality of stock lying at such locations to overall inventory balance of the Group as at year-end;</li> <li>• Corroborated the results of our physical verification procedures, on sample basis, with valuation workings obtained from the management; and</li> <li>• Presented our approach and results of physical verification, including but not limited to scoped-in locations, methodology followed for verification of inventory stored in bags and silos and confirmation procedures, to the audit committee.</li> </ul> <p><b>Valuation:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management process of inventory valuation;</li> <li>• Evaluated design effectiveness of controls over inventory valuation process and tested key controls for their operating effectiveness;</li> <li>• Verified inputs into the valuation process from source documents/ general ledger accounts on test check basis;</li> <li>• Verified, on test check basis, quantitative reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the rice yield during the year and to identify any abnormal production loss. Compared the yield between current year and prior year to identify abnormalities, if any;</li> <li>• Compared basis of key estimates, including those involved in computation of allocable overheads and borrowing costs, to prior year and enquired reasons for any significant variations;</li> <li>• Verified net realisable value of by-products from supporting documents and arithmetical accuracy of valuation calculations; and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The 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 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Board of Directors 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 financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and joint ventures, 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 associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group 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 associates and joint ventures 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### Other Matters

We did not audit the financial statements of ten subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 1,08,854.37 lakhs as at March 31, 2024, total revenues of ₹ 1,97,033.65 lakhs, total net profit after tax of ₹ 3,886.32 lakhs, total comprehensive income of ₹ 3,949.12 lakhs, and net cash inflows of ₹ 523.35 lakhs, for the year ended March 31, 2024, as considered in the Consolidated Financial Statement. The Consolidated Financial Statements also include the Group's share of net profit after tax of ₹ 5,300.82 lakhs, and total comprehensive income of ₹ 5,300.82 lakhs, for the year ended March 31, 2024, as considered in the Consolidated Financial Statements, in respect of three associates and a joint venture, whose financial statements 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 these amounts and disclosures included in respect of these subsidiaries, associates and a joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph above.

Further, the Consolidated Financial Results also include the audited financial results of two subsidiaries, incorporated outside India, whose financial statements reflect total assets of ₹ 15,348.14 lakhs as at March 31, 2024, total revenue of ₹ 33,950.41 lakhs, total net loss after tax of ₹ 722.54 lakhs, total comprehensive loss of ₹ 672.04 lakhs, and net cash inflows of ₹ 774.48 lakhs, for the year ended March 31, 2024, as considered in the Consolidated Financial Results, which have been audited by other auditors. The financial statements of these subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under the standards of auditing applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other 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 amounts and disclosures included in respect of these subsidiaries, is based on the audit reports of such other auditors as furnished to us by the management and the conversion adjustments prepared by the management of the Holding Company which have been audited by us.

Further, the Consolidated Financial Results also include the financial results of a subsidiary, whose financial statements reflects total assets of ₹ Nil as at March 31, 2024 and total revenues of ₹ Nil, total net profit after tax of ₹ Nil, total comprehensive income of ₹ Nil, and net cash inflows of ₹ Nil, for the year ended March 31, 2024. The Consolidated Financial Results also include the Group's share of net profit after tax of ₹ 89.90 lakhs and total comprehensive income of ₹ 89.90 lakhs for the year ended March 31, 2024, in respect of an associate and a joint venture. The financial statements of this subsidiary, associate and joint venture are unaudited and certified by the management. According to the information and explanations given to us, this financial information is not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matter specified in paragraph 3(xxii) of CARO 2020, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiaries, associates and jointly ventures

referred to in the Other Matters section above 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 Flow 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 Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company, its subsidiaries and a joint venture, incorporated in India and audited by us, as on March 31, 2024 taken on record by the respective Board of Directors of such companies and the reports of the other auditors of subsidiaries and associates, incorporated in India and audited by other auditors (as mentioned in "Other Matters" paragraph above), none of the directors of the Holding Company, its subsidiaries, its associates and its joint venture, incorporated in India, are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries, its associates and its joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure C".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint

- venture– Refer Note 45 to the consolidated financial statements.
- ii. The Group, its associates and joint ventures, did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, and its associates and its joint venture, incorporated in India, during the year ended March 31, 2024.
  - iv.
    - a. On the basis of reports of other auditors of subsidiaries and associates, incorporated in India and not audited by us, and the respective management of the Holding Company and its subsidiaries and its joint venture, which are companies incorporated in India and audited by us, have represented that, to the best of their knowledge and belief, 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 such companies 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 Intermediaries 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 its subsidiaries or its associates or its joint venture (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. On the basis of reports of other auditors of subsidiaries and associates, incorporated in India and not audited by us, and the respective management of the Holding Company and its subsidiaries and its joint venture, which are companies incorporated in India and audited by us, have represented that, to the best of their knowledge and belief, no funds have been received by such companies 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 its subsidiaries or its associates or its joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c. Based on the audit procedures, as considered reasonable and appropriate in the circumstances, performed by us and those performed by the other auditors (as mentioned above), 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 sub clause (iv)(a) and (iv)(b) above, contain any material misstatement.
  - v. The dividend declared and paid during the year by the Holding Company and a subsidiary, is in compliance with Section 123 of the Act. No dividend has been declared by any of the subsidiaries, associates, and joint ventures, incorporated in India.
  - vi. Based on our examinations and on consideration of report of other auditors (as referred in “Other Matter”above , in relation to the companies incorporated in India), the holding company,its subsidiaries associates and joint ventures have used accounting software for maintaining its books of accounts which has features of rerecording audit trail (edit log) facility. The audit trail feature has operated throughout the year for all transaction recorded in the accounting software. Further,during the Course of our audit and on consideration of reports of other auditors as mentioned above, we did not come across any instance of audit trail (feature being tempered with.)
3. As required by The Companies (Amendment) Act, 2017, in our opinion and according to information and explanations given to us, the managerial remuneration paid/ payable for the year ended March 31, 2024 by the Group, its associates and its joint venture, incorporated in India, is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner Membership No.: 505676  
UDIN: 24505676BKGPI3835

Place: Gurugram  
Date: May 17, 2024

# Annexure A

## To the Independent Auditor's Report on even date on the Consolidated Financial Statements of LT Foods Limited

### Auditor's Responsibilities for the Audit of the 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 Holding Company has adequate internal financial controls with reference to consolidated 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 respective management's use of the going concern basis of accounting and, based on the audit evidence obtained and representation of other auditors, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each company included in the Group and its associates and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 companies 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 information of the entities or business activities within the Group and its associates and its joint ventures 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.

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 for the year ended March 31, 2024 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.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner Membership No.: 505676

UDIN: 24505676BKGPQI3835

Place: Gurugram

Date: May 17, 2024



# Annexure B

## To Independent Auditors' Report of even date on the Consolidated Financial Statements of LT Foods Limited for the year ended March 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' 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):

S. No.	Name of Company	CIN	Type of Company	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Kameda LT Foods (India) Private Limited	U15209DL2017PTC314398	Joint Venture	Clause (xvii)

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner Membership No.: 505676

UDIN: 24505676BKGPQI3835

Place: Gurugram

Date: May 17, 2024

# Annexure C

## To the Independent Auditor's Report of even date on the Consolidated Financial Statements of LT Foods Limited

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of LT Foods Limited on the consolidated Financial Statements for the year ended March 31, 2024]

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

In conjunction with our audit of the consolidated financial statements of LT Foods Limited (the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, its associates, including companies audited by other auditors (refer "Other Matters" paragraph below), and a joint venture, which are companies incorporated in India, as of that date.

#### Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, its associates and its joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI") (the "Guidance Note").

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

The respective Board of Directors of the Holding Company, its subsidiaries, its associates and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies 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 issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 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 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 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 control 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 control with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated 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 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 control 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 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 three subsidiaries and three associates, 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 the above matter.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner Membership No.: 505676  
UDIN: 24505676BKGPQI3835

Place: Gurugram  
Date: May 17, 2024

# Consolidated Balance Sheet

as at March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	70,943.05	64,526.86
Capital work-in-progress	3	4,120.99	2,661.55
Right of use assets	4	36,262.90	26,464.16
Goodwill	5	2,854.17	2,400.91
Other Intangible assets	5	5,916.95	6,132.83
Investments accounted for using the equity method	6	16,965.49	12,180.21
<b>Financial assets</b>			
Investments	7	1,375.77	517.97
Loans	8	1,182.89	41.41
Other financial assets	9	15,027.92	15,475.29
Deferred tax assets (net)	10	2,783.63	2,032.27
Non-current tax assets	11	3,715.08	3,700.34
Other non-current assets	12	3,808.24	1,112.23
<b>Total non-current assets</b>		<b>1,64,957.08</b>	<b>1,37,246.03</b>
<b>Current assets</b>			
Inventories	13	3,49,812.61	3,07,238.84
<b>Financial assets</b>			
Trade receivables	14	67,583.56	67,435.35
Cash and cash equivalents	15	4,961.19	3,215.40
Bank balances other than cash and cash equivalents	16	73.16	683.55
Loans	17	62.89	130.22
Other financial assets	18	3,402.43	1,252.21
Other current assets	19	13,553.94	14,857.92
<b>Total current assets</b>		<b>4,39,449.78</b>	<b>3,94,813.49</b>
<b>Total assets</b>		<b>6,04,406.86</b>	<b>5,32,059.52</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	3,472.53	3,472.53
Other equity	21	3,33,689.55	2,72,233.80
Non-controlling interest	22	5,505.64	3,996.53
<b>Total equity</b>		<b>3,42,667.72</b>	<b>2,79,702.86</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	23	1,053.12	26,088.25
Lease liabilities	24	33,737.14	23,552.30
Long-term provisions	25	1,569.41	1,334.76
Deferred tax liabilities (net)	10	226.70	169.33
Other non-current liabilities	26	13,565.36	104.56
<b>Total non-current liabilities</b>		<b>50,151.73</b>	<b>51,249.20</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	27	51,562.16	67,686.30
Lease liabilities	30	5,395.34	4,746.81
Trade payables	28		
Due to micro and small enterprises		2,174.77	1,431.56
Due to others		1,20,825.53	1,07,848.13
Other financial liabilities	29	15,899.78	9,009.84
Other current liabilities	31	6,315.03	6,950.81
Short term provisions	32	657.63	683.60
Current tax liabilities	33	8,757.17	2,750.41
<b>Total current liabilities</b>		<b>2,11,587.41</b>	<b>2,01,107.46</b>
<b>Total liabilities</b>		<b>2,61,739.14</b>	<b>2,52,356.66</b>
<b>Total equity and liabilities</b>		<b>6,04,406.86</b>	<b>5,32,059.52</b>

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 17, 2024

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	34	7,77,240.70	6,93,579.19
Other income	35	4,964.91	4,302.14
<b>Total income</b>		<b>7,82,205.61</b>	<b>6,97,881.33</b>
<b>Expenses</b>			
Cost of materials consumed	36	5,36,732.57	4,58,567.65
Purchases of stock-in-trade	37	26,726.63	28,106.23
Changes in inventories of semi-finished goods, finished goods and stock-in-trade	38	(35,647.93)	(28,927.65)
Employee benefits expense	39	43,009.02	35,963.82
Finance costs	40	8,296.58	8,210.03
Depreciation and amortisation expenses	41	15,290.65	12,690.72
Other expenses	42	1,12,631.99	1,29,798.44
<b>Total expenses</b>		<b>7,07,039.51</b>	<b>6,44,409.24</b>
<b>Profit before share of profit of investments accounted for using equity method and tax</b>		<b>75,166.10</b>	<b>53,472.09</b>
Share of net profit of associates and joint ventures accounted for using the equity method		4,886.65	2,786.22
<b>Profit before tax</b>		<b>80,052.75</b>	<b>56,258.31</b>
<b>Tax expense</b>			
Current tax	44	21,177.62	13,555.12
Deferred tax expense		(884.76)	427.41
<b>Total tax expense</b>		<b>20,292.86</b>	<b>13,982.53</b>
<b>Profit for the year</b>		<b>59,759.89</b>	<b>42,275.78</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to Statement of Profit or Loss</b>			
Re-measurement of net defined benefit plans	46	(22.93)	(243.15)
Tax on above		5.76	61.19
<b>Items that will be reclassified to Statement of Profit or Loss</b>			
Exchange differences on translation of foreign operations		2,303.11	4,723.94
(Loss)/ Gain on cash flow hedge reserve		917.61	(1,235.34)
Tax on above		(230.94)	310.89
<b>Other comprehensive income for the year</b>		<b>2,972.61</b>	<b>3,617.53</b>
<b>Total comprehensive income for the year</b>		<b>62,732.50</b>	<b>45,893.31</b>
<b>Profit attributable to</b>			
Owners of LT Foods Limited		59,334.88	40,265.19
Non-controlling interests		425.01	2,010.59
		<b>59,759.89</b>	<b>42,275.78</b>
<b>Other comprehensive income attributable to</b>			
Owners of LT Foods Limited		2,972.39	3,721.29
Non-controlling interests		0.22	(103.76)
		<b>2,972.61</b>	<b>3,617.53</b>
<b>Total comprehensive income attributable to</b>			
Owners of LT Foods Limited		62,307.27	43,986.48
Non-controlling interests		425.23	1,906.83
		<b>62,732.50</b>	<b>45,893.31</b>
<b>Earning per equity share</b>			
Basic (₹)	43	17.09	12.50
Diluted (₹)	43	17.09	12.50

Statement of significant accounting policies

1

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Consolidated Cash Flow Statement

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>80,052.75</b>	<b>56,258.31</b>
<b>Adjustments for:-</b>		
Depreciation and amortisation expense	15,290.65	12,690.72
Unrealised foreign exchange gain	(186.21)	(1,438.91)
Profit on sale of property, plant and equipment	(65.48)	(503.36)
Interest income	(76.40)	(73.75)
Finance costs	8,296.58	8,210.03
Gain on fair value of investments	(84.06)	(3.64)
Amounts written back	(59.82)	(34.32)
Trade receivables and other amounts written off	12.31	79.25
Provision for doubtful debts	664.54	267.37
Share of loss in associates and joint venture	(4,886.65)	(2,786.22)
<b>Operating profit before working capital changes</b>	<b>98,958.21</b>	<b>72,665.48</b>
<b>Adjustments for (increase) /decrease in operating assets:</b>		
Trade Receivables	(464.73)	(6,124.79)
Inventories	(42,573.77)	(72,054.90)
Loan and advances given (current and non current)	(1,086.46)	141.17
Other financial assets (current and non current)	1,367.26	5,263.88
Other assets (current and non current)	1,034.54	(1,621.77)
<b>Adjustments for increase /(decrease) in operating liabilities:</b>		
Trade payables	13,778.98	38,962.56
Other Liabilities (Current and non-current)	12,825.03	1,254.90
Other financial liabilities (current and non current)	6,885.71	261.74
Provisions	185.75	16.61
<b>Cash generated from operations</b>	<b>90,910.52</b>	<b>38,764.88</b>
Income tax paid (net of refunds)	(15,220.01)	(12,927.80)
<b>Net cash generated from operating activities</b>	<b>75,690.51</b>	<b>25,837.08</b>
<b>Cash flows from investing activities</b>		
Payment for Purchase of property, plant and equipment (including CWIP and capital advances)	(20,277.69)	(15,418.53)
Proceeds from sale of property, plant and equipment	168.71	1,040.59
Interest received	76.28	76.69
Dividend income from joint venture and associates	101.37	-
Investment made in non-current investment	(773.74)	(114.27)
Investment in joint venture	-	(7,462.27)
Investment in subsidiaries	-	(17,716.83)
Proceeds from sale/maturity of investment	-	161.14
Proceeds/ (Investment in) fixed deposits	557.55	(26.90)

# Consolidated Cash Flow Statement

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
<b>Net cash used in investing activities</b>	<b>B</b>	<b>(20,147.52)</b>	<b>(39,460.38)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the preferential issue of equity shares, net of transaction cost		-	38,235.29
Proceeds from long-term borrowings		9.96	6,308.33
Repayment of the long-term borrowings		(21,296.99)	(2,672.84)
Repayment of short term borrowings (net)		(16,124.14)	(14,820.87)
Finance charges paid		(7,241.89)	(7,340.29)
Payment towards lease liabilities		(5,671.88)	(4,479.75)
Payment towards dividend (including dividend tax)		(3,472.26)	(1,599.22)
<b>Net cash (used in)/ generated from financing activities</b>	<b>C</b>	<b>(53,797.20)</b>	<b>13,630.65</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>1,745.79</b>	<b>7.35</b>
Cash and cash equivalents at the beginning of the year		3,215.40	3,208.05
<b>Cash and cash equivalents at the end of the year</b>		<b>4,961.19</b>	<b>3,215.40</b>

	As at March 31, 2024	As at March 31, 2023
<b>Components of cash and cash equivalents</b>		
Cash on hand	37.28	148.93
With banks - on current account	4,923.91	3,066.47
<b>Total cash and cash equivalents</b>	<b>4,961.19</b>	<b>3,215.40</b>

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 17, 2024

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## A. Equity Share Capital

<b>Balance as at April 01, 2022</b>	3,198.45
Issued during the year	274.08
<b>Balance as at March 31, 2023</b>	3,472.53
Issued during the year	-
<b>Balance as at March 31, 2024</b>	3,472.53

