



NOTICE

Shorter Notice is hereby given that the 27th Annual General Meeting of the members of M/s **MTR FOODS PRIVATE LIMITED** will be held at the Registered Office of the Company at No. 1, 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Saturday, September 30, 2023 at 01:00 P.M. (IST) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon;
2. To receive, consider and adopt The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

SPECIAL BUSINESS:

3. TO REGULARIZE ADDITIONAL DIRECTOR, MS. MARIA SYSE-NYBRAATEN (DIN: 10133899) AS DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Ms. Maria Syse-Nybraaten (DIN: 10133899), who was appointed as an Additional Director in terms of Section 161(1) of the Companies Act, 2013 (the “Act”) by the Board of Directors with effect from May 11, 2023 who holds office upto the date of this Annual General Meeting of the Company and who is eligible for appointment and has consented to act as Director of the Company, be and is hereby appointed as a Director of the Company.”

4. TO REGULARIZE ADDITIONAL DIRECTOR, MR. PER HAVARD SKIAKER MAELEN (DIN: 10138903) AS DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Per Havard Skiaker Maelen (DIN: 10138903), who was appointed as an Additional Director in terms of Section 161(1) of the Companies Act, 2013 (the "Act") by the Board of Directors with effect from May 11, 2023 who holds office upto the date of this Annual General Meeting of the Company and who is eligible for appointment and has consented to act as Director of the Company, be and is hereby appointed as a Director of the Company."

**For and On Behalf of Board
MTR FOODS PRIVATE LIMITED**



**Ragee Raju
Company Secretary**

Date: September 19, 2023

Place: Bangalore

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 2 and 3 of the Notice, is annexed hereto. The additional and relevant details, pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of additional Directors seeking appointment/regularisation at this Annual General Meeting ("AGM") are also annexed. The Directors have also furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Members may note that pursuant to provisions of Section 105 of the Companies Act, 2013 read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. For a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
3. The instrument of appointing the proxy duly completed shall however be deposited at the Company's registered office not less than 2 (two) hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the relevant copy of Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Financial Statements together with Auditors' and Board's Report thereon for the financial year ending on 31st March 2023 are enclosed.
6. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
7. Route Map alongwith Prominent Landmark is enclosed herewith.

- 8.** Documents relating with these businesses and the Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and will be available for inspection by the members of the Company at Registered office of the Company during Annual General Meeting Hours.

ADDITIONAL AND RELEVANT DETAILS, PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:

Name	Ms. Maria Syse-Nybraaten	Mr. Per Havard Skiaker Maelen
Age	36 years	45 years
Qualifications	Master of Science (M.Sc), Finance, Norwegian School of Economics (NHH),	Bachelor's degree
Terms and conditions of appointment or re-appointment.	NA	NA
Details of remuneration sought to be paid.	NA	NA
Last drawn remuneration.	Nil	Nil
Date of first appointment on the Board.	May 11, 2023	May 11, 2023
Shareholding in the Company.	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	NA	NA
The number of Meetings of the Board attended during the year.	7	7
Other Directorships, Membership/ Chairmanship of Committees of other Boards.	N.A.	N.A.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

SPECIAL BUSINESS:

ITEM NO. 3:

TO REGULARIZE ADDITIONAL DIRECTOR, MS. MARIA SYSE-NYBRAATEN (DIN: 10133899) AS DIRECTOR OF THE COMPANY:

Ms. Maria Syse-Nybraaten (DIN: 10133899) was first inducted to the Board as an Additional Director on May 11, 2023 pursuant to the resolution passed by the Board of Directors in accordance with the provisions of Section 161(1) of the Companies Act, 2013, read with the Articles of Association of the Company. In terms of Section 161(1) of the Companies Act, 2013, Ms. Maria Syse-Nybraaten (DIN: 10133899) can hold office only up to the date of the ensuing Annual General Meeting of the Company. Ms. Maria Syse-Nybraaten (DIN: 10133899) is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given her consent to act as Director.

The Board is of the opinion that the appointment and presence of Ms. Maria Syse-Nybraaten (DIN: 10133899) on the Board as the Director will be desirable, beneficial and in the best interest of the Company.

The Board recommends the resolution set out in item no. 3 of the accompanying Notice for approval of the Members by way of an Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Ms. Maria Syse-Nybraaten (DIN: 10133899) herself, is in any way concerned or interested, in the said resolution.

ITEM NO. 4:

TO REGULARIZE ADDITIONAL DIRECTOR, MR. PER HAVARD SKIAKER MAELEN (DIN: 10138903) AS DIRECTOR OF THE COMPANY:

Mr. Per Havard Skiaker Maelen (DIN: 10138903) was first inducted to the Board as an Additional Director on May 11, 2023 pursuant to the resolution passed by the Board of Directors in accordance with the provisions of Section 161(1) of the Companies Act, 2013,

read with the Articles of Association of the Company. In terms of Section 161(1) of the Companies Act, 2013, Mr. Per Havard Skiaker Maelen (DIN: 10138903) can hold office only up to the date of the ensuing Annual General Meeting of the Company. Mr. Per Havard Skiaker Maelen (DIN: 10138903) is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

The Board is of the opinion that the appointment and presence of Mr. Per Havard Skiaker Maelen (DIN: 10138903) on the Board as the Director will be desirable, beneficial and in the best interest of the Company.

The Board recommends the resolution set out in item no. 4 of the accompanying Notice for approval of the Members by way of an Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Per Havard Skiaker Maelen (DIN: 10138903) himself, is in any way concerned or interested, in the said resolution.

**For and On Behalf of Board
MTR FOODS PRIVATE LIMITED**



A handwritten signature in blue ink, appearing to read "Ragee Raju".

**Ragee Raju
Company Secretary**

Date: September 19, 2023

Place: Bangalore

FORM NO. MGT-11 (PROXY FORM)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Annual General Meeting of the Company to be held on
Saturday, September 30, 2023 at 01:00 P.M. (IST)**

CIN : U15136KA1996PTC021007
Name of the Company : MTR Foods Private Limited
Registered Office : No.1. 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejipura,
Ashwini Layout, Vivek Nagar Bangalore 560047

Name of the Member(s)	:	_____
Registered address	:	_____
E-mail Id	:	_____
Folio No. /Client Id & DP. Id	:	_____

I/We, being the Member(s) of shares of the above-named Company, hereby appoint

1.	Name	:	_____
	E-mail Id	:	_____
	Address	:	_____
	Signature	:	_____

or falling him/her

2.	Name	:	_____
	E-mail Id	:	_____
	Address	:	_____
	Signature	:	_____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company at the Registered Office of the Company at No. 1. 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejjipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Saturday, September 30, 2023 at 01:00 P.M. (IST) and at any adjournment thereof in respect of the resolutions to be proposed in ensuing AGM or any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolu- tion No.	Resolution	Type of Resolution	Vote (Please mention no. of shares)	
			For	Against
Ordinary Business				
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon;	Ordinary		
2.	To receive, consider and adopt The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.	Ordinary		
Special Business				
3.	To regularize additional Director, Ms. Maria Syse-Nybraaten (DIN: 10133899) as Director of the Company.	Ordinary		
4.	To regularize additional Director, Mr. Per Havard Skiaker Maelen (DIN: 10138903) as Director of the Company.	Ordinary		

Signed this..... day of..... 2023

Signature of member

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 2 hours before the commencement of the Meeting.

ATTENDANCE SLIP

I hereby record my presence at the **Annual General Meeting of MTR FOODS PRIVATE LIMITED** (the 'Company') held at the Registered Office of the Company at No. 1. 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Saturday, September 30, 2023 at 01:00 P.M. (IST). Following are my details:

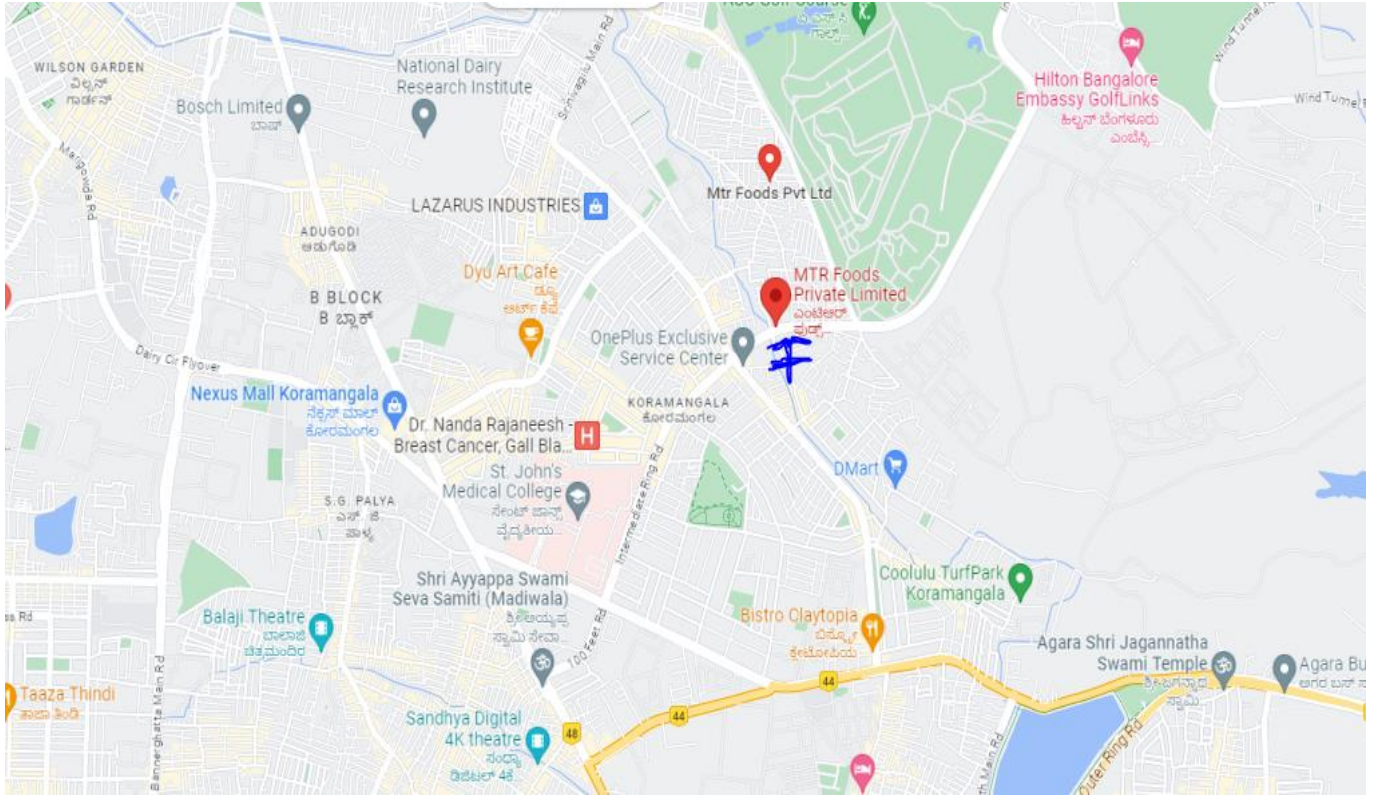
Name of Member	
Address	
Regd. Folio No	
No. of Shares held	
Name of the Proxy (If any)	
Name of the Authorized Representative (If any)	

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the **Annual General Meeting**.

Signature of Member / Proxy/ Authorized Representative:

Note: Please fill up this attendance slip and hand over at the entrance of the meeting place.

ROUTE MAP:



PROMINENT LANDMARK: [*]



BOARD'S REPORT
(FOR THE FY 2022-23)

Dear Members,

We are pleased to present 27th Annual Report on business and operations together with the Audited Financial Statements and the Auditor's Report of your Company for the Year ended 31st March 2023.