## B. Other Equity

Particulars	Reserves and Surplus				Other Components of Equity			Attributable to owners of the parent	Non-controlling interest	Total
	Retained Earnings	General Reserve	Securities Premium Reserve	Cash flow hedging reserve	Foreign currency translation reserve					
<b>Balance as at April 01, 2022</b>	1,45,877.05	1,816.80	44,456.10	458.76	3,954.08	1,96,562.79	15,129.09	2,11,691.88		
Profit for the year	40,265.19	-	-	-	-	40,265.19	2,010.59	42,275.78		
<b>Items of OCI for the year :-</b>										
Exchange difference arising on translation of foreign operations	-	-	-	-	4,723.94	4,723.94	-	4,723.94		
Loss on cash flow hedge reserve (net of tax)	-	-	-	(835.23)	-	(835.23)	(89.22)	(924.45)		
Remeasurement of defined benefit obligations (net of tax)	(167.42)	-	-	-	-	(167.42)	(14.54)	(181.96)		
<b>Total Comprehensive Income for the year</b>	40,097.77	-	-	(835.23)	4,723.94	43,986.48	1,906.83	45,893.31		
Interim dividend	(1,599.22)	-	-	-	-	(1,599.22)	-	(1,599.22)		
Payment to shareholders of subsidiary for additional acquisition	(4,677.44)	-	-	-	-	(4,677.44)	(13,039.39)	(17,716.83)		
Preferential issue of share capital, net of transaction cost	-	-	37,961.19	-	-	37,961.19	-	37,961.19		
<b>Balance as at March 31, 2023</b>	1,79,698.16	1,816.80	82,417.29	(376.47)	8,678.02	2,72,233.80	3,996.53	2,76,230.33		
<b>Balance as at April 01, 2023</b>	1,79,698.16	1,816.80	82,417.29	(376.47)	8,678.02	2,72,233.80	3,996.53	2,76,230.33		
Profit for the year	59,334.88	-	-	-	-	59,334.88	425.01	59,759.89		
<b>Items of OCI for the year :-</b>										



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Reserves and Surplus				Other Components of Equity			Attributable to owners of the parent	Non-controlling interest	Total
	Retained Earnings	General Reserve	Securities Premium Reserve	Cash flow hedging reserve	Foreign currency translation reserve					
Exchange difference arising on translation of foreign operations	-	-	-	-	2,303.11	-	2,303.11	-	2,303.11	
Gain on cash flow hedge reserve (net of tax)	-	-	-	686.45	-	-	686.45	0.22	686.67	
Remeasurement of defined benefit obligations (net of tax)	(17.17)	-	-	-	-	-	(17.17)	-	17.17	
<b>Total Comprehensive Income for the year</b>	<b>59,317.71</b>	-	-	<b>686.45</b>	<b>2303.11</b>	-	<b>62,307.27</b>	<b>425.23</b>	<b>62,732.50</b>	
Changes on account of conversion of CCCPS (refer note 55(b))	2,621.05	-	-	-	-	-	2,621.05	1,083.88	3,704.93	
Interim dividend	(3,472.57)	-	-	-	-	-	(3,472.57)	-	(3,472.57)	
<b>Balance as at March 31, 2024</b>	<b>2,38,164.35</b>	<b>1,816.80</b>	<b>82,417.29</b>	<b>309.98</b>	<b>10,981.13</b>	-	<b>3,33,689.55</b>	<b>5,505.64</b>	<b>3,39,195.19</b>	

The accompanying notes are an integral part of the consolidated financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **MSKA & Associates**

Chartered Accountants

Firm Registration Number:- 105047W

**Rahul Aggarwal**

Partner

Membership Number: 505676

For and on behalf of Board of Directors of

**LT Foods Limited**

**Ashwani Kumar Arora**

Managing Director and

Chief Executive Officer

DIN 01574773

**Surinder Kumar Arora**

Managing Director

DIN: 01574728

**Sachin Gupta**

Chief Finance Officer

Membership No. :- 99415

**Monika Chawla Jaggia**

Company Secretary

Membership No. :- F5150

Place : Gurugram

Date : May 17, 2024

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 1. Summary of Material Accounting Policies

### i) Corporate Information

LT Foods Limited ('the Holding Company' or 'the Company'), having its registered office at Unit No 134, 1st Floor, Rectangle-1, Saket District Centre, New Delhi -110017, together with its subsidiaries (collectively referred to as the 'Group'), its associates and its joint ventures, is primarily engaged in the specialty rice and rice-based foods business for more than last 70 years. The Company is committed to nurturing the goodness of food for people, the community and the planet. With nurturing goodness at the heart of everything they do, the Company delivers the finest quality and taste experiences in more than 80 countries across India, the U.S., Europe, the Middle East, the Far East and the rest of the world. The Company's flagship brands include DAAWAT®, one of India's most loved and consumed Basmati brands, Royal®, North America's No. 1 Basmati player and many more. The Company is proudly expanding into the future food preferences of millennials by offering organic staples through the brand 'Ecolife' in global markets and supplying organic agri-ingredients to leading businesses.

### ii) Basis of preparation

a) The consolidated financial statements ('financial statements') of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

### b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company i.e. its subsidiaries. It also includes the Group's share of profits (including other comprehensive income) of associates and joint ventures that are consolidated using the equity method of consolidation.

### Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 voting power over the entity. The financial statements of subsidiaries are

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

## Non-controlling interests ('NCI')

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Statement of Profit and Loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Group and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

## Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are 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 investees until the date on which significant influence or joint control ceases.

## Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting

policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## iv) Material Accounting Policies

### a) Inventory

Inventories are valued as follows:

#### Raw materials, traded goods, stores and spares and packing materials

Raw materials, traded goods, stores and spares and packing material are valued at lower of cost or net realisable value. Cost of raw materials, traded goods, stores and spares and packing material is determined on a 'First in First Out' basis and includes freight costs, interest expense where such materials are stored for a substantial period of time and other expenditure incurred in bringing such inventories to their present location and conditions.

Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

#### Work in progress

Work in progress is valued at lower of cost or net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion and interest expense where such materials are stored for a substantial period of time.

#### Finished goods

Finished goods is valued at lower of cost or net realisable value. Cost includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

to their present location and condition and also includes interest as a carrying cost of goods where such goods are stored for a substantial period of time.

## b) Property, Plant and Equipment

### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the written down value method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013 or the management estimate of the useful life of the asset, disclosed separately below.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the following property, plant and equipment of certain subsidiaries is charged on straight line basis, at the rates based on the useful life of the assets as estimated by the management

Assets description	Useful lives
Buildings	3 to 39 and ½ years
Plant and machinery	5 to 30 years
Furniture and fixtures	4 to 10 years
Office equipment	3 to 6
Vehicles	4 to 10 years

### *De-recognition*

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss when the asset is de-recognized.

## c) Intangible assets

### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses, if any.

### *Subsequent measurement (amortization and useful lives)*

Intangible assets with finite lives are amortised over the useful economic life and impairment assessment is done annually. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Amortisation of intangible assets of certain subsidiaries is provided on straight line basis, at the rates based on the useful life of the assets as estimated by the management.

Intangible assets	Useful life in years
Brands	20
Computer software	03
Goodwill	20
Intellectual property rights	07
Non-compete agreement	07
Customer relationships	07

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## *De-recognition*

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

## **d) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## **e) Functional and presentation currency**

### *Functional and presentation currency*

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Holding Company.

### *Transactions and balances*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at

reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

## *Conversion*

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. For all the foreign operations of the Group, all assets and liabilities (excluding share capital and opening reserves and surplus) are translated into INR using the exchange rate prevailing at the reporting date. Share capital, reserves and surplus are carried at historical cost. Revenues, costs and expenses are translated using the weighted average exchange rate during the reporting period. The resultant currency translation difference is recognized as foreign currency translation reserve under the head 'Other Equity'. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to the consolidated statement of profit and loss.

## **f) Leases**

Where the Group is the lessee

### **Right of use assets and lease liabilities**

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The group enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- (i) the contract involves the use of an identified asset.
- (ii) the group obtains substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the group has the right to direct the use of the asset.

### **Recognition and initial measurement**

At lease commencement date, the group recognizes a right-of-use asset and a lease liability on the consolidated balance sheet. The right-of-use asset is measured at cost,

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

## Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right of use asset and lease liability, the payments in relation to these are recognized as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term.

## Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial

direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

## g) Fair value measurement

The Group measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair value is the price that would be received to sell 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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 financial instruments.

**Level 2-** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

which maximize the use of observable market data rely as little as possible on entity specific estimates.

**Level 3-** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## h) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Group recognizes revenue when it transfers control of a product or service to a customer.

The Group recognizes revenue from the following major sources:

### Sale of goods:

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e., when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur.

In order to determine if it is acting as a principal or as an agent, the Group assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from

rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognised on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognised once the facilitation of such service is done as the Group does not assume any performance obligation.

### Satisfaction of performance obligations

The Group revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of the products and the fulfillment of the Group's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Group transfers control at the point in time the customer takes undisputed delivery of the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Group expects to be entitled to.

### Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer. No element of financing is deemed present as the sales are made with a credit term of less than 365 days, which is consistent with market practice.

### Rental income:

Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term unless the escalation rate does not match up in line with the increase in the inflation rate.

### Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Interest income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

## Income from services:

The Group derives its other operating revenue primarily from service charges and processing charges and the revenue from these services are recognized as revenue when the related services are rendered i.e., on accrual basis in accordance with the terms of the contract entered into in respect thereof.

### i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j) Financial instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction

price, the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

## Financial assets

### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost**
  - A financial instrument is measured at amortised cost if both the following conditions are met:
    - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
    - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

at amortised cost using the effective interest method.

## ii. Financial assets at fair value

- Investments in equity instruments** - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

### De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### Financial Liabilities

#### Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Derivative liabilities** - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

### De-recognition of financial liabilities

The Group de-recognizes financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Impairment of financial assets

- The Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted -average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109. Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

- Other financial assets:**

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## k) Hedge accounting

### Initial and subsequent measurement

The Group uses derivative financial instruments, such as forward contracts risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected

to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to Statement of Profit and Loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where group hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

When hedge accounting is applied:

- for fair value hedges of recognized assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognized in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognized directly in other comprehensive income and the ineffective portion is recognized in the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognized, the associated gains or losses on the derivative that had previously been recognized in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

are recognized in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognized in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in equity is transferred to the statement of profit and loss for the period.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

## l) Retirement and other employee benefits

### Defined Contribution plan

Retirement benefit in the form of provident fund, employees' state insurance and labour welfare fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group contributes towards 401(k) Plan and Dutch pension scheme relating to its subsidiaries in US and Europe respectively.

### Defined benefit plans

The Group operates a defined benefit gratuity plan in India. The cost of providing benefits

under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise.

### Other Employee Benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

### Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

## m) Provisions

Provisions are recognized when the Group 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. When the Group expects some or all of a provision to be reimbursed, for example, under an

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

## n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

## o) Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted,

at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**p) Government grants and subsidies**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

**q) Segment reporting**

The business activity of the Group predominantly falls within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Group operates in three principal geographical areas of the world, i.e., India, America, Europe, and other countries (rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

**r) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**s) Cash dividend distribution to equity holders**

The Group recognizes 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 recognized directly in equity.

**t) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

**u) Significant management judgements in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**a) Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**b) Recognition of deferred tax liability on undistributed profits**

The extent to which the Holding Group can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

**c) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**d) Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expense.

**e) Fair value measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent

with how market participants would price the instrument.

**f) Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

**g) Inventory**

The valuation of finished rice involves estimations around determination of overhead absorption rates, rice yield from paddy and quantum of purchased rice and manufactured rice forming part of closing inventory. The production process also involves ageing the paddy/ rice to achieve the desired quality of rice and thus calculation of holding period and determination of weighted average borrowing cost involves management estimation. Further, management estimates the net realisable values of inventories including by- products, taking into account the most reliable evidence available at each reporting date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 2 Property, plant and equipment

Description	Freehold land	Leasehold land	Building	Plant and machinery	Furniture and fixture	Office equipment	Vehicle	Total
<b>Gross carrying value</b>								
<b>As at April 01, 2022</b>	<b>6,169.46</b>	<b>344.40</b>	<b>29,741.45</b>	<b>73,250.62</b>	<b>1,992.05</b>	<b>3,372.64</b>	<b>3,877.00</b>	<b>1,18,747.62</b>
Additions	258.66	-	4,112.48	7,148.09	355.48	1,898.25	214.44	13,987.40
Disposals	-	-	(654.77)	(588.42)	(99.10)	(106.19)	(199.62)	(1,648.10)
Translation adjustment	86.43	294.64	629.82	1,734.08	(59.43)	(859.73)	(63.75)	1,762.06
<b>As at March 31, 2023</b>	<b>6,514.55</b>	<b>639.04</b>	<b>33,828.98</b>	<b>81,544.37</b>	<b>2,189.00</b>	<b>4,304.97</b>	<b>3,828.07</b>	<b>1,32,848.98</b>
Additions	509.66	-	3,316.44	10,325.90	954.83	511.90	1,337.69	16,956.42
Disposals	-	-	-	(1,112.66)	5.71	(29.39)	(396.49)	(1,532.83)
Translation adjustment	17.76	-	91.64	212.20	9.26	27.76	1.11	359.73
<b>As at March 31, 2024</b>	<b>7,041.97</b>	<b>639.04</b>	<b>37,237.06</b>	<b>90,969.81</b>	<b>3,158.80</b>	<b>4,815.24</b>	<b>4,770.38</b>	<b>1,48,632.30</b>
<b>Accumulated depreciation</b>								
<b>As at April 01, 2022</b>	-	<b>31.15</b>	<b>11,672.77</b>	<b>42,558.82</b>	<b>1,551.86</b>	<b>2,263.37</b>	<b>2,639.18</b>	<b>60,717.15</b>
Charge for the year	-	7.79	1,736.79	5,414.88	98.38	512.53	384.93	8,155.30
Disposals	-	-	(392.73)	(320.46)	(95.58)	(101.04)	(184.79)	(1,094.60)
Translation adjustment	-	0.69	274.40	719.26	25.24	(404.90)	(70.42)	544.27
<b>As at March 31, 2023</b>	-	<b>39.63</b>	<b>13,291.23</b>	<b>48,372.50</b>	<b>1,579.90</b>	<b>2,269.96</b>	<b>2,768.90</b>	<b>68,322.12</b>
Charge for the year	-	7.96	1,941.89	6,436.71	144.04	645.35	576.72	9,752.67
Disposals	-	-	-	(204.38)	0.39	(26.39)	(323.81)	(554.19)
Translation adjustment	-	-	27.04	121.56	8.35	9.92	1.78	168.65
<b>As at March 31, 2024</b>	-	<b>47.59</b>	<b>15,260.16</b>	<b>54,726.39</b>	<b>1,732.68</b>	<b>2,898.84</b>	<b>3,023.59</b>	<b>77,689.25</b>
<b>Net block as at March 31, 2023</b>	<b>6,514.55</b>	<b>599.41</b>	<b>20,537.75</b>	<b>33,171.87</b>	<b>609.10</b>	<b>2,035.01</b>	<b>1,059.17</b>	<b>64,526.86</b>
<b>Net block as at March 31, 2024</b>	<b>7,041.97</b>	<b>591.45</b>	<b>21,976.90</b>	<b>36,243.42</b>	<b>1,426.12</b>	<b>1,916.40</b>	<b>1,746.79</b>	<b>70,943.05</b>

### A Contractual obligations

Refer note 45(4) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### B Property, plant and equipment pledged as security

Refer note 54 for information on property, plant and equipment pledged as security by the Group.

## 3 Capital work-in-progress

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	4,120.99	2,661.55
	<b>4,120.99</b>	<b>2,661.55</b>

### Movement in capital work in progress:

Particulars	Amount
<b>Capital work-in-progress as at April 01, 2022</b>	<b>3,499.19</b>
Add: Additions during the year	4,765.23
Less: Capitalisation during the year	(5,659.76)
Add: Translation adjustment	56.89
<b>Capital work-in-progress as at March 31, 2023</b>	<b>2,661.55</b>
<b>Capital work-in-progress as at April 01, 2023</b>	<b>2,661.55</b>
Add: Additions during the year	3,391.22
Less: Capitalisation during the year	(1,939.13)
Add: Translation adjustment	7.35
<b>Capital work-in-progress as at March 31, 2024</b>	<b>4,120.99</b>

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for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

CWIP as on March 31, 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,506.23	595.27	-	19.49	4,120.99
Projects temporarily suspended	-	-	-	-	-
	<b>3,506.23</b>	<b>595.27</b>	<b>-</b>	<b>19.49</b>	<b>4,120.99</b>

CWIP as on March 31, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,624.61	17.45	19.49	-	2,661.55
Projects temporarily suspended	-	-	-	-	-
	<b>2,624.61</b>	<b>17.45</b>	<b>19.49</b>	<b>-</b>	<b>2,661.55</b>

Capital work in progress majorly includes plant and machinery.