FINANCIAL SUMMARY (MERGED FINANCIALS):

The Financial highlights of the Company for the financial year ending 31st March 2023 are as follows:

(Amount in Rs. Lakhs)

Particulars	Standalone		Consolidated	
	31-Mar-23	31-Mar-22 (Restated)	31-Mar-23	31-Mar-22
Operating Income	2,15,403	1,81,849	2,17,248	1,83,752
Other Income	2,912	1,587	2,896	1,546
Total Income	2,18,315	1,83,436	2,20,144	1,85,298
Total Expenditure	1,90,988	1,64,806	1,92,676	1,66,421
Profit / (Loss) before Exceptional and Extraordinary items and Tax	27,327	18,630	27,468	18,877



Less:				
Exceptional Items	-	-	-200	-
Add: Share of Profit/(Loss) from Associates	-	-	119	-62
Less: Current Tax & tax of earlier years	632	5,416	-599	5,413
Deferred Tax	-8,797	-591	-8,821	-444
Profit Or Loss after Tax	35,492	13,805	35069	13,846
Finance Cost on Forward Contract Liability	-1,696	-2,128	-1,696	-2,128
Net Profit after Tax	33,796	11,677	33913	11,718
Other Comprehensive Income/(loss)	-199	-46	-147	-21
Total comprehensive income for the year	33,597	11,631	33,766	11,697

Regd. Office:

MTR Foods Private Limited
No. 1, 2nd & 3rd Floor
100 Feet Inner Ring Road, Ejjipura
Ashwini Layout, Viveknagar SO,
Bengaluru - 560 047. INDIA

Factory:

MTR Foods Private Limited
No. 80, Bommasandra Ind. Area
Hebbagodi, Anekal Taluk
Bengaluru - 560 099
INDIA



Balance as per Last Balance Sheet	1,89,397	1,77,714	1,88,914	1,77,165
Less: Amount Utilised for Buy back of Shares and tax Theron	-	-	-	-
Transfer to Reserves	-	-	-	-
Balance Transferred to Balance Sheet	2,23,042	1,89,397	2,22,728	1,88,914

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIRS/FINANCIAL PERFORMANCE:

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

General Economy and Markets:

During 2022-23, the Indian economy started to recover despite the Omicron wave sweeping across the country affecting millions from January 2022. As stated in the Economic Survey 2022-23 put out by the Ministry of Finance, mobility was enabled by localized lockdowns, rapid vaccination coverage across the country, milder symptoms and quick recovery from the infected population, contributed towards minimizing the loss of economic output.

IMF estimated India to be among the top two fast-growing significant economies in 2022-23. However, there



were several headwinds for the FMCG sector in India in 2022-23, a sharp rise in inflation worsened further by supply chain issues with an increase in fuel costs. Rural inflation was higher than urban inflation that delayed rural consumption – critical for the growth in Indian economy.

Despite the above extremely volatile external environment, inflation, price and cost to consumer, your Company steered through the various challenges without compromising its growth platforms – whether they be product categories or geographic stronghold markets. These were driven by strategies of scale, efficiencies, product mix and judicious pricing strategies. Your Company delivered strong double-digit growth pivoting on both volume and value growths through the newly acquired Eastern Condiments Pvt Ltd and broad-based performance across all the rest of the categories. This was the highest growth by the India business in a decade despite a challenging economic environment.

Strategic / Structural Initiatives:

It may be recalled that your Company (the Board and shareholders) executed documentation to acquire a control equity stake of 67.82% in Eastern Condiments Private Limited (Eastern) in March 2021. While the acquisition was completed with closing date 31st March 2021, a merger application seeking merger of Eastern into your Company was filed in December 2021 before the concerned authorities (National Company Law Tribunal). Mainly due to virtual hearings during 2022-23 (due to Covid) and also due to multiple protracted hearings at NCLT the merger order was inordinately delayed. It was finally pronounced by NCLT in August 2023. Appropriate actions have been taken to make this merger effective from 1st September 2023 and actions to comply with the merger order have been taken. One of the key actions is to table the merged financials – subsuming Eastern Condiments Pvt Ltd into MTR Foods Pvt Ltd for the year ending 31st March 2023. Accordingly, the financials covered in this Annual Report highlights the merged financials. Since the merger order is retro-active in nature and is effective from the appointed date of 1st April 2021, MTR will also file a revised tax return for the year ending 31st March 2022.

Further, actions will be initiated to rename MTR Foods Pvt Ltd to Orkla India Pvt Ltd. Meanwhile operations in

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Web: www.mtrfoods.com

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INDIA

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F: +91 80 2783 2828



India have also been divided into 3 Business Units – MTR Domestic, Eastern Domestic and International Business – enabling sharper focus in all these 3 BUs. Organisation structure and teams for these BUs have all been established and these 3 BUs will now help Orkla's India business to grow to its full potential in the years to come.

The year 2022-23 was yet another challenging year for Your Company (both MTR & Eastern divisions). The pandemic's Omicron and its various variants continued to impact normal lives and livelihoods although the damage was not as widespread and intense as in the earlier year. In this somewhat unstable operating business environment, your Company's focus remained on the health and safety of our employees, distribution partners and their employees, stakeholders etc to ensure uninterrupted supply of our products into the markets, meeting the changing needs of our consumers, and at the same time genuinely caring for the larger communities, safeguarding the environment and generally ensuring business continuity in a robust and controlled way. All the 3 Business Units - MTR & Eastern Domestic Business Units and also the International Business Unit – adapted to the environment and drove their business operations very well.

Against the above challenging backdrop, our strong financial results for the financial year 2022-23 (indicating a revenue growth of 18%+) demonstrate strategic clarity, strength of our brands, our execution ability and market agility. Your Company & the Board wishes to place on record their sincere appreciation to the Company's employees, business partners, distributors, vendors, customers & other stakeholders for their continued exemplary work to deliver excellent results in a difficult year, yet again.

As mentioned above, despite the overall business uncertainty and volatility and sustained supply chain disruptions in markets and operations, due to the prevailing Covid environment, high inflation, etc during 2022-23, the Net sales of the merged company, during the year, grew by 18% largely due partially to the low base effects of the year 2021-22 as well as the normalizing sales trends in both domestic and international markets. All 3 business units maintained their strong margin profile, and therefore contributed significantly to the robust profit growth during the year.



Relative to last year, the year 2022-23 saw fierce competition (mainly due to normalized market conditions for all players) in most categories and markets that your Company participates in. Competition in home markets continued to be strong which was countered by sharply targeted market specific consumer promotions and pricing actions – in all channels including digital E-commerce channels. Advertising & Sales promotion spends (somewhat curtailed in the previous year) was restored to normal levels and therefore increased by Rs 2,273 Lakhs during the year for the merged operations of MTR & Eastern from Rs 9,130 Lakhs in 2021-22 to Rs 11,402 Lakhs in 2022-23.