## 4 Right of use assets

Following are the changes in the carrying value of right of use assets

Particulars	Plant and machinery	Vehicle	Building	Land	Total
<b>Balance as at April 01, 2022</b>	<b>2,932.92</b>	<b>180.95</b>	<b>20,531.09</b>	<b>480.58</b>	<b>24,125.54</b>
Additions	-	-	4,436.49	327.48	4,763.97
Depreciation	(1,326.80)	(50.22)	(2,597.22)	(94.48)	(4,068.72)
Translation reserve	274.36	-	1,369.01	-	1,643.37
<b>Net Carrying value as at March 31, 2023</b>	<b>1,880.48</b>	<b>130.73</b>	<b>23,739.37</b>	<b>713.58</b>	<b>26,464.16</b>
Additions	332.26	-	14,618.24	-	14,950.50
Depreciation	(632.42)	(53.87)	(4,485.14)	(75.70)	(5,247.13)
Disposal/adjustments	-	-	-	(178.74)	(178.74)
Translation reserve	14.01	0.62	259.48	-	274.11
<b>Net Carrying value as at March 31, 2024</b>	<b>1,594.33</b>	<b>77.48</b>	<b>34,131.95</b>	<b>459.14</b>	<b>36,262.90</b>

### (i) The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	5,395.34	4,746.81
Non-current lease liabilities	33,737.14	23,552.30
<b>Total</b>	<b>39,132.48</b>	<b>28,299.11</b>

The Group has leases for plant and machinery, Vehicle, Building and land. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group has considered automatic extension option available for building leases in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease period.

Refer note 23 (c) for movement in lease liabilities.

### ii) The following are amounts recognised in profit or loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets	5,247.13	4,068.72
Interest expense on lease liabilities	956.76	876.02

### iii) Total cash outflow for leases for the year ended March 31, 2024 was ₹ 5,671.88 (March 31, 2023 was ₹ 4,479.75).



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 5 Intangible assets

Description	Goodwill	Brand/ Trademarks	Customer relationships	Non compete agreement	Intellectual property	Computer software	Total
<b>Gross carrying value</b>							
<b>As at April 01, 2022</b>	<b>6,546.29</b>	<b>5,371.45</b>	<b>566.54</b>	<b>974.14</b>	<b>1,537.87</b>	<b>1,224.86</b>	<b>16,221.15</b>
Additions	-	-	-	-	-	6.40	6.40
Disposals	-	-	-	-	-	(145.03)	(145.03)
Translation adjustment	546.34	397.35	24.63	28.31	180.31	-	1,176.94
<b>As at March 31, 2023</b>	<b>7,092.63</b>	<b>5,768.80</b>	<b>591.17</b>	<b>1,002.45</b>	<b>1,718.18</b>	<b>1,086.23</b>	<b>17,259.46</b>
Additions	-	-	-	-	-	411.73	411.73
Disposals	-	-	-	-	-	-	-
Translation adjustment	519.30	(334.23)	4.57	5.13	27.99	2.67	225.43
<b>As at March 31, 2024</b>	<b>7,611.93</b>	<b>5,434.57</b>	<b>595.74</b>	<b>1,007.58</b>	<b>1,746.17</b>	<b>1,500.63</b>	<b>17,896.62</b>
<b>Accumulated amortisation</b>							
<b>As at April 01, 2022</b>	<b>4,333.10</b>	<b>493.64</b>	<b>225.55</b>	<b>475.27</b>	<b>1,199.24</b>	<b>1,121.58</b>	<b>7,848.38</b>
Amortisation for the year	26.01	33.07	45.49	8.17	329.84	24.12	466.70
Disposals	-	-	-	-	-	(138.93)	(138.93)
Translation adjustment	332.61	14.29	21.07	27.67	153.93	-	549.57
<b>As at March 31, 2023</b>	<b>4,691.72</b>	<b>541.00</b>	<b>292.11</b>	<b>511.11</b>	<b>1,683.01</b>	<b>1,006.77</b>	<b>8,725.72</b>
Amortisation for the year	0.36	17.98	14.38	2.58	35.17	220.38	290.85
Disposals	-	-	-	-	-	-	-
Translation adjustment	65.68	5.05	4.48	5.10	27.99	0.63	108.93
<b>As at March 31, 2024</b>	<b>4,757.76</b>	<b>564.03</b>	<b>310.97</b>	<b>518.79</b>	<b>1,746.17</b>	<b>1,227.78</b>	<b>9,125.50</b>
<b>Net block as at March 31, 2023</b>	<b>2,400.91</b>	<b>5,227.80</b>	<b>299.06</b>	<b>491.34</b>	<b>35.17</b>	<b>79.46</b>	<b>8,533.74</b>
<b>Net block as at March 31, 2024</b>	<b>2,854.17</b>	<b>4,870.54</b>	<b>284.77</b>	<b>488.79</b>	<b>-</b>	<b>272.85</b>	<b>8,771.12</b>

The goodwill is related to subsidiary company, LT Overseas North America, Inc., which is identified as Cash generating unit (CGU) for the purpose of impairment testing. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating unit (CGU) and the recoverable amounts of these CGU exceeded its carrying amount. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any scenario in which the recoverable amount of the CGU would decrease below its carrying amount. The discount rate was estimated based on past experience and average weighted average cost of capital of the CGU/Market to which assessment is done. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

## 6 Investments accounted for using the equity method

	As at March 31, 2024	As at March 31, 2023
<b>Investments in associates and joint venture</b>		
<b>(a) In associate companies</b>		
- Raghuvesh Warehousing Private Limited 1,600,000 (March 31, 2023: 1,600,000) equity shares of ₹10 each	412.00	451.98
- Raghuvesh Agri Foods Private Limited		

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for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
1,600,000 (March 31, 2023: 1,600,000) equity shares of ₹10 each	370.34	363.67
- Raghuvesh Infrastructure Private Limited		
15,000 (March 31, 2023: 15,000) equity shares of ₹ 10 each	181.26	88.30
	<b>963.60</b>	<b>903.95</b>
<b>b) In joint venture</b>		
- Leev.NU. B.V.		
5,400 (March 31, 2023: 5,400) equity shares of Euro 1 each	359.20	336.65
- Golden star trading, Inc.		
27,000 (March 31, 2023: 27,000) equity shares of USD 10 each	15,051.80	9,844.65
- Kameda LT Foods (India) Private Limited		
29,170,673 (March 31, 2023: 29,170,673) equity shares of ₹10 each	590.89	1,094.96
	<b>16,001.89</b>	<b>11,276.26</b>
<b>Carrying value of investments*</b>	<b>16,965.49</b>	<b>12,180.21</b>

\* Refer reconciliation to carrying values of investment in associates and joint venture in note 55 (c)

## Footnotes:

On June 28, 2022, the Holding Company through its step-down subsidiary, LT Foods America, acquired 51% shareholding (together with a call option to further acquire 49% stake at the end of three years) in Golden Star Trading Inc, a company incorporated under the laws of California, United States and engaged in the business of rice (particularly jasmine rice) and other related food products. The consideration payable for exercising the call option and acquiring the remaining stake will be determinable based on financial parameters (as defined in the agreement) available at that stage.

On July 21, 2022, the Holding Company through its step-down subsidiary, Nature Bio Foods B.V, acquired 30% shareholding (together with a call option to further acquire 21% stake at the end of five years) in Leev. NU. B.V., a company incorporated under the UCC of Netherlands and engaged in the business of food processing (Private Label) and other related food products. The consideration payable for exercising the call option and acquiring the stake will be determinable based on financial parameters (as defined in the agreement) available at that stage.

As part of the Shareholders Agreement ("SHA"), the Company has acquired substantive rights to jointly decide on relevant activities of the business and hence the arrangement has been treated as a 'Joint Venture'.

## 7 Non-current investments

	As at March 31, 2024	As at March 31, 2023
<b>Investments at fair value through Profit and Loss</b>		
Key man insurance policies	621.72	492.71
Equity instruments - Quoted	0.21	0.21
Equity instruments - Unquoted	753.84	
	<b>1,375.77</b>	<b>517.97</b>
<b>Details of investment is as follows:</b>		
<b>Investments carried at fair value through Profit and Loss</b>		
Keyman insurance policies	621.72	492.71
Equity instruments - Quoted		
Fully paid-up equity shares (unquoted)		
747 (March 31, 2023: 747) equity shares - Union bank of India of ₹10 each fully paid up	0.21	0.21
Equity instruments - Unquoted		
Fully paid-up equity shares (unquoted)		

# Notes to the Consolidated Financial Statements

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(All amounts are in ₹ lakhs unless otherwise stated)

## 7 Non-current investments (Contd..)

	As at March 31, 2024	As at March 31, 2023
500 (March 31, 2023: 500) equity shares of India International Marketing Limited of ₹ 10 each	0.05	0.05
- Biomass India Private Limited Nil (March 31, 2023: 2,500,000 ) equity shares of ₹1 each	-	25.00
- Buddha Gourmet Foods GmbH 2,022 (March 31, 2023: Nil ) equity shares of Euro 1 each	753.79	-
	<b>1,375.77</b>	<b>517.97</b>

## 8 Loans

	As at March 31, 2024	As at March 31, 2023
Loans and advances to related parties	1,141.26	-
Loan to employees	41.63	41.41
	<b>1,182.89</b>	<b>41.41</b>

### Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Loans considered good-Secured	-	-
Loans considered good-Unsecured	1,182.89	41.41
Loan which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
	<b>1,182.89</b>	<b>41.41</b>

## 9 Other non-current financial assets

	As at March 31, 2024	As at March 31, 2023
Derivative component of compound financial instrument	-	0.99
Receivable from insurance company (Refer footnote 1)	13,410.53	13,410.53
Bank deposits with maturity of more than 12 months (Refer footnote 2)	194.59	141.75
Security deposits	1,616.54	1,266.07
Less: Impairment loss	(193.74)	-
Others	-	655.95
	<b>15,027.92</b>	<b>15,475.29</b>

### Footnotes:

- The Group has Insurance claim recoverable (classified into non-current assets) amounting to ₹ 13,410.53 as at March 31, 2023. The claim was attributable to the loss of raw materials, incurred by the Company, due to a major fire which had occurred in the work premises of the Company in India in FY 2014-15. The Company had recognized the insurance claim recoverable (asset) amounting to INR 17,810.88 lakhs in FY 2014-15, based on the management's assessment of the loss amount and the positive outcome in the reports of the surveyors, then appointed by the Insurance Company. Later on, the Insurance Company repudiated the insurance claim vide its order dated February 4, 2016, against which the Company had filed a commercial suit with District Court of Raipur, Bhopal. On the basis of developments in the commercial suit, and basis the report of the surveyor which were received subsequent to the reports submitted by the

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

surveyors initially appointed by the Insurance Company and which had formed the basis for the Company to initially recognize this claim, the Company had written off claims amounting to INR 4,400.25 lakhs during FY 2015-16.

During the year ended March 31, 2024, on December 22, 2023, the Hon'ble District Court of Raisen, Bhopal passed a Decree in favour of the Company in the commercial suit, as mentioned above, and allowed the claim to the extent of INR 16,120.27 lakhs, considering the terms and conditions of the Insurance policy, along with interest thereon @ 6% p.a. with effect from the date of the fire incident which is estimated to be INR 12,293.59 Lakhs. However, the insurance company has filed an appeal with the Hon'ble High Court of Madhya Pradesh against the order of the district court and Application on Admissibility of Appeal and Stay has been heard by Hon'ble Court and orders have been reserved on the same, and hence the outcome is pending.

Based on the facts of the case and their evaluation of the independent legal opinion obtained from the external legal counsels on the merits of the appeal filed, and considering the Decree obtained in favour of the Company as mentioned above, the Company has concluded that, the carrying value of the Insurance claim of INR 13,410.53 lakhs is appropriate and reasonable as at March 31, 2024. Further, given the uncertainty at this stage where possible legal options are still available with the Insurance Company, the utmost certainty about the recoverability of differential excess amount of INR 15,003.33 lakhs will be established once the verdict is passed by the higher courts. Therefore, it is not appropriate to recognise the differential excess amount of INR 15,003.33 lakhs in the financial statements of the Company for the year ended March 31, 2024.

- 2 ₹ Nil (March 31, 2023: Nil) represents deposits with maturity more than 12 months, held by the Group and are not available for use by the Group, as these are pledged.

<b>10 Deferred tax asset/liability (net)</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax assets arising on account of</b>		
Property, plant and equipment, investment property and intangible assets	621.08	409.45
Provision for employee benefits	288.05	273.55
Impairment of trade receivables	103.16	93.22
Unrealised foreign exchange loss on forward contracts	-	155.14
Unrealised profit on inventory	1,571.60	1,283.37
Unabsorbed losses	62.98	-
Others	360.17	74.32
	<b>3,007.04</b>	<b>2,289.05</b>
<b>Deferred tax liabilities arising on account of</b>		
Keyman insurance policy	156.48	121.74
Unrealised foreign exchange gain on forward contracts	66.93	-
Others	-	135.04
	<b>223.41</b>	<b>256.78</b>
<b>Deferred tax assets (net)</b>	<b>2,783.63</b>	<b>2,032.27</b>
<b>Deferred tax liabilities (net)</b>		
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment and intangible assets	-	399.43
Others	395.27	-
	<b>395.27</b>	<b>399.43</b>
<b>Deferred tax assets arising on account of:</b>		
Property, plant and equipment and intangible assets	70.53	-
Impairment of trade receivables	98.04	110.73
Deferred government grant	-	119.37
	<b>168.57</b>	<b>230.10</b>
<b>Deferred tax liabilities (net)</b>	<b>226.70</b>	<b>169.33</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Movement in deferred tax assets (net)

Particulars	April 01, 2022	Translation adjustment	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2023
<b>Deferred tax assets arising on account of</b>					
Provision for employee benefits	181.35	-	62.48	29.72	273.55
Impairment of trade receivables	196.48	7.76	-	(0.29)	203.95
Property, plant and equipment and intangible assets	98.38	(9.14)	-	(79.22)	10.02
Unrealised foreign exchange loss on forward contracts	-	-	137.40	17.74	155.14
Deferred government grant	44.24	-	-	75.13	119.37
Unrealised profit on inventory	698.39	-	-	584.98	1,283.37
Unabsorbed losses	415.18	-	-	(415.18)	-
Others	510.30	86.33	-	(596.63)	-
	<b>2,144.32</b>	<b>84.95</b>	<b>199.88</b>	<b>(383.75)</b>	<b>2,045.40</b>
<b>Deferred tax liabilities arising on account of</b>					
Keyman insurance policy	138.80	-	-	(17.06)	121.74
Unrealised foreign exchange gain on forward contracts	185.46	-	(185.46)	-	-
Others	-	-	-	60.72	60.72
	<b>324.26</b>	<b>-</b>	<b>(185.46)</b>	<b>43.66</b>	<b>182.46</b>
<b>Net deferred tax assets</b>	<b>1,820.06</b>	<b>84.95</b>	<b>385.34</b>	<b>(427.41)</b>	<b>1,862.94</b>

Particulars	April 01, 2023	Translation adjustment	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2024
<b>Deferred tax assets arising on account of</b>					
Provision for employee benefits	273.55	-	5.76	8.74	288.05
Impairment of trade receivables	203.95	1.05	-	(3.80)	201.20
Property, plant and equipment and intangible assets	10.02	16.12	-	665.47	691.61
Unrealised foreign exchange loss on forward contracts	155.14	-	(155.14)	-	-
Deferred government grant	119.37	-	-	(119.37)	-
Unrealised profit on inventory	1,283.37	-	-	288.23	1,571.60
Unabsorbed losses	-	-	-	62.98	62.98
	<b>2,045.40</b>	<b>17.17</b>	<b>(149.38)</b>	<b>902.25</b>	<b>2,815.44</b>
<b>Deferred tax liabilities arising on account of</b>					
Keyman insurance policy	121.74	-	-	34.74	156.48
Unrealised foreign exchange gain on forward contracts	-	-	66.93	-	66.93
Others	60.72	(8.37)	-	(17.25)	35.10
	<b>182.46</b>	<b>(8.37)</b>	<b>66.93</b>	<b>17.49</b>	<b>258.51</b>
<b>Net deferred tax assets</b>	<b>1,862.94</b>	<b>25.54</b>	<b>(216.31)</b>	<b>884.76</b>	<b>2,556.93</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 11 Non-current tax assets

	As at March 31, 2024	As at March 31, 2023
Income tax assets (Net of provisions)	3,715.08	3,700.34
	<b>3,715.08</b>	<b>3,700.34</b>

## 12 Other non-current assets

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	106.84	78.12
Capital advances (considered good -Unsecured)	3,701.40	1,034.11
	<b>3,808.24</b>	<b>1,112.23</b>

## 13 Inventories

	As at March 31, 2024	As at March 31, 2023
Raw material (Refer footnote 1 and 2)	1,20,277.93	1,12,520.25
Semi-finished goods (Refer footnote 2)	87,209.66	83,462.30
Work-in-progress (Refer footnote 2)	257.12	279.58
Finished goods (including goods in transit of ₹ 11,565.83 (March 31, 2022: ₹ 9,614.44) (Refer footnote 2)	1,31,842.43	1,00,813.20
Traded goods	2,453.93	3,519.84
Stores and spares	1,565.41	1,668.88
Packing material		
Bardana	3,205.63	2,156.54
Others	3,000.50	2,818.25
	<b>3,49,812.61</b>	<b>3,07,238.84</b>

### Footnotes:

- Includes Inventory lying with third parties ("Suppliers") on behalf of the Company and its subsidiary company amounting to ₹ 44,956.36 (March 31, 2023: ₹ 38,513.02) under agency relationship against which the Group had paid advance amounting to ₹ 10,585.20 (March 31, 2023: ₹ 11,046.28) and remaining amount of ₹ 34,371.16 (March 31, 2023: ₹ 27,466.74) is classified under trade payables as at March 31, 2024.
- The interest capitalised as at March 31, 2024 is ₹ 4,167.90 (March 31, 2023 ₹ 3,037.41).

## 14 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade receivable considered good-Unsecured*	67,583.56	67,435.35
Trade receivable credit impaired	819.03	722.62
Trade receivables*	68,402.59	68,157.97
Less: Allowance for expected credit loss	(819.03)	(722.62)
	<b>67,583.56</b>	<b>67,435.35</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	67,583.56	67,435.35
Trade receivables - credit impaired	819.03	722.62
<b>Total</b>	<b>68,402.59</b>	<b>68,157.97</b>
Loss allowance	(819.03)	(722.62)
<b>Total</b>	<b>67,583.56</b>	<b>67,435.35</b>

**Note:** No trade receivables are due from director or other officers of the Group either severally or jointly with any other persons or from the companies in which Directors hold directorship other than below.

The Company's exposure to customers is diversified and no single customer, contributes more than 10% of the outstanding receivables as at March 31, 2024 and March 31, 2023.

\* Includes receivables from related parties (refer note 50)

Oswal Woollen Mills Limited	20.07	27.34
Global Foods Trading GmbH	1,453.71	1,150.94
Sidhu Food B.V.	480.95	-
Kameda LT Foods (India) Private Limited	120.23	39.69
Buddha Gourmet Foods GmbH	244.22	1,973.03
Global Foods Trading Ltd.	280.96	192.73
Global Foods Trading Spain S.L	500.78	887.04
GFT France SARL	531.86	420.27

## Ageing of Trade Receivables

### March 31, 2024

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	48,041.24	18,240.15	835.94	755.72	51.23	36.90	67,961.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	85.86	80.24	27.63	247.67	441.40
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	(338.26)	-	-	-	-	(338.26)
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	(117.35)	(78.86)	(284.57)	(480.77)
	-	<b>48,041.25</b>	<b>17,901.89</b>	<b>921.81</b>	<b>718.61</b>			<b>67,583.56</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## March 31, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	27,286.54	38,109.64	1,677.40	330.85	19.34	11.58	67,435.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	12.13	484.32	177.24	48.93	722.62
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(12.13)	(484.32)	(177.24)	(48.93)	(722.62)
	-	<b>27,286.54</b>	<b>38,109.64</b>	<b>1,677.40</b>	<b>330.85</b>	<b>19.34</b>	<b>11.58</b>	<b>67,435.35</b>

## 15 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks in current accounts	4,918.91	2,564.35
Cash on hand		
In Indian currency	28.46	140.18
In foreign currencies	8.82	8.75
Deposits with original maturity less than 3 months*	5.00	502.12
	<b>4,961.19</b>	<b>3,215.40</b>

## 16 Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts (earmarked)	67.83	24.63
Deposits with original maturity more than 3 months and less than 12 months	5.33	658.92
	<b>73.16</b>	<b>683.55</b>

- (i) ₹ 5.33 (March 31, 2023: ₹ 658.92) represents deposits with original maturity more than 3 months and remaining maturity less than 12 months, held by the Group and are not available for use by the Group, as these are pledged.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 17 Loans

	As at March 31, 2024	As at March 31, 2023
<b>Loan receivable considered good-unsecured</b>		
Loans to related parties*	-	35.86
Loan to employees	62.89	94.36
	<b>62.89</b>	<b>130.22</b>
*Includes inter corporate deposits recoverable from related parties (refer note 50)		
Raghuvesh Agri Foods Private Limited	-	35.45
Raghuvesh Warehousing Private Limited	-	0.41

### Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Loans considered good-Secured	-	-
Loans considered good-Unsecured	62.89	130.22
Loan which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
	<b>62.89</b>	<b>130.22</b>

## 18 Other current financial assets

	As at March 31, 2024	As at March 31, 2023
Derivative assets	265.28	5.47
Interest accrued but not due on fixed deposits	1.04	0.92
Export incentive recoverable	885.34	517.50
Bank deposits*	10.11	10.83
Security deposits	1,833.68	511.10
Others	406.98	206.39
	<b>3,402.43</b>	<b>1,252.21</b>

\*There are some deposits which are restricted as they are held as margin money deposits against guarantees given by the group amounting to ₹ 6.39 ( March 31, 2023: ₹ 4.58)

## 19 Other current assets

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	5,414.49	3,862.39
Staff advances	399.56	251.23
Balances with government authorities	3,955.11	3,067.60
Advance to suppliers	3,695.20	7,589.54
Other assets	89.58	87.16
	<b>13,553.94</b>	<b>14,857.92</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 20 Equity share capital

	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
36,00,00,000 Equity shares of ₹ 1 each (March 31, 2023 : 36,00,00,000 equity shares of ₹ 1 each)	3,600.00	3,600.00
<b>Issued, subscribed and paid up</b>		
34,72,52,944 Equity shares of ₹ 1 each (March 31, 2023 : 34,72,52,944 equity shares of ₹ 1 each)	3,472.53	3,472.53
	<b>3,472.53</b>	<b>3,472.53</b>

### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	34,72,52,944	3,472.53	31,98,44,780	3,198.45
Changes during the year (refer footnote)	-	-	2,74,08,164	274.08
<b>Equity shares at the end of the year</b>	<b>34,72,52,944</b>	<b>3,472.53</b>	<b>34,72,52,944</b>	<b>3,472.53</b>

### (b) Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having the par value of ₹ 1 per share (March 31, 2023: ₹ 1 per share). Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2024 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1.00 per share (March 31, 2023: ₹ 0.50 per share).

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the group

	As at March 31, 2024		As at March 31, 2023	
	No of shares	% holding	No of shares	% holding
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.31%
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	9.61%
SALIC International Investment Company	3,20,25,784	9.22%	3,20,25,784	9.22%
	<b>17,92,78,196</b>	<b>51.62%</b>	<b>17,92,78,196</b>	<b>51.62%</b>

(d) The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (e) Details of promoters holding in the Company

	As at March 31, 2024		As at March 31, 2023		Change	
	No of shares	% holding	No of shares	% holding	No of shares	%
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.31%	-	-
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	6.62%	-	-
Ms. Vandana Arora	60,87,690	1.76%	60,87,690	1.76%	-	-
Ms. Sakshi Arora	83,71,500	2.41%	83,71,500	2.41%	-	-
Mr. Munish Kumar Arora	6,43,660	0.19%	6,43,660	0.19%	-	-
Ms. Anita Arora	76,11,500	2.19%	76,11,500	2.19%	-	-
Mr. Vaneet Arora	1,60,000	0.05%	1,60,000	0.05%	-	-
Ms. Ranju Arora	54,29,350	1.56%	54,29,350	1.56%	-	-
Mr. Aditya Arora	6,33,340	0.18%	6,33,340	0.18%	-	-
Mr. Abhinav Arora	6,39,140	0.18%	6,33,340	0.18%	5,800	0.00
Mr. Gursajan Arora	1,26,660	0.04%	1,26,660	0.04%	-	-
Mr. Ritesh Arora	41,700	0.01%	41,700	0.01%	-	-
Mr. Anmol Arora	1,07,850	0.03%	1,07,850	0.03%	-	-
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	9.61%	-	-
	<b>17,71,04,802</b>	<b>51.00%</b>	<b>17,70,99,002</b>	<b>51.00%</b>	<b>5,800</b>	<b>0.00%</b>

### Footnote:

During the previous year, the shareholders at its meeting (Extra Ordinary General Meeting) held on December 07, 2022, approved the proposal to issue, offer and allot on preferential and private placement basis, for cash, to SALIC International Investment Company ("Salic") a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia with registration number 1010769582, of 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) ("Equity Shares") at face Value of 1/- per Equity Share and Securities Premium of 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share aggregating 142.23/- (Rupees One Hundred and Forty Two and Twenty Three Paise) per Equity Share amounting to 7.89% (Seven point Eight Nine Percent) of the share capital of the Company on a fully diluted basis for an aggregate subscription amount of 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Seven Two Paise). The Board of Directors, thereafter, in its meeting held on February 28, 2023, allotted aforementioned equity shares to Salic on Preferential basis. Post allotment of 27,408,164 equity shares the paid-up share capital of the Company has been increased to 34,72,52,944/- of face value of 1/- each. The preferential issue of equity shares was completed with due approval of statutory authorities concerned and the amount raised has been utilised for the purpose for which the funds were raised.

## 21 Other equity

### (i) Retained earnings

	As at March 31, 2024	As at March 31, 2023
Opening balance	1,79,698.16	1,45,877.05
Add: Net profit for the year	59,334.88	40,265.19
- Remeasurements of post-employment benefits obligation (net of taxes)	(17.17)	(167.42)
Changes on account of conversion of CCPS (refer note 56(b))	2,621.05	-
Less : Equity dividend*	(3,472.57)	(1,599.22)
Less : Payment to shareholders of subsidiary for additional acquisition	-	(4,677.44)
<b>Closing balance</b>	<b>2,38,164.35</b>	<b>1,79,698.16</b>

\* During the year, the board of directors of the Holding Company have declared and approved interim dividend amounting to ₹ 3,472.57.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (ii) General reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	1,816.80	1,816.80
Change during the year	-	-
<b>Closing balance</b>	<b>1,816.80</b>	<b>1,816.80</b>

## (iii) Securities premium reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	82,417.29	44,456.10
Change during the year (net of issuance cost)*	-	37,961.19
<b>Closing balance</b>	<b>82,417.29</b>	<b>82,417.29</b>

\* During the previous year, total costs related to the issuance of shares amounting to ₹ 747.34 have been recognised against equity.

## iv) Cash flow hedge reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	(376.47)	458.76
Change during the year	686.45	(835.23)
<b>Closing balance</b>	<b>309.98</b>	<b>(376.47)</b>

## v) Foreign currency translation reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	8,678.02	3,954.08
Change during the year	2,303.11	4,723.94
<b>Closing balance</b>	<b>10,981.13</b>	<b>8,678.02</b>
<b>Total other equity</b>	<b>3,33,689.55</b>	<b>2,72,233.80</b>

### Nature and purpose of other reserves

#### General reserve:

The Group had transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

#### Securities premium reserve:

Securities premium reserve represents premium received on issue of shares. The reserve is to be utilized in accordance with the provisions of the Companies Act.

#### Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to Statement of Profit and Loss when the net investment is disposed-off.

#### Cash flow hedging reserve

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 22 Non-controlling interests

	As at March 31, 2024	As at March 31, 2023
Opening balance	3,996.53	15,129.09
Share of profit for the year	425.01	2,010.59
Changes on account of conversion of CCPS (refer note 56(b))	1,083.88	-
Acquisition of stake from minority shareholders in one of the subsidiary	-	(13,039.39)
Share of other comprehensive income for the year	0.22	(103.76)
<b>Closing balance</b>	<b>5,505.64</b>	<b>3,996.53</b>

## 23 Long term borrowings

	As at March 31, 2024	As at March 31, 2023
<b>Secured:</b>		
Term loans		
From banks	1,027.84	22,335.38
Vehicle loans		
From banks	24.25	106.18
From others	1.03	68.15
<b>Unsecured:</b>		
Term loans		
Liability component of compound financial instrument - net of transaction costs*	-	3,578.54
	<b>1,053.12</b>	<b>26,088.25</b>
Current maturities of long-term borrowings (Refer note 28)		
Term loans	955.48	20.70
Vehicle loans	64.03	104.13
	<b>1,019.51</b>	<b>124.83</b>
	<b>2,072.63</b>	<b>26,213.08</b>

\* In one of the subsidiary companies, Nature Bio Foods Limited, during the Financial year 2018-2019, the subsidiary company had issued 2,398,000 number of 0.01% cumulative compulsory convertible preference shares (CCCPS) having face value of ₹ 10 at a premium of ₹ 240 through private placement of shares. Out of the total, 2,374,020 CCCPS were subscribed by India Agri Business Fund II and 23,980 CCCPS were subscribed by Real Trust II, CCCPS carries cumulative dividend of 0.01% p.a. CCCPS shall be converted into equity shares and in any event at the expiry of 8 year from the Tranche I completion date. As at March 31, 2024, Nil (March 31, 2023 : ₹ 3,952.90) considered as equity component, Nil (March 31, 2023 : ₹ 3,578.54) considered as liability component and ₹ 0.99 (March 31, 2023 : ₹ 0.99) considered as derivative component.

Name of the bank	No of instalments	Total amount of instalment	As at	As at
			March 31, 2024	March 31, 2023
<b>a) Term loans</b>				
Rabobank (refer point A part (i) for interest rate and refer point C part (ii) for security)	47 equal quarterly	332.02	-	20,369.01
Mashreq Bank (refer point A part (ii) for interest rate and refer point C part (ii) for security)	180 equal monthly	1.65	236.36	247.33
Rabobank (refer point A part (i) for interest rate and refer point C part (iii) for security)	96 monthly	Euro 0.21 lakh monthly till July 01, 2018 and thereafter Euro 0.91 Lakh	1,746.96	1,739.74
			<b>1,983.32</b>	<b>22,356.08</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	No of instalments	Total amount of instalment	As at March 31, 2024	As at March 31, 2023
<b>b) Vehicle loans</b>				
(refer point A part (ii) for interest rate and point C part (iv) for security)				
HDFC Bank	36 - 60 equal monthly	0.69	7.96	15.29
HDFC Bank	36 equal monthly	2.06	8.09	31.13
ICICI Bank	42 equal monthly	1.97	18.69	50.23
ICICI Bank	48 equal monthly	2.41	43.16	67.96
BMW Financial Services India	36 equal monthly	0.05	1.47	91.91
Bank of Baroda	48 equal monthly	0.49	9.94	21.94
			<b>89.31</b>	<b>278.46</b>
			<b>2,072.63</b>	<b>22,634.54</b>

## A. Details of interest rate for each type of borrowings

- The interest on above foreign currency term loans from banks are linked to the SOFR/ EURIBOR which are floating in nature. As of March 31, 2024 the interest rates are 3.37% and EURIBOR plus 1.05% (March 31, 2023: SOFR plus 1.45% and EURIBOR plus 1.05% per annum).
- The interest rate on above vehicle loans from banks and financial institutions are fixed in nature. As of March 31, 2024 the interest rates ranges from 7.35% to 14.00% per annum (March 31, 2023: 7.35% to 9.50% per annum).

## C. Details of security for each type of borrowing :

- USD Term loan amounting to Nil (previous year: USD 247.35) equivalent Nil (previous year: ₹ 20,336.35) from Rabobank as availed by LT Foods America Inc. (Subsidiary Company) is secured by mortgage against Plant and machinery, real estate located in US, trade receivables including inter company receivables, inventory and cash and bank and Corporate Guarantee of LT Overseas North America, Inc.
- AED Term loan from Mashreq Bank amounting AED 10.42 (previous year: AED 11.35) equivalent ₹ 236.36 (previous year: ₹ 247.33) availed by LT Foods Middle East DMCC (Subsidiary Company) is secured by office property and undated cheques of the subsidiary company.
- Euro Term loan amounting to Euro 19.36 (previous year: Euro 19.42) equivalent ₹ 1,746.96 (previous year: ₹ 1,739.74) from Rabobank as availed by LT Foods Europe B.V. (Subsidiary Company) is secured by mortgage against real estate, trade receivables including inter company receivables, inventory and cash and bank and Corporate Guarantee of LT Overseas North America, Inc.
- Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.