Cost Control & profitability:

The supply chains that were deeply impacted due to Covid disruptions continued to influence the commodity costs this year as well. In addition, the continued war situation in Ukraine brought in more uncertainty and volatility – especially for wheat-based products and cooking oils. In addition, certain spice Raw Materials also were in short supply and therefore commanded higher prices. Your Company had to take appropriate price corrections to cover cost increases to protect margins and profits. As stated earlier, based on the price increases rolled out, the rising commodity and other costs were not only offset but such swift pricing actions also helped to deliver a handsome margin during the year. The Material Margin for the business was higher by 1.3% compared to the previous year.

The merged operations presented in the Annual report indicate an overall reduction of ~1% of sales due to higher scaled operations. Overheads growth has been broadly under control during the year despite an inflationary environment in the broader economy. Moreover, several synergy initiatives have also been rolled out during the year to reduce the cost base further by integrating various manufacturing locations, mapping manufacturing locations to markets as well as re-deploying manpower.

As a result of all the aforesaid actions, overall employee costs reduced by 0.8% over the previous year and the other fixed overheads by a further ~0.4%. Consequent to the above EBIDTA for the year 2022-23 is higher by **Rs 8796 lakhs** and as a % to sales was higher at **15.5% (Rs 33827 Lakhs)** compared to **13.6% (Rs 25031**



Lakhs) last year.

Interest cost for the current year 2022-23 was lower for the merged company than last year as your Company had surplus liquid resources emerging from the strong profitability trends noted above. This year's Finance Cost was at Rs 2700 Lakhs compared to Rs 2938 Lakhs last year.

With EBIDTA registering a significant increase by 1.9% to Sales – compared to last year -, profit before taxes for the year at **Rs 25632 Lakhs** was **Rs 9131 Lakhs** higher than last year. In addition, due to a higher tax depreciation benefit emerging out of the intangible assets from the merger, corporate current tax provisions for the year ending 31st March 2023 are significantly lower at Rs 593 Lakhs compared to the previous year.

Information Technology:

IT systems for today's business must be state-of-the-art, drive agile actions and integrated with both front-end and back-end software platforms to enable quick exchange of data and analytics to improve decision making at all levels of business hierarchy. While most of the critical systems at MTR are digitized, Eastern systems need to be upgraded to enable unification with MTR platforms. One of the key tasks to achieve this goal is to migrate the ERP system at Eastern from Oracle to SAP which has been launched during the year. The migration process is expected to go live in October 2023 after which a series of other software platforms – mainly sales and manufacturing - will be rolled out to converge Eastern IT landscape with MTR.

Industrial Relations:

Your Company had harmonious relations with employees at all levels, functional and locations including the new sourcing, manufacturing and distribution locations of the erstwhile Eastern Condiments Pvt Ltd.

Your Company's Directors look forward to the future with a strong sense of optimism of improved business operations through the merged operations of MTR and Eastern in the ensuing years. There has been no change



in the nature of business of company.

During the year, Your Company recorded a total income of Rs 215404 Lakhs as against Rs 182206 Lakhs in the previous year registering an increase of Rs 33198 Lakhs. The Net profit of the Company for Financial Year 2022-23 was Rs 33796 Lakhs – higher by a significant Rs 22120 Lakhs – against Net profit of Rs 11,676 Lakhs achieved last year – mainly led by deferred tax credits of Rs 8796 Lakhs.

DIVIDEND AND TRANSFER TO RESERVES:

With a view to conserve resources for Company's operations and debt servicing, your directors do not recommend payment of dividend for the year ended 2023. The profit earned during the year has been transferred to Retained Earnings of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Following material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report and their impact on financial position of the company is not determinable.

1. Reorganized authorised share capital of the Company and the amended Memorandum of Association:

Reorganized authorised share capital of the Company as follows and the amended Memorandum of Association. The authorised share capital of Eastern Condiments Private Limited stands combined with that of the Company pursuant to the sanction of the Scheme of Arrangement by the National Company Law Tribunal, Bengaluru Bench (in the matter of CP CAA No. 42/BB/2022) vide the order dated 24 August 2023 approving



the amalgamation of Eastern Condiments Private Limited into the Company.

The authorised share capital of the Company is INR 109,00,00,000 divided into 8,70,00,000 equity shares having face value of INR 10 each and 2,20,00,000 redeemable optionally convertible preference shares having face value of INR 10 each.

2. In accordance with the shareholders' agreement dated 21st March, 2021, the company amended and restated its Articles of Association with the approval of the shareholders during a meeting held on 05th September, 2023.

3. Issue and allotment of equity shares pursuant to the Scheme of Amalgamation:

3,78,763 equity shares each in the Company of face value Rs. 10 (Rupees Ten only) (Equity Shares) and 3,05,564 ROCPS each allotted to Mr. Navas Meeran and Mr. Feroz Meeran, pursuant to the Scheme of Amalgamation of Eastern Condiments Private Limited into the Company (Scheme), as sanctioned by the National Company Law Tribunal, Bengaluru Bench (in the matter of CP CAA No. 42/BB/2022) vide the order dated 24 August 2023.

Except as disclosed above or elsewhere in this Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of the report.

NUMBER OF MEETINGS OF THE BOARD:

Information in respect of the composition of Board, qualification of Board members, field of specialization, status of Directorships, meetings held during the financial year 2022-23 and their attendance at each meeting of the Board are as under:



Composition of Board

During the year, the composition of the Board of Directors of your Company has been in conformity with the requirements of the Companies Act, 2013. The Board of Directors of the Company as on 31st March 2023 consisted of 4 Directors comprising 1 Director as Executive director and 3 Directors as non-executive director(s).

Board of Directors:

During the year, 6 Board meetings were held i.e., on 26th April 2022, 26th July 2022, 27th September 2022, 29th November 2022, 30th January 2023 and 30th March 2023. The brief details of the Directors who attended the number of meetings is as under:

No.	Name of the Director	Category	No. of meetings attended
1	ATLE VIDAR NAGEL JOHANSEN	Non – Executive Director	06
2	JORDAHL PAUL (resigned on March 30, 2023)	Non – Executive Director	05
3	SANJAY SHARMA	Executive Director	06
4	NAKKIM ARE (resigned on March 30, 2023)	Non – Executive Director	05
5	ELSE HELENA MARGARETA	Non – Executive Director	06
6	KAROLINE RIIS (resigned on April 26, 2022)	Non – Executive Director	01
7	CLAES JOHAN WILHELMSSON	Non – Executive Director	06

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:



During the period under review, there were following changes in the composition of Board of directors and KMPs.

Ms. Karoline Riis (DIN: 08138410) resigned from the Board of the Company with effect from April 26, 2022.

Mr. Jordahl Paul (DIN: 02510528) and Mr. Nakkim Are (DIN: 03103859) resigned from the Board of the Company with effect from March 30, 2023.

Mr. Aneesh Kongot (PAN: AVEPK7186J) tendered his resignation as the Company Secretary of the Company with effect from January 30, 2023 and the same was taken note by the Board of Directors in their meeting held dated January 30, 2023.

Total strength of the Board of Directors and Key Managerial personnel was 5 as on March 31, 2023 viz.

Si No	Name Of Directors/KMP	Designation	DIN/PAN
1.	Sanjay Sharma	Director	02581107
2.	Atle Vidar Nagel Johansen	Director	01361367
3.	Else Helena Margareta	Director	07986081
4.	Claes Johan Wilhelmsson	Director	08344827
5.	Ganesh Shenoy Basavanagudi	CFO	AEDPS9528J

Further, after the closure of the financial year, Ms. Maria Syse-Nybraaten (DIN: 10133899) and Mr. Per Havard Skiaker Maelen (DIN: 10138903) were appointed on the Board as additional Directors of the Company with effect from May 11, 2023 who hold office upto the date of ensuing Annual General Meeting of the Company and being eligible offer themselves for appointment as Director subject to the approval of the members.

Ms. Ragee Raju (PAN: AUJPR7154B) was appointed as the Company Secretary of the Company with effect from July 20, 2023.



COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. However, the Directors were appointed as per the provisions of the Companies Act, 2013. Furthermore, there were no remuneration paid to the directors during the year under review.

WEB LINK OF ANNUAL RETURN, IF ANY:

The Company has a website namely <https://www.mtrfoods.com/>

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

In pursuance to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend.

- (a) the policy on Corporate Social Responsibility and implementation of the CSR projects or programs to be undertaken by the company as per CSR Policy
- (b) recommend the amount of expenditure to be incurred on CSR activities; and
- (c) monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of CSR Projects/programme/activities under taken by the Company.

The Corporate Social Responsibility Committee comprised of following directors as its members as on 31st March, 2023:



Mr. Sanjay Sharma

Ms. Else Helena Margareta

Further, Mr. Nakkim Are, the member of the CSR Committee resigned from the Board w.e.f March 30, 2023 and therefore ceased to be a member of the CSR Committee.

The report of CSR as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure – 1.**

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to adverse consequences on the Company's business. Effective risk management process is key to sustained operations thereby protecting shareholder value, improving governance process, achieving strategic objectives and being well prepared for adverse situations or unforeseen circumstances, if they occur in the lifecycle of the business activities. The Risk Management Policy of the Company has been approved by the Board and is reviewed by the Board from time to time. The policy has been carved out of the broader risk policy framework for the parent group in general which is updated from time to time. Policy elaborates the detailed description of type of risk and its monitoring plan. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk management approach across the enterprise at various levels and across various functions and is reviewed twice during the financial year.

FORMATION/DISSOLUTION OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

Post the merger of Eastern Condiments Pvt Ltd, as aforesaid, the Company continues to have Rasoi Magic Foods (India) Private Limited as its subsidiary company and by virtue of the merger of Eastern into itself, it will



have two more subsidiary companies viz: BAMS Condiments Impex Private Limited and Eastern Food Speciality Formulations Private Limited. In addition, the Company will have one associate company viz M/s Potful India Private Limited. The standalone financials of each of these subsidiary companies is also appended to this Annual Report.

The consolidated financials of your Company together with the said subsidiary is also appended to this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

The NCLT, Bangalore has sanctioned a scheme of amalgamation/merger (in accordance with Sections 230-232 of the Companies Act, 2013) of Eastern Condiments Private Limited into MTR Foods Private Limited (Scheme). The Order dated 24th August 2023 was filed with the Registrar of Companies on 1 September 2023 (Effective Date).

CAPITAL STRUCTURE:

There was no change in the capital structure of the Company during the period under review.

Further, at the end of financial year 2023 the Authorized share capital of the Company is Rs 50,00,00,000/- (Fifty Crores) divided into 5,00,00,000/- (Five Crore) Equity Shares of Rs. 10/- each.

The issued and paid-up Share Capital of the Company is Rs. 12,33,02,690/- (Rupees Twelve Crore Thirty-Three Lakhs Two Thousand Six hundred and ninety only) comprising of 1,23,30,269 (One Crore Twenty-Three Lakhs Thirty Thousand Two Hundred and Sixty-Nine) Equity Shares of Rs. 10/- each.



BUY BACK OF SHARES:

The Company has not Bought Back any Shares during the period under review.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY DURING THE PERIOD UNDER REPORT:

Pursuant to sub-section 129(3) read with Rule 5 of the of Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statements of subsidiary and associate Company is furnished in Form AOC-1 and annexed as **Annexure – 2**.

STATUTORY AUDITORS:

S R Batliboi and Associates LLP, Chartered Accountants, Statutory Auditors of your Company, have been appointed as the Statutory auditors till the Conclusion of 28th Annual General Meeting.

AUDITORS REPORT:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

INTERNAL AUDIT:

As per Provisions of section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, the Company appointed Deloitte as the internal auditor of the Company to conduct internal audit of the functions and activities of the Company,



The Report of the internal auditors does not contain any qualifications and their remarks in their report are self-explanatory and do not call for any future comments.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

No such report is issued by the Statutory auditors of the Company for the period under review.

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The provisions of Section 149 for appointment of Independent Directors do not apply to the Company.

EXTRACT OF ANNUAL RETURN:

#The MCA vide the Companies (Management and Administration) Amendment Rules, 2021 dated March 05, 2021 substituted Rule 12 of the Rules to provide "A copy of the annual return shall be filed with the Registrar with such fees as may be specified for this purpose".

With the said amendment, the MCA has done away with the requirement of attaching the extract of the annual return in Form No. MGT 9 with the Board's Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are attached as **Annexure – 3**.



PUBLIC DEPOSITS:

During the year under review, your Company has not invited any deposits from public/shareholders as per Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

There were no materially significant related party transactions made by the Company during the year with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large.

All other related party transaction entered during the year under review are attached as an **Annexure – 4**.