Refer note 54 for assets pledged as security

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## D. Reconciliation of liabilities arising from financing activities:

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Liabilities from financing activities		Total
	Lease Liability	Borrowings*	
<b>Net debt as at April 01, 2022</b>	<b>25,870.89</b>	<b>1,06,126.37</b>	<b>1,31,997.26</b>
<b>Cash movement:</b>			
- Proceeds from long term borrowings	-	6,308.33	6,308.33
- Repayment of long term borrowings	-	(2,672.84)	(2,672.84)
- Repayment of short term borrowings (net)	-	(14,820.87)	(14,820.87)
- Payment towards lease liability	(4,479.75)	-	(4,479.75)
- Interest paid	-	(7,340.29)	(7,340.29)
<b>Non cash movement</b>			
- Addition during the year	4,763.97	-	4,763.97
- Impact of currency restatement	1,267.98	(1,137.18)	130.80
- Interest expense	876.02	7,334.01	8,210.03
<b>Net debt as at March 31, 2023</b>	<b>28,299.11</b>	<b>93,797.53</b>	<b>1,22,096.64</b>

	Liabilities from financing activities		Total
	Lease Liability	Borrowings*	
<b>Net debt as at April 01, 2023</b>	<b>28,299.11</b>	<b>93,797.53</b>	<b>1,22,096.64</b>
<b>Cash movement:</b>			
- Proceeds from long term borrowings	-	9.96	9.96
- Repayment of long term borrowings	-	(21,296.99)	(21,296.99)
- Repayment of short term borrowings (net)	-	(16,124.14)	(16,124.14)
- Payment towards lease liability	(5,671.88)	-	(5,671.88)
- Interest paid	-	(7,241.89)	(7,241.89)
<b>Non cash movement</b>			
- Addition during the year	14,950.50	-	14,950.50
- Impact of currency restatement	597.98	(3,842.08)	(3,244.09)
- Interest expense	956.76	7,339.82	8,296.58
<b>Net debt as at March 31, 2024</b>	<b>39,132.48</b>	<b>52,642.20</b>	<b>91,774.69</b>

\* Including Interest accrued but not due on borrowings

## 24 Lease liabilities

	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 4)	33,737.14	23,552.30
	<b>33,737.14</b>	<b>23,552.30</b>

## 25 Long-term provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 46)	1,569.41	1,334.76
	<b>1,569.41</b>	<b>1,334.76</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 26 Other non-current liabilities

	As at March 31, 2024	As at March 31, 2023
Deferred government grant (Refer note 52)	71.39	104.56
Advance from Customers	13,493.97	-
	<b>13,565.36</b>	<b>104.56</b>

## 27 Short-term borrowings

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
From banks		
Working capital loans	47,468.31	63,462.06
Packing credit in foreign currency	3,074.34	4,099.41
Current maturity of long-term debts	1,019.51	124.83
	<b>51,562.16</b>	<b>67,686.30</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a) working capital loans</b>		
The working capital loans are secured by hypothecation of current assets including inventories and trade receivables, charge over the office property, land and building, moveable fixed assets, except vehicle financed, of the Company and few subsidiary companies who has availed the said facility. These are also secured by personal guarantee of few of the Directors of the Company. In case of Company and one of the subsidiary company - Ecopure Specialities Limited, the working capital loans are secured by the personal guarantee of the company's director relative. In addition, the loans availed by few subsidiary companies are secured by corporate guarantee of the holding Company.	47,468.31	63,462.06
The working capital loans are repayable on demand and the interest on the above loans from banks are linked to the respective bank MCLR/Repo/T-Bills/CD Rate which are floating in nature. The interest ranges from 6.45% to 9.70% per annum (March 31, 2023: 4.50% to 9.69%) on rupee working capital loan and Libor/Euribor + 105 basis points to 140 basis points and SOFR + 145 bps (March 31, 2023: Libor/Euribor + 105 basis points to 140 basis points and SOFR + 145 bps) on working capital loans obtained by foreign subsidiaries.		
<b>b) Packing credit in foreign currency</b>		
The packing credit in foreign currency loans are secured by hypothecation of current assets including inventories and trade receivables, charge over the office property, land and building, moveable fixed assets, except vehicle financed, of the Company and few subsidiary companies who has availed the said facility. These are also secured by personal guarantee of few of the Directors of such companies. In case of Company, the packing credit in foreign currency loans are secured by the personal guarantee of the company's director relative. In addition, the loans availed by few subsidiary companies are secured by corporate guarantee of the Company.	3,074.34	4,099.41
The interest rate ranges from SOFR + 85 basis points to SOFR + 90 basis points (March 31, 2023: Libor + 75 basis points to Libor + 200 basis). In compliance with the notification number RBI/2021-2022/101 A.P. (DIR Series) Circular No.13 dated September 28, 2021, from January 01, 2022, Interest rate ranges from SOFR + 165 Basis Points to SOFR + 200 Basis Points).		

Refer note 54 for assets pledged as security



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 28 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to		
Micro and small enterprises	2,174.77	1,431.56
Others	1,20,825.53	1,07,848.13
	<b>1,23,000.30</b>	<b>1,09,279.69</b>
* Includes payable to related parties (refer note 50)		
Kameda LT Foods (India) Private Limited	-	280.13
Super Texfab Private Limited	2,258.24	932.82
R S Rice & General Mills	47.71	36.01

### March 31, 2024

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,984.12	190.15	0.50	-	-	2,174.77
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	2,150.74	88,143.88	29,827.81	549.51	109.29	44.30	1,20,825.53
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	<b>2,150.74</b>	<b>90,128.00</b>	<b>30,017.96</b>	<b>550.01</b>	<b>109.29</b>	<b>44.30</b>	<b>1,23,000.30</b>

### March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,394.47	37.09	-	-	-	1,431.56
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	82,164.08	25,279.33	269.72	9.95	125.05	1,07,848.13
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>83,558.55</b>	<b>25,316.42</b>	<b>269.72</b>	<b>9.95</b>	<b>125.05</b>	<b>1,09,279.69</b>

## 29 Other current financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	26.92	22.99
Security deposit	11.57	11.57
Unclaimed dividend *	67.82	67.55
Derivative liabilities	5.61	644.67
Other liabilities	15,787.86	8,263.06
	<b>15,899.78</b>	<b>9,009.84</b>

\* Not due for deposit to Investor education and protection fund.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 30 Lease liabilities

	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 4)	5,395.34	4,746.81
	<b>5,395.34</b>	<b>4,746.81</b>

## 31 Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Advances from customers	4,275.68	4,996.31
Statutory liabilities	1,210.14	1,501.72
Deferred government grant	53.50	55.37
Other liabilities*	775.71	397.41
	<b>6,315.03</b>	<b>6,950.81</b>

## 32 Short term provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 46)	657.63	683.60
	<b>657.63</b>	<b>683.60</b>

## 33 Current tax liabilities

	As at March 31, 2024	As at March 31, 2023
Provision for income- tax (net of advance tax)	8,757.17	2,750.41
	<b>8,757.17</b>	<b>2,750.41</b>

## 34 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products		
Rice	7,12,808.72	6,19,601.82
Others	58,788.99	66,840.78
<b>Other operating revenue</b>		
Service charges	833.71	1,767.47
Processing charges	1,526.01	1,350.99
Government grant /export incentives income	3,180.53	3,915.39
Rental income (refer footnote)	102.74	102.74
	<b>7,77,240.70</b>	<b>6,93,579.19</b>

### Footnote:

The Company has entered into rent agreements as a lessor for Silos, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2024 and March 31, 2023 was ₹ 102.74 and ₹ 102.74 respectively. The Company has not executed any non-cancellable operating leases.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 35 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Profit on sale of property, plant and equipment	65.48	503.36
Interest on fixed deposits with banks	72.37	53.82
Interest others	4.03	19.93
Gain on foreign currency transactions and translations	-	1,194.23
Gain on investments carried at fair value through profit and loss	109.06	3.64
Amounts written back	59.82	34.32
Rental income (refer footnote)	158.66	156.28
Income from fleet lease	44.12	7.59
Inventory management fees	3,930.70	1,963.78
Miscellaneous receipts	520.67	365.19
	<b>4,964.91</b>	<b>4,302.14</b>

### Footnote:

The Company has entered into rent agreements as a lessor for area of premises owned by the Company, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2024 and March 31, 2023 was ₹ 158.66 and ₹ 156.28 respectively. The Company has not executed any non-cancellable operating leases.

## 36 Cost of material consumed

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Opening stock</b>		
Raw Material	74,007.23	50,915.46
Packing material		
Bardana	2,156.54	2,761.84
Others	2,818.25	3,279.83
	<b>78,982.02</b>	<b>56,957.13</b>
<b>Add: purchases</b>		
Raw Material	2,84,214.59	2,25,307.01
Packing material		
Bardana	1,396.38	385.28
Others	15,281.93	15,903.75
Rice	2,38,385.35	2,38,996.50
	<b>5,39,278.25</b>	<b>4,80,592.54</b>
<b>Less: closing stock</b>		
Raw Material	75,321.57	74,007.23
Packing material		
Bardana	3,205.63	2,156.54
Others	3,000.50	2,818.25
	<b>81,527.70</b>	<b>78,982.02</b>
	<b>5,36,732.57</b>	<b>4,58,567.65</b>
<b>Consumption details</b>		
Raw Material	2,82,900.25	2,02,215.24
Packing material		
Bardana	347.29	990.58
Others	15,099.68	16,365.33
Rice	2,38,385.35	2,38,996.50
	<b>5,36,732.57</b>	<b>4,58,567.65</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 37 Purchases of stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
Rice	14,906.75	22,238.53
Others	11,819.88	5,867.70
	<b>26,726.63</b>	<b>28,106.23</b>

## 38 Changes in inventories of finished goods, semi finished goods, work in progress and stock in trade

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Opening Stock</b>		
Semi-finished goods	83,462.30	63,732.33
Finished goods	1,00,813.20	88,334.33
Work-in-progress	279.58	194.97
Traded goods	3,519.84	4,012.88
<b>Closing stock</b>		
Semi-finished goods	87,209.66	83,462.30
Finished goods	1,31,842.43	1,00,813.20
Work-in-progress	257.12	279.58
Traded goods	2,453.93	3,519.84
	<b>(33,688.22)</b>	<b>(31,800.41)</b>
Translation reserve	(1,959.71)	2,872.76
	<b>(35,647.93)</b>	<b>(28,927.65)</b>

## 39 Employee benefit expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	37,433.35	32,293.02
Gratuity expense (refer note 46)	321.82	256.45
Contribution to provident and other fund (refer note 46)	1,104.83	935.93
Staff welfare expenses	4,149.02	2,478.42
	<b>43,009.02</b>	<b>35,963.82</b>

## 40 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on working capital loans	5,878.35	4,080.00
Interest on lease liabilities	956.76	876.02
Interest on term loans	471.48	1,070.03
Interest on delay in payment of statutory liabilities	8.29	26.56
	<b>7,314.88</b>	<b>6,052.61</b>
Other borrowing cost	981.70	2,157.42
	<b>8,296.58</b>	<b>8,210.03</b>

**Note:** The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings during the year, in this case interest rate ranging from 7.23 % to 8.21% p.a. (March 31, 2023 - 6.25% to 6.60% p.a.) also, refer note 13.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 41 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	9,752.66	8,155.31
Depreciation of right-of-use-assets	5,247.13	4,068.72
Amortisation of intangible assets	290.85	466.70
	<b>15,290.65</b>	<b>12,690.72</b>

## 42 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Warehouse rent (refer footnote)	4,905.70	5,203.42
Wages and other manufacturing expenses	6,243.94	5,652.25
Factory insurance	529.32	423.45
Power and fuel	4,171.73	3,628.88
Security services	452.24	388.36
Research and development	566.01	500.69
Repairs		
- Building	278.36	215.67
- Plant and machinery	351.09	352.50
- Equipment	2,246.53	2,169.95
- Others	2,055.62	2,000.15
Stores and spares consumed	4,947.52	4,615.77
Packing expenses	1,833.73	1,373.88
Advertisement	13,153.00	9,264.96
Insurance	2,121.44	2,172.32
Legal and professional charges	7,495.89	4,651.25
Rates and taxes	2,000.15	1,906.67
Donation and charity	1,273.55	867.88
Auditors' remuneration	142.30	202.03
Vehicle running and maintenance	343.26	314.96
Commission to selling agents	2,272.42	2,165.06
Clearing and forwarding charges	23,805.86	54,459.31
Freight outward	13,899.33	13,142.24
Travelling and conveyance	3,985.55	3,590.40
Trade receivables and other amounts written off	12.31	79.25
Investment written off	25.00	-
Business promotion expenses	631.63	449.68
Directors' sitting fees	28.40	31.00
Net loss on foreign currency transactions and translations	153.92	-
Provision for doubtful debts	470.80	267.37
Other administrative expenses	7,111.9	6,298.75
Other selling expenses	4,922.10	3,223.33
Provision for capital advance and other advances	193.74	-
Loss on commodity future contracts	-	187.01
	<b>1,12,631.99</b>	<b>1,29,798.44</b>

### Footnote:

The Group has entered into rent agreements as a lessee for warehouses and office premises, which are in the nature of short-term leases. These leases has been accounted for applying Paragraph 6 of Ind AS 116 - Leases and accordingly recorded as an expense amounting to ₹ 4,905.70 and ₹ 5,203.42 for the years ended March 31, 2024 and March 31, 2023 respectively.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 43 Earnings per equity share

	As at March 31, 2024	As at March 31, 2023
Net profit attributable to equity shareholders for calculation of basic and diluted EPS	59,334.88	40,265.19
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS	34,72,52,944	32,21,72,597
Nominal value of each equity share (₹)	1.00	1.00
<b>Earnings per equity share</b>		
Basic and diluted (₹)	17.09	12.50

## 44 Income tax

	As at March 31, 2024	As at March 31, 2023
<b>The income tax expense consists of the following :</b>		
Current tax	21,177.62	13,555.12
Deferred tax expense	(884.76)	427.41
<b>Total income tax</b>	<b>20,292.86</b>	<b>13,982.53</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.168% and the reported tax expense in the Statement of Profit or Loss are as follows:

	As at March 31, 2024	As at March 31, 2023
<b>Accounting profit for the period before Share of profit in Associate and Joint venture</b>	<b>75,166.10</b>	<b>53,472.09</b>
Applicable Indian statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	18,917.80	13,457.86
Expenses on preferential issue of equity share	-	(187.38)
Difference in overseas tax rate and other foreign entities adjustments	1,127.78	490.12
Donation and charity	128.36	187.21
Fine, penalties and interest on statutory dues	8.80	19.26
Interest on CCCPS	34.29	119.02
Deduction under chapter VI-A	(374.54)	(363.19)
Others	450.37	259.64
<b>Total income tax expense</b>	<b>20,292.86</b>	<b>13,982.53</b>

## 45 Contingencies and commitments

	As at March 31, 2024	As at March 31, 2023
<b>(A) Contingent liabilities</b>		
I Income-tax demands (Refer footnote-1)	4,134.94	4,093.69
II FCI Demand for differential price/freight/ taxes	75.69	75.69
III Customer claims against the group	30.77	30.77
IV Duty saved under EPCG licenses (export obligation outstanding ₹ 3,789.96 (March 31, 2023: ₹ 2,349.00))	639.24	391.50
V Guarantees given by group (Refer footnote-2)	17.10	2,639.49
VI Other Gaurantees (Refer footnote-3)	1,110.47	-
	<b>6,008.21</b>	<b>7,231.14</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Footnote:

- 1 a) In case of Daawat Foods Limited, the subsidiary company had filed appeals for the Assessment year 2009-10 which have been concluded for amounting to ₹ 59.57 (March 31, 2023: ₹ 59.57). However, appeal effect of the same is yet to be processed by the Ld. Assessing Officer.

The subsidiary company has received demands during the FY 2021-22, under section 143(3) of the Income Tax Act for the assessment years 2017-18 and 2018-19 amounting to ₹ 682.82 and ₹ 80.26 respectively, (March 31, 2023: ₹ 682.82 and ₹ 80.26) against which appeals before the Commissioner of Income Tax (CIT) (Appeals) have been filed. The outcome of such appeals is pending.

The subsidiary company during the financial year 2023-24 has received a demand order of ₹ 208.35 for assessment year 2020-21 under section 143(3) which is subject to potential rectification under section 154 of the Income Tax Act. Post such rectification, the Company anticipates that the demand shall be ₹ 4.86 (March 31, 2023: Nil). Currently, the Company has filed an appeal before the Commissioner of Income Tax (CIT) (Appeals). The outcome of such appeal is pending.

The subsidiary company during the financial year 2023-24, has received demand under section 143(3) of the Income Tax Act for the assessment year 2021-22 amounting to ₹ 0.09 (March 31, 2023: Nil) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeal is pending.

- b) In case of LT Foods Limited (parent company) has pending appeals at Income Tax Appellate Tribunal (ITAT) for the assessment years 2008-09 to 2010-11 and 2012-13 to 2014-15. For assessment years 2008-09 and 2009-10, no relief was granted by the Dispute Resolution Panel (DRP) (Appeals) on matters amounting to ₹ 453.57 (March 31, 2023: Nil). Further, for assessment years 2010-11 and 2012-13 to 2014-15, no relief was granted by the Commissioner of Income Tax (CIT) (Appeals) on matters amounting to ₹ 754.74 (March 31, 2023: ₹ 1,208.31).

The holding company's had ongoing appeals for assessment years 2003-04 and 2007-08 amounting to ₹ 57.54 and ₹ 4.84 (March 31, 2023: ₹ 57.54 and ₹ 4.84) respectively, against which the Income Tax Appellate Tribunal (ITAT) has passed an order in favour of the Company. However, the appeal effect is yet to be processed by the Ld. Assessing Officer.

The holding company's in previous years has received demand order under section 271(1)(c) of the Income Tax Act for the assessment year 1999-00 amounting to ₹ 36.27 (March 31, 2023: ₹ 36.27) against which an appeal before the Income Tax Appellate Tribunal (ITAT) has been filed. Further, the Company has also received demand order for assessment year 2010-11, amounting to ₹ 177.43 (March 31, 2023: ₹ 177.43) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeals is pending.

During the financial year 2019-20, the holding company has received demands during the FY 2019-20, under section 147 for the Assessment Year 2015-16 for ₹ 466.81 (March 31, 2023: ₹ 466.81). The holding company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The holding company has received demands during the FY 2021-22, has received demand under section 143(3) of the Income Tax Act for the assessment year 2017-18 amounting to ₹ 599.12 (March 31, 2023: ₹ 599.12) against which an appeal before the Commissioner of Income Tax (CIT) (Appeals) has been filed. The outcome of such appeal is pending.

The holding company has received demand order under section 143(3) of the Income Tax Act for the assessment year 2018-19 amounting to ₹ 375.57 (March 31, 2023: ₹ 375.57) against which an appeal before the Income Tax Appellate Tribunal (ITAT) has been filed. The outcome of such appeal is pending.

The holding company has received revised demand order vide dated May 17, 2023 and February 06, 2024 for assessment year 2014-15 and 2015-16 under section 147 which are subject to potential rectification under section 154 of the Income Tax Act. Post such rectification, the Company anticipates that these demands shall be ₹ 20.59 (March 31, 2023: ₹ 43.97) and ₹ 350.14 (March 31, 2023: ₹ 290.46) pertaining to assessment years 2014-15 and 2015-16 respectively. Currently, the Company is in the process of filing an appeal before the Commissioner of Income Tax (CIT) (Appeals).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

The holding company has paid ₹ 1,651.26 (March 31, 2023: ₹ 1,651.26) as per the directions of the Income Tax Department against the outstanding demands of various assessment years and the same will be adjusted/refunded, once the appeals are finalised. The amount paid includes ₹ 631.95 lakhs deposited against cases in respect of which favourable order has been received.