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999:

The Company is in compliance with all the required compliance under Foreign Exchange Management Act, 1999 during the period under review.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy (Policy) in line with the requirements of The Sexual Harassment of Women at the WorkPlace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the Policy. Two Complaints received during 2022-23 and they were disposed as well.



ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

VIGIL MECHANISM:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

WHISTLE BLOWER POLICY:

During the period under review, there was a Whistle Blowing Complaint on some employees of the Organisation and the Management has initiated the Inquiry on the Issue and an Update on the Status is provided to the Board. The complaint was resolved by the Management as on the date of this report.

IMPLEMENTATION OF QUARTERLY COMPLIANCE REPORTING MECHANISM:

As per Section 134(5)(f) of the Companies Act, 2013, the Board of Directors confirms that they have devised proper systems to ensure compliance with the provisions of applicable laws and that system were adequate and are operating effectively. In order to give due attention to the Compliance to applicable laws, a system of reporting the compliance status on quarterly basis has been adopted by the Company, vide which each of the functional heads reports the Compliance with respect to their department on a quarterly basis with exception, if any thereof and a consolidated status on the same is put up before the Board.

BRC Certified Company
CIN: U15136KA 1996PTC021007
Orkla Group Company

Regd. Office:
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Ashwini Layout, Viveknagar SO,
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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, are set out in the **Annexure 5** to this Director's Report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the period under review.

MAINTENANCE OF COST RECORDS AND APPLICABILITY OF COST AUDIT:

The provisions of Sub-section 3 of Section 148 of the Companies Act, 2013 read with Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, are not applicable to the Company for the period under review.

SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE

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END OF THE FINANCIAL YEAR:

The Company does not have any pending application or proceeding under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE-TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANK AND FINANCIAL INSTITUTION:

During the years under review there has been no one time settlement of the loan taken from banks and financial institutions.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ending March 31, 2023, 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 judgements and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit 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 the 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 Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively

GENERAL:

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

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- No fraud has been reported by the Auditors or the Board.
- There has been no change in the nature of business of the Company.

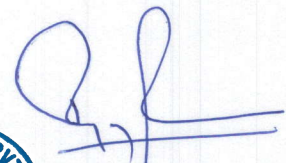
ACKNOWLEDGEMENTS:

Your directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation, extended by banks and financial institutions, government and shareholders and look forward to having the same support in all our future endeavors.

For and on behalf of the Board of Directors
MTR FOODS PRIVATE LIMITED


Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)




Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore

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[Annexure -I]

Annual Report on CSR Activities for Financial Year 2022-2023

1. Brief outline on CSR Policy of the Company:

MTR CSR Vision is to Integrate MTR Social and Environmental responsibilities in a manner to ensure sustainability in operations and relationships with Key stakeholders and Communities. While we will endeavor to achieve our larger objective of community empowerment, our primary focus will be "Eradicating Hunger and Poverty", "Promotion of Education" and "Rural development". MTR CSR Policy is aligned to schedule VII of the Companies Act and available at www.mtrfoods.com

2. Composition of CSR Committee:

Sl. No.	Name of Director / Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sanjay Sharma	2	2
2.	Are Nakkim	2	1
3.	Helena Giertz	2	2

Note: The CSR Committee was reconstituted on 19th September 2023 with exclusion of Mr.Are Nakkim as he was resigned from the Board on 30.03.2023

2. 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.-
www.mtrfoods.com



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. NA

5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs.19800 lakhs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs 397 Lakhs

(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 397 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs.68 lakhs

(b) Amount spent in administrative overheads.: NA

(c) Amount spent on Impact Assessment, if applicable.NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. Rs 68 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

	Amount Unspent (in Rs.)	
Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.



	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
39(MTR)	209	29/04/2023	NA	NA	NA
29(Eastern)	120	28/04/2023	NA	NA	NA

(f) Excess amount for set-off, if any: NA

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: (Rs. In Lakhs)



1	2	3	4	5	6	7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (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 sub-section (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	FY-1(21-22)	MTR-53 Eastern- 60	- Eastern- 30	MTR- 180 Eastern -89	NIL	NIL	NIL
2	FY-2(20-21)	MTR-103 Eastern- 106	- Eastern -85	MTR- 63.2 Eastern -19	NIL	NIL	NIL
3	FY-3(19-20)	NIL	NIL	NIL	NIL	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: NA



Sl. No	Short particulars of the property or asset(s)	Pincod e of the propert y or asset(s)	Date of creatio n	Amoun t of CSR amoun t spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registratio n Number, if applicable	Nam e	Registere d address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)


9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. NA

For and on behalf of the Board of Directors

MTR FOODS PRIVATE LIMITED


Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)




Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore

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Annexure 2

Form AOC – 1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part "A": Subsidiaries		
(Information in respect of each subsidiary to be presented with amounts in Rs. in Thousands)		
1	Name of the Subsidiary	Rasoi Magic Foods (India) Private Limited
2	The date since when subsidiary was acquired	04-04-2011
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5	Share Capital	500
6	Reserves & Surplus	(14,026)
7	Total Assets	53,135
8	Total Liabilities	66,661
9	Investments	38
10	Turnover	1,46,222
11	Profit before taxation	11,173
12	Provision for taxation	(2,113)
13	Profit after taxation	13,286
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%



Part "A": Subsidiaries

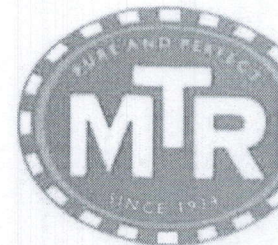
(Information in respect of each subsidiary to be presented with amounts in Rs.in Hundreds)

1	Name of the Subsidiary	BAMS Condiments Impex Private Limited
2	The date since when subsidiary was acquired	12.10.2007 (Pursuant to the NCLT order dated 24th August 2023, which sanctioned scheme of amalgamation/merger (in accordance with Sections 230-232 of the Companies Act, 2013) of Eastern Condiments Private Limited into MTR Foods Private Limited)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5	Share Capital	2,00,000
6	Reserves & Surplus	(1,32,682)
7	Total Assets	2,49,905
8	Total Liabilities	1,78,811
9	Investments	50,000
10	Turnover	4,69,020
11	Profit before taxation	51,639
12	Provision for taxation	536
13	Profit after taxation	51,103
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%