- c) In case of Nature Bio Foods Limited (the subsidiary company), during the assessment year 2010-11 the Income tax department (Department) has added back ₹ 24.43 on account of various reasons to the total income of the Company. The department has issued notice of demand u/s 156 of the Income Tax Act, 1961 on March 28, 2013 demanding ₹ 5.15. The Company had contested the above before CIT(Appeals) and the Ld. CIT(Appeals) has dismissed the appeal vide order dated May 19, 2016. The Company had contested the above order before Hon'ble ITAT. No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable. Aforesaid demand is including interest upto March 28, 2013 but excluding interest from April 1, 2013 onwards and penalty.

During the assessment year 2013-14, the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding ₹ 1.00. The Company had contested the above before CIT(Appeals). No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

During the assessment year 2014-15, the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding ₹ 0.08. The Company had contested the above before CIT(Appeals). No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

During the assessment year 2018-19, the department has issued assessment order u/s 143 (3) of the Income Tax Act, 1961 added back amount of ₹ 13.21 and has demanded amount of ₹ 4.49. The Company has decided to file rectification under section 154 of Income tax act, 1961 & no provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

- d) The management is confident that its position is likely to be upheld in the appeals pending before the various appellate authorities and no liability could arise on the Group on account of these proceedings. Accordingly, no adjustment has been made in these financial statements (other than provision considered as mentioned above).

- 2 The holding company and its subsidiary has given guarantee to bank on behalf of its vendors during the current and the previous year.

- 3 The holding company has given guarantee to bank on behalf of its customers during the year.

## 4 Commitments

Capital commitments remaining to be executed and not provided for, net of capital advances ₹ 892.96 (March 31, 2023: ₹ 2,237.54).

## 46 Employee benefit obligations

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Gratuity	255.39	978.58	352.55	865.41
Compensated absences	137.66	479.55	93.47	388.70
Others	264.58	111.28	237.58	80.65
<b>Total</b>	<b>657.63</b>	<b>1,569.41</b>	<b>683.60</b>	<b>1,334.76</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## A Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination/ other decrements (if any) on account of any accident or disease is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

### Disclosure for gratuity

(i) Amount recognised in the Statement of Profit and Loss is as under:

Description	As at March 31, 2024	As at March 31, 2023
Current service cost	237.08	181.32
Interest cost (net)	84.74	75.13
<b>Amount recognised in the statement of profit and loss</b>	<b>321.82</b>	<b>256.45</b>

(ii) Breakup of actuarial loss recognised in other comprehensive income ("OCI")

Description	As at March 31, 2024	As at March 31, 2023
<b>Remeasurement of defined benefit obligation</b>		
Actuarial loss/(gain) on arising from change in demographic assumption	5.52	(19.59)
Actuarial loss on arising from change in financial assumption	13.24	2.24
Actuarial loss on arising from experience adjustment	35.77	253.98
<b>Remeasurement on plan assets</b>		
Return on plan assets (excluding interest)	(31.60)	6.52
<b>Total actuarial loss recognised in OCI</b>	<b>22.93</b>	<b>243.15</b>

(iii) Movement in the defined benefit obligation during the year is as under:

Description	As at March 31, 2024	As at March 31, 2023
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>2,084.55</b>	<b>1,643.22</b>
Current service cost	237.08	181.32
Interest cost	147.99	108.71
Actuarial loss recognised during the year	54.52	236.63
Other adjustments	26.21	5.81
Benefits paid	(183.07)	(91.14)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>2,367.27</b>	<b>2,084.55</b>

(iv) Change in fair value of assets:

Description	As at March 31, 2024	As at March 31, 2023
<b>Fair value of plan assets at the beginning of the year</b>	<b>866.59</b>	<b>497.32</b>
Interest income plan assets	63.25	33.58
Actual contributions	354.94	433.35
Actuarial Loss	31.59	(6.52)
Benefits paid	(183.07)	(91.14)
<b>Fair value of plan assets at the end of the year</b>	<b>1,133.30</b>	<b>866.59</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

(v) Actuarial assumptions

Description	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09% to 7.34%	7.30% to 7.35%
Retirement age	58 years	58 years
'Employee turnover:	8.00% to 10.00%	1.00% to 8.00%
Rate of increase in compensation	8.00% to 9.00%	8.00% to 9.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vi) Movement in net provision recognised in balance sheet

Description	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	2,367.27	2,084.55
Fair value of plan assets	(1,133.30)	(866.59)
<b>Net provision recognised in the balance sheet</b>	<b>1,233.97</b>	<b>1,217.96</b>

(vii) Sensitivity analysis for gratuity liability

Description	As at March 31, 2024	As at March 31, 2023
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	2,367.27	2,084.55
- Impact due to increase of 1 %	(133.75)	(131.42)
- Impact due to decrease of 1 %	150.44	149.50
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	2,367.27	2,084.55
- Impact due to increase of 1 %	117.27	112.09
- Impact due to decrease of 1 %	(113.00)	(74.69)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Description	As at March 31, 2024	As at March 31, 2023
Within next 12 months	377.41	365.22
Between 2-5 years	987.63	775.55
Between 6-10 years	1,011.38	902.68

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## (ix) Composition of plan assets

Description	As at March 31, 2024	As at March 31, 2023
The planned assets are managed by Life Insurance Corporation, Canara HSBC OBC Life Insurance and PNB MetLife India Insurance Company Limited	1,133.30	866.59

## B Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

### (i) Actuarial assumptions

Description	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09% to 7.34%	7.30% to 7.35%
Future basic salary increase	58 years	58 years
Employee turnover/ Withdrawal rate	8.00% to 10.00%	1.00% to 8.00%
Retirement age	8.00% to 9.00%	8.00% to 9.00%

#### Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.
- The Group has defined benefit obligation pertaining to Indian entities only.

## C Provident fund, ESI fund and other fund

Contribution made by the Group towards Provident fund during the year is ₹ 446.41 (March 31, 2023: ₹ 416.22) relating to entities incorporated in India.

Contribution made by the Group towards ESI fund during the year is ₹ 34.88 (March 31, 2023: ₹ 43.17) relating to entities incorporated in India.

Contribution made by the Group towards Dutch pension scheme during the year is ₹ 412.00 (March 31, 2023: ₹ 313.63) relating to its subsidiary in Europe.

Contribution made by the Group towards 401(k) Plan during the year is ₹ 211.55 (March 31, 2023: ₹ 162.91) relating to its subsidiary in US.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 47 Fair value disclosures

### i) Financial instruments by category

Particulars	March 31, 2024			March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments*	1,375.77	-	-	517.97	-	-
Trade receivables	-	-	67,583.56	-	-	67,435.35
Cash and cash equivalents	-	-	4,961.19	-	-	3,215.40
Other bank balances	-	-	73.16	-	-	683.55
Loans	-	-	1,245.78	-	-	171.63
Other financial assets	265.28	-	18,165.07	6.46	-	16,721.04
<b>Total</b>	<b>1,641.05</b>	<b>-</b>	<b>92,028.76</b>	<b>524.43</b>	<b>-</b>	<b>88,226.97</b>
<b>Financial liabilities</b>						
Borrowings	-	-	52,615.28	-	-	90,196.01
Liability component of compound financial instrument - net of transaction costs	-	-	-	-	-	3,578.54
Trade payable	-	-	1,23,000.30	-	-	1,09,279.69
Lease liability	-	-	39,132.48	-	-	28,299.11
Other financial liabilities	5.61	-	15,894.17	644.67	-	8,365.17
<b>Total</b>	<b>5.61</b>	<b>-</b>	<b>2,30,642.23</b>	<b>644.67</b>	<b>-</b>	<b>2,39,718.52</b>

\* Investment in equity instruments of joint ventures and associates has been accounted using equity method, hence not included here.

### ii) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**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 rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

March 31, 2024	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Keyman insurance policies	-	621.72	-	621.72
Equity instruments - Quoted	0.21	-	-	0.21
Equity instruments - Unquoted	-	753.84	-	753.84
Derivative asset	-	265.28	-	265.28
<b>Total financial assets</b>	<b>0.21</b>	<b>1,640.84</b>	<b>-</b>	<b>1,641.05</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	5.61	-	5.61
<b>Total financial liabilities</b>	<b>-</b>	<b>5.61</b>	<b>-</b>	<b>5.61</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Keyman insurance policies	-	492.71	-	492.71
Equity instruments - Quoted	0.21	-	-	0.21
Equity instruments - Unquoted	-	0.05	25.00	25.05
Derivative asset	-	6.46	-	6.46
<b>Total financial assets</b>	<b>0.21</b>	<b>499.22</b>	<b>25.00</b>	<b>524.43</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	644.67	-	644.67
<b>Total financial liabilities</b>	<b>-</b>	<b>644.67</b>	<b>-</b>	<b>644.67</b>

## Valuation process and technique used to determine fair value

- (i) The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- (ii) In order to arrive at the fair value of unquoted investments, the group obtains independent valuations. The techniques used by the valuer are as follows:
  - a) Asset approach - Net assets value method
  - b) Income approach - Discounted cash flows ("DCF") method
  - c) Market approach - Enterprise value/Sales multiple method
- (iii) Key man insurance policy fair value is based on surrender value stated by Life Insurance Corporation of India, Max New York Life Insurance Company Limited, SBI Life Insurance Company Limited, Star Union Dai-Ichi Life Insurance and Canara HSBC OBC Life Insurance, PNB MetLife India Insurance Company Limited which represents surrender value for the investors.

## Derivative financial assets/ liabilities:

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates etc.

## iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	March 31, 2024		March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Trade receivables	Level 3	67,583.56	67,583.56	67,435.35	67,435.35
Cash and cash equivalents	Level 3	4,961.19	4,961.19	3,215.40	3,215.40
Other bank balances	Level 3	73.16	73.16	683.55	683.55
Loans	Level 3	1,245.78	1,245.78	171.63	171.63
Other financial assets	Level 3	18,165.07	18,165.07	16,721.04	16,721.04
<b>Total financial assets</b>		<b>92,028.76</b>	<b>92,028.76</b>	<b>88,226.97</b>	<b>88,226.97</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Level	March 31, 2024		March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial liabilities</b>					
Borrowings	Level 3	52,615.28	52,615.28	90,196.01	90,196.01
Liability component of compound financial instrument - net of transaction costs	Level 3	-	-	3,578.54	3,578.54
Trade payables	Level 3	1,23,000.30	1,23,000.30	1,09,279.69	1,09,279.69
Lease Liabilities	Level 3	39,132.48	39,132.48	28,299.11	28,299.11
Other financial liabilities	Level 3	15,894.17	15,894.17	8,365.17	8,365.17
<b>Total financial liabilities</b>		<b>2,30,642.23</b>	<b>2,30,642.23</b>	<b>2,39,718.52</b>	<b>2,39,718.52</b>

The management assessed that security deposits, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

## 48 Financial risk management

### i) Risk management framework

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and contract assets, favourable derivative financial instruments, financial assets measured at amortised cost and fair value through profit or loss.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in functional currency of respective entity	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Group presently does not have any significant investments in equity shares.

The group's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## A) 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, and arises principally from the group's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

### a) Credit risk management

The group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The group assigns the following credit risk ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk –

Credit risk rating	Particulars	March 31, 2024	March 31, 2023
A: Low	Loans	1,245.78	171.63
	Investments	1,375.77	517.97
	Cash and cash equivalents	4,961.19	3,215.40
	Bank balances other than cash and cash equivalents	73.16	683.55
	Other financial assets	18,430.35	16,727.50
B: Medium	Trade receivables	67,583.56	67,435.35
	Trade receivables	819.03	722.62
	Other financial assets	193.74	-

### Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

### Trade receivables

The group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## b) Expected credit losses for financial assets other than trade receivables

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since, the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of other financial assets, credit risk is evaluated based on knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

Particulars	March 31, 2024			March 31, 2023		
	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision
Investments	1,375.77	0.00%	1,375.77	517.97	0.00%	517.97
Cash and cash equivalents	4,961.19	0.00%	4,961.19	3,215.40	0.00%	3,215.40
Bank balances other than cash and cash equivalents	73.16	0.00%	73.16	683.55	0.00%	683.55
Loans	1,245.78	0.00%	1,245.78	171.63	0.00%	171.63
Other financial assets	18,624.09	1.04%	18,430.35	16,727.50	0.00%	16,727.50

## Expected credit loss for trade receivables under simplified approach

The Group recognises lifetime expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analysing historical trend of default relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met). Trade receivables are subject to credit limits, controls and approvals processes. Based on the historical experience, the risk of default in case of trade receivables is low.

Particulars	0-1 Year	more than 1 Year
<b>As at March 31, 2024</b>		
Trade receivables	67,203.19	1,199.39
Default rate	0.63%	32.93%
Expected credit loss	424.13	394.90
<b>As at March 31, 2023</b>		
Trade receivables	67,085.71	1,072.26
Default rate	0.02%	66.26%
Expected credit loss	12.13	710.49

Reconciliation of loss allowance	Amount
<b>Loss allowance on April 01, 2022</b>	<b>716.31</b>
Add (Less): Bad debts written off	(261.06)
Add (Less): Changes in loss allowances	267.37
<b>Loss allowance on March 31, 2023</b>	<b>722.62</b>
Add (Less): Bad debts written off	(374.39)
Add (Less): Changes in loss allowances	470.80
<b>Loss allowance on March 31, 2024</b>	<b>819.03</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entity operates.

### Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity of group based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2024	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	51,562.16	869.80	183.32	52,615.28
Lease liabilities *	5,395.34	33,429.89	307.25	39,132.48
Trade payable	1,23,000.30	-	-	1,23,000.30
Other financial liabilities	15,899.78	-	-	15,899.78
<b>Total</b>	<b>1,95,857.58</b>	<b>34,299.69</b>	<b>490.57</b>	<b>2,30,647.84</b>

March 31, 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	67,686.30	5,873.66	16,636.05	90,196.01
Liability component of compound financial instrument - net of transaction costs	-	-	3,578.54	3,578.54
Lease liabilities *	4,746.81	6,596.20	16,956.10	28,299.11
Trade payable	1,09,279.69	-	-	1,09,279.69
Other financial liabilities	9,009.84	-	-	9,009.84
<b>Total</b>	<b>1,90,722.64</b>	<b>12,469.86</b>	<b>37,170.69</b>	<b>2,40,363.19</b>

\* The impact of discounting is not material for the Group.

## C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – 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.

### a) Foreign currency risk

The group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Euro, GBP and CHF. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the group entities.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

(i) Exposure to currency risk:

The groups exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows

Particulars	In foreign currency		In INR	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Financial assets</b>				
<b>Trade receivables*</b>				
EURO	72.18	106.56	6,511.52	9,548.69
USD	233.77	181.01	19,490.53	14,881.21
GBP	16.15	4.90	1,700.49	499.18
CHF	-	0.17	-	15.27
<b>Foreign exchange derivative contracts (Sell foreign currency)</b>				
EURO	(156.95)	(21.00)	(14,159.53)	(1,881.35)
EURO - USD	-	(9.50)	-	(851.28)
USD	(328.45)	(344.19)	(27,383.99)	(28,297.83)
GBP	(25.00)	-	(2,632.34)	-
<b>Financial liabilities</b>				
<b>Trade payables</b>				
EURO	1.12	1.93	100.81	172.02
USD	16.58	7.24	1,381.98	595.93
CHF	-	-	0.18	-
AED	10.28	-	233.25	-
<b>Preshipment credit</b>				
USD	36.87	49.86	3,074.34	4,099.41

\* Includes intra group balances which are eliminated in the consolidated financial statements.