Part "A": Subsidiaries



(Information in respect of each subsidiary to be presented with amounts in Rs.in Hundreds)		
1	Name of the Subsidiary	EASTERN FOOD SPECIALITY FORMULATIONS PRIVATE LIMITED
2	The date since when subsidiary was acquired	22.11.2011 (Pursuant to the NCLT order dated 24th August 2023, which sanctioned scheme of amalgamation/merger (in accordance with Sections 230-232 of the Companies Act, 2013) of Eastern Condiments Private Limited into MTR Foods Private Limited)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5	Share Capital	10,000
6	Reserves & Surplus	(35,573)
7	Total Assets	20
8	Total Liabilities	25,593
9	Investments	-
10	Turnover	-
11	Profit/(loss) before taxation	(350)
12	Provision for taxation	-
13	Profit/(loss) before taxation	(350)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%



Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	M/s Pot Ful India Private Limited
1. Latest audited Balance Sheet Date	31st March 2023
2. Date on which the Associate or Joint Venture was associated or acquired	15th July 2019
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	3732
Amount of Investment in Associates or Joint Venture.	Rs. 1,516 Lakhs
Extent of Holding (in percentage)	27.68%
5. Reason why the associate/Joint venture is not consolidated.	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	(3,69,65,117.19)
7. Profit or Loss for the year	(4,64,49,548.62)
i. Considered in Consolidation	yes
ii. Not Considered in Consolidation	NA

Name of Associates or Joint Ventures	Eastern Condiments Middle East & North Africa FNC
1. Latest audited Balance Sheet Date	31st March 2023
2. Date on which the Associate or Joint Venture was associated or acquired	21.08.2007 (Pursuant to the NCLT order dated 24th August 2023, which sanctioned scheme of amalgamation/merger (in accordance with Sections 230-232 of the Companies Act, 2013) of Eastern Condiments Private Limited into MTR Foods Private Limited)
3. Shares of Associate or Joint Ventures held by the company on the year end	50%
No.	2500



Amount of Investment in Associates or Joint Venture.	Rs.739 Lakhs
Extent of Holding (in percentage)	50%
4. Extent of Holding (in percentage)	50%
5. Reason why the associate/Joint venture is not consolidated.	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	AED 8,266,483
7. Profit or Loss for the year	AED 2441,935
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	NA


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

For and on behalf of the Board of Directors

MTR FOODS PRIVATE LIMITED


Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)




Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore



Annexure -3

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

(i) **Details of Loans**

S. N o.	Date of Loan	Date of Board Resolution	Date of Special Resolution (If ANY)	Name of Borrower	Purpose for which the loan is proposed to be utilized by the recipient	Amt. (Rs Lakhs)	Rate of Interest	Security	Prevailing yield
NA									

(ii) **Detail of Investment**

S.No.	Date of Investment	Date of Board Resolution	Date of special resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amt. (Rs Lakhs)	Expected rate of return
1.	05/12/2022	29/11/2022	NA	POTFUL INDIA PRIVATE LIMITED	Working capital requirement	199	-


(iii) Details of guarantee /security provided

S. N o.	Date of providing security/guar antee	Date of Board Resolution	Date of Special resolution (if any)	Name of recipient	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Amt.	Commission
NA							

For and on behalf of the Board of Directors
MTR FOODS PRIVATE LIMITED


Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)




Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore

Annexure - 4

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis:

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	NIL
3.	Duration of the contracts/arrangements/transaction	NIL
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5.	Justification for entering into such contracts or arrangements or transactions'	NIL
6.	Date of approval by the Board	NIL
7.	Amount paid as advances, if any	NIL
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL



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

(Amount in lakhs)

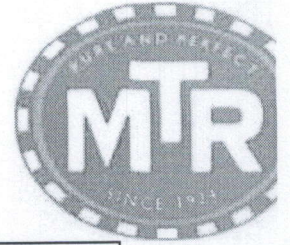
SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Rasoi Magic Foods (India) Private Limited – Subsidiary
2.	Nature of contracts/arrangements/transaction	1. Sales, Services and Others 2. Purchases 3. Reimbursements 4. Interest on Loan
3.	Duration of the contracts /arrangements /transaction	5 years
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Other income: 38 Purchase of traded goods:74 Receipt of services:37 Reimbursement of expenses from related parties: 9 Patent fees: 2 Interest on loan: 21
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Orkla ASA – Ultimate Holding Company



2.	Nature of contracts/arrangements/transaction	Receipt of services Management services provided (cross charges) Reimbursement of expenses to related parties Reimbursement of expenses from related parties Share based payments
3.	Duration of the contracts /arrangements /transaction	Monthly/Yearly/Upfront
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Receipt of services - 317 Management services provided (cross charges) - 40 Reimbursement of expenses to related parties - 418 Reimbursement of expenses from related parties - 78 Share based payments - 62.4%
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Eastern Condiments Private Limited - Subsidiary Company
2.	Nature of contracts/arrangements/transaction	<ul style="list-style-type: none"> • Sale of goods and packing materials • Purchase of traded goods • Reimbursement of expenses from related parties
3.	Duration of the contracts /arrangements /transaction	Monthly/Yearly/Upfront



4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of goods and packing materials - 109 Purchase of traded goods - 621 Reimbursement of expenses from related parties - 494
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Orkla IT AS – Fellow Subsidiary
2.	Nature of contracts/arrangements/transaction	Reimbursements of expenses
3.	Duration of the contracts /arrangements /transaction	Monthly/Yearly/Upfront
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 45 Lakhs
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Jordan Asia Pacific SDN, BHD – Fellow Subsidiary
2.	Nature of contracts/arrangements/transaction	Purchase of traded Goods
3.	Duration of the contracts /arrangements /transaction	Monthly/Yearly/Upfront
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs 44 Lakhs



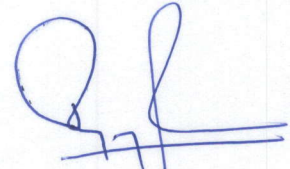
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Potful India Private Limited – Associate Company
2.	Nature of contracts/arrangements/transaction	Interest on Loan
3.	Duration of the contracts /arrangements /transaction	Monthly/Yearly/Upfront
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 35 Lakh
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	Rs Nil

For and on behalf of the Board of Directors
MTR FOODS PRIVATE LIMITED


Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)




Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore



ANNEXURE -5

(Pursuant to Section 134 (3)(m) of Companies Act, 2013 & Rule 8 (2) of The Companies (Accounts) Rules, 2014)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY

Your Company had established a 300 Kw Solar power on the roof-tops of manufacturing plants in Bengaluru, which was commissioned in 2015-16. This plant is working efficiently and continues to yield satisfactory results and a substantial % of the power consumption in the factory is met by this "Green energy" initiative. In addition to this roof-top solar power plant, your Company had, in the previous year, entered into a supply agreement with a solar power producer in Karnataka whereby up-to 70% of the power requirement of your Company's factory will be met by solar energy. This arrangement, commissioned at the current year end, is on an open access model which means NIL capex but energy gains of up-to Rs 8-10m p.a. will be realized by your Company.