The following significant exchange rates have been applied:

	Year end spot rate	
	March 31, 2024	March 31, 2023
EURO	90.22	89.61
USD	83.37	82.22
GBP	105.29	101.87
CHF	92.39	89.82
AED	22.69	22.38

(a) Disclosure of effects of hedge accounting on financial position

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign currency risk									
(i) Foreign exchange forward contracts	44,730.45	-	265.28	5.61	April 10, 2024 - February 28, 2025	1:1	USD: ₹ 85.43 EURO: ₹ 91.89 GBP: ₹ 106.59	259.67	(259.67)
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	3,072.57	-	3,074.34	16 July 2024 - 23 Sept 2024	1:1	USD: ₹ 83.34	(1.77)	1.77

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign currency risk									
(i) Foreign exchange forward contracts	-	-	6.46	644.67	10 April 2023 - 29 February 2024	1:1	USD: ₹ 84.21 EURO: ₹ 87.64	(638.21)	638.21
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	4,077.91	-	4,099.41	27 May 2023 - 16 August 2023	1:1	USD: ₹ 81.76	(21.50)	21.50

## (b) Disclosure of effects of hedge accounting on financial performance

### For the year ended March 31, 2024

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Foreign exchange forward contracts	897.88	-	(101.65)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	19.73	-	(33.37)	Revenue and other income

### For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Foreign exchange forward contracts	(1,342.29)	-	(1,081.46)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	135.75	-	(1,100.69)	Revenue and other income

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

For forward contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. forward contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. highly probable forecast sales. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of highly probable forecast sales.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

## (c) Movements in cash flow hedging reserve

Particulars	Amount
<b>As at April 01, 2022</b>	<b>458.76</b>
Add: Changes in fair value of forward contracts	(2,423.75)
Add: Changes in fair value of PCFCs	(964.94)
Less: Gain/(Loss) on cash flow hedge reserve attributable to non controlling interest	89.23
Less: Amount reclassified to profit or loss	2,153.34
Less: Tax relating to above (net)	310.89
Change during the year ended March 31, 2023	(835.23)
<b>As at March 31, 2023</b>	<b>(376.47)</b>
Add: Changes in fair value of forward contracts	999.53
Add: Changes in fair value of PCFCs	53.10
Less: Gain/(Loss) on cash flow hedge reserve attributable to non controlling interest	(0.22)
Less: Amount reclassified to profit or loss	(135.02)
Less: Tax relating to above (net)	(230.94)
Change during the year ended March 31, 2024	686.45
<b>As at March 31, 2024</b>	<b>309.98</b>

## Sensitivity

'A reasonably possible strengthening (weakening) of the Euro, US dollar, GBP against all other currencies at March 31, 2022 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. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in foreign currency (PCFC) designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Currency	Strengthen		Strengthen		Weaken		Weaken	
		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Sensitivity of change in exchange rate by 1%*	EURO	47.97	70.17	(105.96)	(14.08)	(47.97)	(70.17)	105.96	14.08
Sensitivity of change in exchange rate by 1%*	USD	135.51	106.90	(204.92)	(211.76)	(135.51)	(106.90)	204.92	211.76
Sensitivity of change in exchange rate by 1%*	GBP	12.72	3.74	(19.70)	-	(12.72)	(3.74)	19.70	-
Sensitivity of change in exchange rate by 1%*	CHF	-	0.11	-	-	-	(0.11)	-	-
Sensitivity of change in exchange rate by 1%*	AED	(1.75)	-	-	-	1.75	-	-	-

\* Holding all other variables constant

## b) Interest rate risk

### i) Liabilities

The group's policy is to minimise interest rate cash flow risk exposures on long-term financing. The group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The group's investments in fixed deposits all pay fixed interest rates.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Interest rate risk exposure

Below is the overall exposure of the group to interest rate risk:

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowing	52,525.97	89,332.21
Fixed rate borrowing	89.31	863.80
<b>Total borrowings</b>	<b>52,615.28</b>	<b>90,196.01</b>

## Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Particulars	Effect on profit after tax	
	March 31, 2024	March 31, 2023
- Impact due to increase of 50 basis points*	(193.69)	(320.86)
- Impact due to decrease of 50 basis points*	193.69	320.86

\*Holding all other variables constant

## ii) Assets

The group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## c) Price risk Exposure

The group does not have any significant investments in equity instruments which create an exposure to price risk.

## 49 Capital management

The group's capital management objectives are

- to ensure the group's ability to continue as a going concern
- to provide an adequate return to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the group's various classes of debt. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The group's adjusted net debt to equity ratio is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings including lease liabilities	91,747.76	1,22,073.66
Less : cash and cash equivalents	(4,961.19)	(3,215.40)
<b>Net debt</b>	<b>86,786.57</b>	<b>1,18,858.26</b>
Total equity	3,42,667.72	2,79,702.86
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.25</b>	<b>0.42</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## a) Dividends

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
<b>(i) Interim Dividend</b>		
For the year ended March 31, 2023 of ₹ 0.50 per share	-	1,599.22
For the year ended March 31, 2024 of ₹ 0.50 per share	3,472.57	-

## b) Loan covenants

The Holding Company & its subsidiaries, have availed credit facilities from various banks & financial institutions as per the terms of agreements,

### i) The Holding Company, is required to comply with the following covenants:

- the current ratio must be more than 2 times
- the debt to equity must remain lower than 2 times
- the promoter's holding must not be less than 51%
- the total outside liability to tangible net worth ratio must not exceed 2 times
- the Debts to Earnings Before Interest, Taxes, Depreciation and Amortisation must not exceed 4 times
- the Net Working Capital to be maintained at minimum level of 25% of current assets
- Interest Service Coverage Ratio to be more than 2 times
- Asset Coverage Ratio not to fall below as approved at the time of assessment
- To maintain a minimum Adjusted Tangible Net Worth of INR 12,000 million
- Debt Service Coverage Ratio not less than 1.5 times

### ii) Daawat Foods Limited (subsidiary), is required to comply with the following covenants:

- Adjusted Tangible Net Worth of ₹ 48000.00 to be maintained.

### iii) Ecopure Specialities Limited (subsidiary), is required to comply with the following financial covenants:

- Debt/EBITDA not more than 6 times
- Current ratio equal to or more than 1.33 times
- Debt/equity ratio less than 3.5 times
- Total Debt/ Tangible Net Worth equal to or Less than 2
- Net Operating Income/Total Debt Service greater than or equals to 1.25 times
- EBIT/Interest Expense equals to or more than 1.5

### iv) Nature Bio Foods Limited (subsidiary), is required to comply with the following financial covenants:

- Current Ratio equal to or more than 1.10 times
- Interest Bearing Debt/Earning Before Interest Tax and Depreciation Not to be above 4.5 times (IBD/EBITDA)
- Interest Coverage equal to or more than 1.5 times

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**v) Nature Bio Foods BV and Nature Bio Foods Inc. (subsidiaries), are required to comply with the following financial covenants:**

- Obligor to maintain the Tangible solvency Ratio not less than 20% at the last day of quarter.

**vi) LT Foods America Inc. and LT Food Europe BV (subsidiaries), are required to comply with the following financial covenants:**

- Obligor to maintain the Tangible solvency Ratio not less than 20% at the last day of quarter.

The Group has complied with these covenants as at reporting period.

## 50 Related party disclosures

The group's related party transactions and outstanding balances are with its subsidiaries, associates and a joint venture, key management and others as described below.

### A. Names of related parties and description of relationship

**a) Associates**

Raghuvesh Agri Foods Private Limited  
Raghuvesh Warehousing Private Limited  
Raghuvesh Infrastructure Private Limited

**b) Joint Venture**

Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited)  
Golden Star Trading, Inc.  
Leev.NU. B.V.

### B. Key Management Personnel and Directors their relatives

**- Key Management Personnel**

<b>Name</b>	<b>Designation</b>
Mr. Vijay Kumar Arora	Managing Director
Mr. Surinder Kumar Arora	Managing Director
Mr. Ashwani Kumar Arora	Managing Director and Chief Executive Officer
Mr. Ashok Kumar Arora	President - Punjab Operations
Mr. Alrumaih Sulaiman Abdul Rehman S	Additional Director (from February 28, 2023)
Mr. Sachin Gupta	Chief Finance Officer (w.e.f. May 30, 2022)
Ms. Monika Chawla Jaggia	Company Secretary

**Directors**

Ms. Ambika Sharma	Independent Director
Ms. Neeru Singh	Independent Director
Mr. Abhiram Seth	Lead Independent Director
Mr. Raju Lal	Independent Director (w.e.f. January 2024)
Mr. Anil Kandelwal	Independent Director (upto February 22, 2023)
Mr. S C Gupta	Independent Director (w.e.f. June 2023)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**- Relatives of Key Management Personnel**

**(with whom transactions have taken place during the year or previous year)**

<b>Name</b>	<b>Relation</b>
Mr. Abhinav Arora	Relative of Managing Director
Mr. Aditya Arora	Relative of Key management personnel
Mr. Gursajan Arora	Relative of Key management personnel
Mr. Ritesh Arora	Relative of Managing Director
Mr. Anmol Arora	Relative of Managing Director
Ms. Parvesh Rani	Relative of Key management personnel
Ms. Ranju Arora	Relative of Managing Director
Ms. Sakshi Arora	Relative of Managing Director
Ms. Anita Arora	Relative of Key management personnel
Ms. Vandana Arora	Relative of Managing Director

**Enterprise having significant influence**

SALIC International Investment Company ("SALIC")

United Farmers Investment Company-Subsidiary of SALIC

**Entities in which Key Management Personnel and their relatives have significant influence and with whom transactions have taken place during the year or previous year**

R. S Rice & General Mills  
Super Textfab Private Limited  
Raghuvesh Holdings Private Limited  
Oswal Woollen Mills Limited  
Global Foods Trading Gmbh  
Global Foods Trading Ltd.  
Global Foods Trading Spain S.L  
Global Foods Trading France Sarl  
Sidhu Food B.V.  
Buddha Gourmet Foods Gmbh

**Transactions with key management persons and their relatives and joint venture**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Sales</b>		
Kameda LT Foods (India) Private Limited	109.75	59.73
Oswal Woollen Mills Limited	352.90	573.09
Golden star trading, Inc.	78.85	-
Global Foods Trading Gmbh	3,975.17	3,834.94
Leev.NU. B.V.	1,443.50	-
Sidhu Food B.V.	464.27	271.21
Buddha Gourmet Foods Gmbh	374.96	803.34
Global Foods Trading Ltd.	738.60	515.42
Global Foods Trading Spain S.L	1,972.71	2,968.79
Global Foods Trading France Sarl	1,524.98	1,811.47
<b>Purchases</b>		
Super Textfab Private Limited	9,315.47	5,431.12
Golden star trading, Inc.	91.85	-



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
Kameda LT Foods (India) Private Limited	541.59	302.85
<b>Transactions with key management personnel and Directors</b>		
<b>Remuneration paid/payable*</b>		
Mr. Vijay Kumar Arora	247.53	344.39
Mr. Ashwani Kumar Arora	230.00	211.32
Mr. Surinder Kumar Arora	230.00	223.25
Mr. Ashok Kumar Arora	230.00	223.25
Mr. Sachin Gupta	79.43	64.74
Ms. Monika Chawla Jaggia	80.71	66.99
*Remuneration does not include the contribution towards gratuity and leave encashment as the incremental liability has accounted for by the Group.		
<b>Relatives of Key Management Personnel (excluding long term employee benefit)</b>		
<b>Remuneration</b>		
Abhinav Arora	496.75	482.23
Aditya Arora	143.11	116.29
Anmol Arora	146.79	48.92
Gursajan Arora	162.17	157.53
Ritesh Arora	78.07	64.47
Dividend paid to key management personnel	919.48	459.74
<b>Dividend paid to relatives of key management personnel and entities in which key management personnel have significant influence. (net of statutory taxes)</b>		
Details of parties to whom dividend paid is more than 10%		
Raghuvesh Holdings Private Limited	333.84	166.92
Others	517.67	281.92
<b>Reimbursement of expenses received</b>		
Kameda LT Foods (India) Private Limited	80.37	51.76
Raghuvesh Infrastructure Private Limited	10.23	9.45
<b>Rent expense</b>		
R S Rice & General Mills	19.80	18.15
<b>Rental income</b>		
Kameda LT Foods (India) Private Limited	154.59	154.59
<b>Inventory management fees received</b>		
Golden Star Trading, Inc.	3,930.70	1,963.78
<b>Interest income</b>		
Raghuvesh Agri Foods Private Limited	0.75	10.17
Raghuvesh Warehousing Private Limited	-	0.13
<b>Dividend received</b>		
Leev.NU. B.V.	67.35	-
Raghuvesh Warehousing Private Limited	34.00	-
<b>Purchase of shares of Daawat Foods Limited</b>		
United Farmers Investment Company	-	17,583.02
<b>Investments</b>		
Kameda LT Foods (India) Private Limited	-	511.43
Buddha Gourmet Foods GmbH	753.79	-
<b>Loan granted</b>		
Raghuvesh Agri Foods Private Limited	68.00	75.00
Raghuvesh Warehousing Private Limited	24.00	5.00
<b>Net payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	103.16	275.00
Raghuvesh Warehousing Private Limited	24.12	8.65
<b>Advance given</b>		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
Buddha Gourmet Foods Gmbh	1,136.02	-
<b>Advance received</b>		
Golden Star Trading, Inc	13,493.97	-
<b>Director sitting fees</b>		
Mr. S C Gupta	2.00	-
Ms. Ambika Sharma	9.40	12.30
Mr. Anil Khandelwal	-	3.80
Mr. Abhiram Seth	6.00	5.80
Ms. Neeru Singh	8.80	8.20

Mr. Vijay Kumar Arora, Mr. Ashwini Kumar Arora, Mr. Surinder Kumar Arora and Mr. Ashok Kumar Arora, the Directors in the Company and in the few of its subsidiary companies have given personal guarantees against the long and short term borrowings (except vehicles loans) availed by the Company and few of its subsidiaries.

Particulars	March 31, 2024	March 31, 2023
<b>Net balances at the year-end {(payable)/ receivable}</b>		
Super Tefab Private Limited	(2,258.24)	(932.82)
Golden Star Trading, Inc.	(13,493.97)	-
Raghuvesh Agri Foods Private Limited	-	35.45
Raghuvesh Warehousing Private Limited	-	0.41
Kameda LT Foods (India) Private Limited	120.23	(240.44)
Oswal Woollen Mills Limited	20.07	27.34
Global Foods Trading Gmbh	1,453.71	1,150.94
Sidhu Food B.V.	480.95	-
R S Rice & General Mills	(47.71)	(36.01)
Buddha Gourmet Foods Gmbh	244.22	1,973.03
Global Foods Trading Ltd.	280.96	192.73
Global Foods Trading Spain S.L	500.78	887.04
GFT France SARL	531.86	430.97
Sachin Gupta	2.30	-
Monika Chawla Jaggia	4.18	10.43

## Terms and conditions of transactions with related parties

The transactions with related parties have been entered into by Group in the ordinary course of business, on arm's length basis on terms prevailing in the open market at that time.

## 51 Segment reporting

The business activity of the Group predominantly fall within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Group operates in three principal geographical areas of the world, i.e., India, America, Europe and other countries (Rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

## Information about products and services

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue from external customers</b>		
Rice	7,12,808.72	6,19,601.82
Others	58,788.99	66,840.78
Other operating revenue	5,642.99	7,136.59
<b>Total</b>	<b>7,77,240.70</b>	<b>6,93,579.19</b>

\* Above Revenue does not include other income as per Ind AS 108

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Information about geographical areas

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenues from external customers</b>		
From India	2,41,148.34	2,17,883.57
From America	2,99,458.24	2,66,582.76
From Europe	1,55,043.96	1,32,150.12
Others	81,590.16	76,962.74
<b>Total</b>	<b>7,77,240.70</b>	<b>6,93,579.19</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non current assets located</b>		
In India	73,035.71	52,542.18
In America	34,693.47	45,413.74
In Europe	34,287.43	20,498.19
Others	2,570.25	724.95
<b>Total</b>	<b>1,44,586.86</b>	<b>1,19,179.06</b>

## 52 Deferred government grants

Particulars	March 31, 2024	March 31, 2023
<b>At the beginning of the year</b>	<b>159.93</b>	<b>199.71</b>
Received during the year	541.99	511.90
Released to the Statement of Profit and Loss	(577.03)	(551.68)
<b>At the end of the year</b>	<b>124.89</b>	<b>159.93</b>

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Government grants	53.50	71.39	55.37	104.56

**53** The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## 54 Assets pledged as security

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current asset*</b>		
<b>First charge</b>		
Property, plant and equipments	62,680.21	57,798.03
Other financial assets	191.59	794.70
<b>Total non-current asset pledged as security</b>	<b>62,871.80</b>	<b>58,592.73</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current assets*</b>		
<b>First charge</b>		
Inventories	3,50,869.48	3,08,988.84
Trade receivables	93,675.30	1,02,900.85
Cash and cash equivalents	3,818.79	2,854.97
Other bank balances	73.16	683.55
Loans	62.89	130.22
Other financial assets	1,469.37	908.26
Other current assets	54,519.58	30,665.28
<b>Total current asset pledged as security</b>	<b>5,04,488.57</b>	<b>4,47,131.97</b>
<b>Total assets pledged as security</b>	<b>5,67,360.37</b>	<b>5,05,724.70</b>

\* Above figures includes intra group balances which have been eliminated in consolidated financial statements.

**55** The group's subsidiaries at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

**(a) Subsidiaries**

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interest		Principal Activities
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
Daawat Foods Limited	India	100.00%	99.99%	-	-	Manufacturing and sale of rice.
Nature Bio Foods Limited	India	82.50%	99.95%	17.50%	0.05%	Manufacturing and sale of organic rice and other organic food items
LT Foundation	India	100.00%	100.00%	-	-	CSR related activities
Deva Singh Sham Singh Exports Private Limited	India	100.00%	100.00%	-	-	Manufacturing and sale of rice.
Raghunath Agro Industries Private Limited	India	100.00%	100.00%	-	-	Manufacturing and sale of rice.
LT Agri Services Private Limited	India	100.00%	100.00%	-	-	Non-operational
Eco Pure Specialities Limited	India	82.50%	100.00%	17.50%	0.05%	Manufacturing and sale of organic rice and other organic food items
LT Foods Holdings ME Limited (Formerly, Sona Global Limited)	Middle East	100.00%	100.00%	-	-	Trading of rice
LT Food Middle East DMCC	Middle East	100.00%	100.00%	-	-	Trading of rice
LT Overseas North America, Inc.	United States	100.00%	100.00%	-	-	Trading of rice
LT Foods Americas, Inc.	United States	100.00%	100.00%	-	-	Trading of rice
LT Foods USA LLC	United States	100.00%	100.00%	-	-	Trading of rice
LT Foods Europe Holding Limited (Formerly known as LT Foods International Limited (UK))	United States	100.00%	100.00%	-	-	Trading of rice

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interest		Principal Activities
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
LT Foods Europe BV	United Kingdom	100.00%	100.00%	-	-	Trading of rice
LT Foods U.K. Limited	Europe	100.00%	100.00%	17.50%	0.05%	Trading of rice
Nature Bio Foods BV	United Kingdom	82.50%	99.95%	-	-	Trading of rice
Nature Bio Foods Inc	Europe	82.50%	99.95%	17.50%	0.05%	Trading of organic rice and other organic food items
Bonne Nature Limited	Africa	82.50%	-	17.50%	-	Trading of organic rice and other organic food items

## (b) Non controlling interest

- (i) During the previous year, the Board of Directors of the Holding Company at its meeting held on November 10, 2022 approved the acquisition of 56,55,341 equity shares of face value of 10 each per share at a premium of ₹ 300.91 per share for a total purchase consideration of ₹ 17,583.02 from United Farmers Investment Company, amounting to 29.52% of the share capital on a fully diluted basis of a subsidiary, Daawat Foods Limited. The transfer of shares, representing the additional stake acquired, got completed on March 07, 2023 and pursuant to this, the Holding Company holds 99.99% stake in the subsidiary as at March 31, 2023.

	March 31, 2024	March 31, 2023
Carrying amount of non-controlling interests attributable to Daawat Foods Limited as on April 01, 2022	-	11,137.26
Share in profit attributable to non-controlling interests from April 1, 2022 to March 07, 2023	-	2,005.61
Share in other comprehensive income attributable to non-controlling interests from April 1, 2022 to March 07, 2023	-	(103.48)
<b>Carrying amount of non-controlling interests as at March 07, 2023 (before acquisition)</b>	-	<b>13,039.39</b>
Consideration paid for acquisition of non-controlling interests	-	(17,716.83)
<b>Excess of consideration paid recognised in retained earnings within equity</b>	-	<b>(4,677.44)</b>

- (ii) In case of a subsidiary, Nature Bio Foods Limited, the subsidiary had issued Cumulative Compulsory Convertible Preference Shares ("CCCPS") (refer note 23) to India Agri Business Fund ("Investor Company"). During the current year, the Investor Company exercised its option to convert the CCCPS into equity shares and consequently, the subsidiary issued 423,243 equity share of ₹ 10/- against such CCCPS resulting in dilution of share of the Group in the subsidiary including step down subsidiaries (Eco Pure Specialities Limited, Nature Bio Foods BV, Nature Bio Foods Inc. and Bonne Nature Limited). As at March 31, 2024 the Group holds 82.50% stake in the subsidiary (including step down subsidiaries) and the balance 17.50% is held by the Investor Company.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2024
Carrying amount of non-controlling interest attributable to Nature Bio Foods Limited group (before conversion of CCCPS)	3,997.02
Reassessed value of non-controlling interest attributable to Nature Bio Foods Limited group (post conversion of CCCPS)	5,080.90
Adjustment to carrying value of non-controlling interest recognised directly in retained earnings within equity	1,083.88
Transfer of liability component of CCCPS as on date of conversion to equity	3,704.93
Net adjustments to retained earnings	2,621.05

There was no transaction with non controlling interest in previous year with respect to Nature Bio Foods Limited group.

## (c) Interests in associates and joint venture

Set out below are the associates and joint ventures of the Group as at March 31, 2024 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					As at March 31, 2024	As at March 31, 2023
Raghuvesh Warehousing Private Limited	India	40.00%	Associate	Equity method	412.00	451.97
Raghuvesh Agri Foods Private Limited	India	40.00%	Associate	Equity method	370.34	363.67
Raghuvesh Infrastructure Private Limited	India	30.00%	Associate	Equity method	181.26	88.30
Biomass India Private Limited	India	50.00%	Associate	Equity method	-	-
Leev.NU. B.V.	Europe	30.00%	Joint venture	Equity method	359.20	336.65
Daawat Kameda India Private Limited	India	51.00%	Joint venture	Equity method	590.89	1,094.97
Golden star trading, Inc.	USA	51.00%	Joint venture	Equity method	15,051.80	9,844.65
Total equity accounted investments					<b>16,965.49</b>	<b>12,180.21</b>

## Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not LT Foods Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Balance Sheet	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Total Assets	1,100.22	1,248.49	974.01	1,319.73	674.93	2,754.44
Total liabilities	73.00	121.21	87.34	411.12	65.52	2,455.10
<b>Net Assets</b>	<b>1,027.22</b>	<b>1,127.28</b>	<b>886.67</b>	<b>908.61</b>	<b>609.41</b>	<b>299.34</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Balance Sheet	Joint Venture					
	Leev.NU. B.V.		Daawat Kameda India Private Limited		GOLDENSTAR TRADING INC	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Total Assets	2,049.34	1,854.96	1,796.44	2,657.92	27,386.34	17,710.06
Total liabilities	1,132.71	1,090.61	353.64	226.74	10,703.79	11,398.16
<b>Net Assets</b>	<b>916.63</b>	<b>764.35</b>	<b>1,442.80</b>	<b>2,431.18</b>	<b>16,682.55</b>	<b>6,311.90</b>

## Reconciliation to carrying amounts

Summarised Balance Sheet	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Closing net assets</b>	<b>1,027.22</b>	<b>1,127.28</b>	<b>886.67</b>	<b>908.61</b>	<b>609.41</b>	<b>299.34</b>
Group's share in %	40%	40%	40%	40%	30%	30%
Group's share in INR	410.89	450.91	354.67	363.44	182.82	89.80
Other adjustments	1.11	1.06	15.67	0.23	(1.56)	(1.50)
<b>Carrying amount</b>	<b>412.00</b>	<b>451.97</b>	<b>370.34</b>	<b>363.67</b>	<b>181.26</b>	<b>88.30</b>

Summarised Balance Sheet	Leev.NU. B.V.		Kameda LT Foods (India) Private Limited		Golden Star Trading, Inc.	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	<b>Closing net assets</b>	<b>916.63</b>	<b>764.35</b>	<b>1,442.80</b>	<b>2,431.18</b>	<b>16,682.55</b>
Group's share in %	30%	30%	51%	51%	51%	51%
Group's share in INR	274.99	229.30	735.83	1,239.91	8,508.11	3,219.07
Goodwill	116.13	116.13	-	-	-	-
Intangibles	-	-	-	-	6,697.57	6,697.57
Translation Adjustment	(31.92)	(8.78)	-	-	(153.88)	(71.99)
Other adjustments	-	-	(144.94)	(144.94)	-	-
<b>Carrying amount</b>	<b>359.20</b>	<b>336.65</b>	<b>590.89</b>	<b>1,094.97</b>	<b>15,051.80</b>	<b>9,844.65</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Summarised Statement of Profit and Loss	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Total income</b>	<b>104.80</b>	<b>191.66</b>	<b>193.50</b>	<b>182.38</b>	<b>938.85</b>	<b>695.14</b>
Total expenses	119.70	195.28	176.81	217.05	628.99	598.76
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income/(loss)</b>	<b>(14.90)</b>	<b>(3.62)</b>	<b>16.69</b>	<b>(34.67)</b>	<b>309.86</b>	<b>96.38</b>

Summarised Statement of Profit and Loss	Joint Venture					
	Leev.NU. B.V.		Daawat Kameda India Private Limited		GOLDENSTAR TRADING INC	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Total income</b>	<b>6,190.50</b>	<b>4,516.65</b>	<b>753.45</b>	<b>241.10</b>	<b>66,508.09</b>	<b>42,418.85</b>
Total expenses	5,890.83	4,194.14	1,742.50	1,169.66	56,298.00	36,270.31
Other comprehensive income	-	-	0.67	-	-	-
<b>Total comprehensive income/(loss)</b>	<b>299.67</b>	<b>322.51</b>	<b>(988.37)</b>	<b>(928.56)</b>	<b>10,210.09</b>	<b>6,148.54</b>

## Total share of profits on account of equity accounting:

	Year ended March 31, 2024	Year ended March 31, 2023
Share of profits from associates	93.68	29.04
Share of profits from joint ventures	4,792.98	2,757.18
<b>Total share of losses from associates and joint ventures</b>	<b>4,886.65</b>	<b>2,786.22</b>

Contingent liabilities of associates and joint ventures:	As at March 31, 2024	As at March 31, 2023
Custom duty on raw material imported under advance license, against which the obligation is to be fulfilled	7.24	-
<b>Total</b>	<b>7.24</b>	<b>-</b>

Group's share in Contingent liabilities of associates and joint ventures:	As at March 31, 2024	As at March 31, 2023
Custom duty on raw material imported under advance license, against which the obligation is to be fulfilled	3.69	-
<b>Total</b>	<b>3.69</b>	<b>-</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## 56 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

### Significant changes in contract assets and liabilities

There has been no significant changes in contract assets/contract liabilities during the year.

### Revenue recognised in relation to contract liabilities

#### Advance from Customers:

Description	Year ended March 31, 2024	Year ended March 31, 2023
Amounts included in contract liabilities at the beginning of the year	4,996.31	4,216.74
Performance obligations satisfied in current year	(4,919.66)	(4,126.14)
Amount received in the current year having outstanding performance obligations	4,199.03	4,905.71
<b>Amounts included in contract liabilities at the end of the year</b>	<b>4,275.68</b>	<b>4,996.31</b>

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Group.

#### Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Description	Year ended March 31, 2024	Year ended March 31, 2023
Revenue recognised over time	2,359.72	3,118.46
Revenue recognised at point in time	7,71,597.71	6,86,442.60
	<b>7,73,957.43</b>	<b>6,89,561.06</b>

### Assets and liabilities related to contracts with customers

Description	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
<b>Contract assets related to sale of goods and services</b>				
Advance from customers	-	4,275.68	-	4,996.31

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

## Reconciliation of revenue recognised with contract price

Description	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	7,94,120.04	7,05,816.04
Adjustment for:		
Incentives and discounts	(20,162.61)	(16,254.98)
	<b>7,73,957.43</b>	<b>6,89,561.06</b>

## 57 Additional information required by Schedule III

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>Parent</b>								
<b>1 LT Foods Limited</b>								
March 31 2024	49.41%	1,69,328.18	26.72%	15,966.49	3.60%	107.16	25.62%	16,073.65
March 31 2023	56.03%	1,56,727.07	37.92%	16,031.22	-10.09%	(364.98)	34.14%	15,666.24
<b>Subsidiaries (group's share)</b>								
<b>2 Daawat Foods Limited</b>								
March 31 2024	16.24%	55,660.00	17.71%	10,583.35	-0.40%	(11.93)	16.85%	10,571.41
March 31 2023	16.31%	45,612.64	16.82%	7,112.28	-1.42%	(51.25)	15.39%	7,061.05
<b>3 Nature Bio Foods Limited</b>								
March 31 2024	7.05%	24,165.10	3.50%	2,092.18	15.17%	451.06	4.05%	2,543.25
March 31 2023	6.40%	17,907.08	3.01%	1,272.93	-16.03%	(579.79)	1.51%	693.14
<b>4 LT Foundation</b>								
March 31 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31 2023	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
<b>5 Deva Singh Sham Singh Exports Private Limited</b>								
March 31 2024	0.03%	108.24	0.04%	24.96	0.00%	-	0.04%	24.96
March 31 2023	0.03%	83.28	0.06%	24.37	0.00%	-	0.05%	24.37
<b>6 Raghunath Agro Industries Private Limited</b>								
March 31 2024	1.19%	4,070.11	0.95%	566.27	-0.01%	(0.27)	0.90%	566.00
March 31 2023	1.25%	3,504.09	1.00%	424.07	-0.05%	(1.83)	0.92%	422.24
<b>7 LT Agri Services Private Limited</b>								
March 31 2024	0.00%	(0.11)	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
March 31 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>8 Eco Pure Specialities Limited</b>								
March 31 2024	1.21%	4,154.50	-0.46%	(273.32)	4.15%	123.49	-0.24%	(149.83)
March 31 2023	1.54%	4,304.37	1.60%	676.22	-3.00%	(108.55)	1.24%	567.67
<b>Foreign Subsidiaries</b>								
<b>9 LT Foods Holdings ME Limited (Formerly known as Sona Global Limited)</b>								
March 31 2024	0.94%	3,217.07	0.00%	(1.60)	1.42%	42.08	0.06%	40.48
March 31 2023	1.14%	3,176.59	0.00%	(1.23)	4.09%	147.91	0.32%	146.68
<b>10 LT Food Middle East DMCC</b>								
March 31 2024	0.08%	265.83	-1.21%	(720.94)	0.28%	8.42	-1.14%	(712.52)
March 31 2023	0.35%	978.35	0.08%	33.65	1.88%	67.97	0.22%	101.62
<b>11 LT Overseas North America, Inc.*</b>								
March 31 2024	29.67%	1,01,667.64	46.50%	27,788.24	70.57%	2,097.88	47.64%	29,886.13
March 31 2023	26.09%	72,985.22	32.06%	13,555.21	132.87%	4,806.77	40.01%	18,361.98
<b>12 Bonne Nature Limited</b>								
March 31 2024	-0.01%	(32.60)	-0.13%	(75.42)	0.05%	1.62	-0.12%	(73.80)
March 31 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>13 Nature Bio Foods BV</b>								
March 31 2024	1.67%	5,715.17	2.38%	1,422.54	1.13%	33.66	2.32%	1,456.20
March 31 2023	1.52%	4,258.95	3.18%	1,344.69	6.75%	244.18	3.46%	1,588.87
<b>14 Nature Bio Foods Inc</b>								
March 31 2024	0.23%	791.41	0.01%	3.85	0.37%	10.96	0.02%	14.81
March 31 2023	0.28%	776.60	0.43%	181.13	1.39%	50.26	0.50%	231.39

\* It Includes step down subsidiaries:- LT Foods Americas, Inc., LT Foods USA LLC, LT Foods Europe Holdings Limited, LT Foods Europe BV and LT Foods U.K. Limited)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>Associates</b>								
<b>15 Raghuvesh Warehousing Private Limited</b>								
March 31 2024	0.12%	412.00	-0.01%	(5.96)	0.00%	-	-0.01%	(5.96)
March 31 2023	0.16%	451.98	0.00%	(1.38)	0.00%	-	0.00%	(1.38)
<b>16 Raghuvesh Agri Foods Private Limited</b>								
March 31 2024	0.11%	370.34	0.01%	6.68	0.00%	-	0.01%	6.68
March 31 2023	0.13%	363.67	0.00%	1.57	0.00%	-	0.00%	1.57
<b>17 Raghuvesh Infrastructure Private Limited</b>								
March 31 2024	0.05%	181.26	0.16%	92.96	0.00%	-	0.15%	92.96
March 31 2023	0.03%	88.30	0.07%	28.85	0.00%	-	0.06%	28.85
<b>Joint ventures</b>								
<b>18 Kameda LT Foods (India) Private Limited (formerly known as Daawat Kameda India Private Limited)</b>								
March 31 2024	0.17%	590.88	1.23%	735.83	0.01%	0.34	1.17%	736.17
March 31 2023	0.39%	1,094.96	-1.12%	(473.28)	0.00%	-	-1.03%	(473.28)
<b>19 Golden Star Trading Inc.</b>								
March 31 2024	4.39%	15,051.80	8.71%	5,207.15	0.00%	-	8.30%	5,207.15
March 31 2023	3.52%	9,844.65	7.42%	3,135.75	0.00%	-	6.83%	3,135.75
<b>20 Lee NU BV</b>								
March 31 2024	0.10%	359.20	0.15%	89.90	0.00%	-	0.14%	89.90
March 31 2023	0.12%	336.65	0.22%	94.71	0.00%	-	0.21%	94.71
<b>Intragroup eliminations</b>								
March 31 2024	-12.67%	(43,408.31)	-6.26%	(3,743.19)	3.64%	108.14	-5.79%	(3,635.04)
March 31 2023	-15.30%	(42,791.59)	-2.76%	(1,164.98)	-16.40%	(593.16)	-3.83%	(1,758.15)
Total								
March 31 2024	100.00%	3,42,667.72	100.00%	59,759.89	100.00%	2,972.61	100.00%	62,732.50
March 31 2023	100.00%	2,79,702.86	100.00%	42,275.78	100.00%	3,617.53	100.00%	45,893.31

## 58 New and amended standards adopted by the Company

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Group has applied these amendments for the first-time in these financial statements.

**Amendments to Ind AS 8 - definition of accounting estimates:** The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on these financial statements.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

**Amendments to Ind AS 1 - disclosure of accounting policies:** The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

**Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction.** The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the financial statements.

## **New and amended standards issued but not effective**

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## **59 Other Statutory Information:**

- (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 traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income Tax Act, 1961.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(All amounts are in ₹ lakhs unless otherwise stated)

- (vi) The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (ix) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.
- (xii) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Company.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 17, 2024

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director and  
Chief Executive Officer  
DIN 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150











#### **CORPORATE OFFICE**

##### **LT Foods Limited**

4th Floor, MVL-I Park Sector 15,  
Gurugam -122001, Haryana  
Phone no. 0124-3055100  
[www.ltgroup.in](http://www.ltgroup.in)

#### **REGISTERED OFFICE**

##### **LT Foods Limited**

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Saket District Centre, New Delhi-110017  
Phone no. 011-29565344,  
CIN: L74899DL1990PLC041790