The company has a system in place to monitor consumption of energy and continues its efforts to conserve energy efficiently. Details of energy consumption are given below:

Details	2022-23	2021-22
Electricity		
Purchased Units(Kwh)	1,12,95,257	1,03,32,034
Total Cost(Rs Lakhs)	959.27	822.38
Cost Per Unit	8.49	8.0
Other Consumption of Fuel		
PNG/LPG		
Quantity(MT/BTU) (2019-20 – MT)	7,053	5146



Total Cost(Rs in Lakhs)	103.32	61.82
Cost Per Ton/BTU	2,030.94	1201
Briquette		
Quantity (MT)	49,34,903	4521
Total Cost (Rs in Lakhs)	397.10	283.92
Cost Per Ton	8.05	6280
HSD		
Quantity (Ltrs)	1,08,456	117730
Total Cost (Rs in Lakhs)	95.75	103.18
Cost Per Litre	88.29	87.6

B. TECHNOLOGY ABSORPTION

The existing Effluent Treatment plant at your Company's manufacturing complex in Bengaluru has been upgraded significantly in the year 2015-16 by establishing a state-of-the-art Effluent Treatment plant, now working efficiently with the expanded manufacturing facility. A new standalone Sewerage Treatment Plant (STP) was also set up in the previous year, to ensure that the combined enhanced load of all new facilities and workmen is handled with efficiency. Both these plants have now stabilized and have contributed to lowering the water load of the factory through effective recycling processes and water management techniques. With these initiatives, your Company is firmly on a path to meet its long-term goal of a Water Neutral organization.



C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(amount in Lakhs)

Forex Earnings (Rs. in Lakhs) FY 22-23	9,952
Forex Outgo (Rs. In Lakhs) FY 22-23	1,810

For and on behalf of the Board of Directors

MTR FOODS PRIVATE LIMITED

Atle Vidar Nagel Johansen
Chairman and Director
(DIN: 01361367)



Sanjay Sharma
Director
(DIN: 02581107)

Date: September 19, 2023

Place: Bangalore

INDEPENDENT AUDITOR'S REPORT

To the Members of MTR Foods Private Limited

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of MTR Foods Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity 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), as 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. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies



(Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management is 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 Management 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Management.
- Conclude on the appropriateness of Management's 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 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.



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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.

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 the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) 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, as amended 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 42(a) 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 53(iv) to the standalone financial statements, no funds have been advanced or



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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, whether, 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, as disclosed in the note 53(v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner

Membership Number: 104315

UDIN: 23104315BGXPZG9695



Place: Bengaluru

Date: September 19, 2023

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Annexure 1 referred to in our report to the members of MTR Foods Private Limited (“the Company”) for the year ended March 31, 2023.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All property, plant and equipment have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) 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) disclosed in note 3(a) to the standalone financial statements included in property, plant and equipment are held in the name of the Company. Certain title deeds of the immovable Properties, in the nature of freehold land & buildings, as indicated in the below mentioned cases which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal’s (NCLT) Order dated August 24, 2023, are not individually held in the name of the Company, however the deed of merger has been registered by the Company on September 01, 2023.

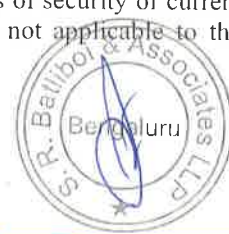
Description of Property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of Company
Land (freehold and leasehold) and buildings	7,987	Eastern Condiments Private limited (ECPL) [Erstwhile Subsidiary]	No	Refer note 51 of the standalone financial statements	Land and building pending transfer to the Company on account of the scheme of amalgamation, which are in the name is erstwhile subsidiary, will be transferred in the name of the Company in due course

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) As disclosed in note 53 to the standalone financial statements, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the Management during the year except for inventories lying with third party. In our opinion, the frequency of verification is reasonable and the coverage and procedures for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed. Inventories lying with third parties have been confirmed by them as at March 31, 2023 and no discrepancies of 10% or more in aggregate for each class of inventory were noticed.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.



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- (iii) (a) During the year, the Company has not provided advances in the nature of loans, or provided security, or stood guarantee to companies, firms, Limited Liability Partnerships. Further, during the year, the Company has provided loans to other parties as follows:

Particulars	Loans (Rs. in lakhs)
Aggregate amount granted/ provided during the year	
-Others To employees	410
Balance outstanding as at balance sheet date in respect of above cases	
-Subsidiary	370
-Associate	500
-Others To employees	291

(b) During the year, the Company has not provided advances in the nature of loans, or provided security, or stood guarantee to companies, firms, Limited Liability Partnerships. Further, the investments made and the terms and conditions of the grant of all loans during the year to other parties are not prejudicial to the Company's interest.

(c) In respect of loans granted to companies and other parties, the schedule of repayment of principal and payment of interest has been stipulated except for a loan granted to one company repayable on demand, and the repayment or receipts are regular except in the following cases:

Name of the entity	Principal/Interest	Amount (Rs. in lakhs)	Due Date	Date of payment	Extent of delay
Rasoi Magic Foods (India) Private limited	Interest	3.98	June 30, 2022	August 29, 2022	59 Days
	Interest	0.25	September 30, 2022	-	182 Days

(d) The following amounts are overdue for more than ninety days from the Company to whom loan has been granted, and reasonable steps have been taken by the Company for recovery of the overdue amount of interest.

Number of Cases	Principal Amount Overdue (Rs. in lakhs)	Interest Overdue (Rs. in lakhs)	Total Overdue (Rs. in lakhs)
1	-	0.25	0.25

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which has fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 13 to the standalone financial statements, the Company has granted loans repayable on demand to a company. Of these, following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	Related Parties (Rs. in lakhs)
Aggregate amount of loans - Repayable on demand	370
Percentage of loans to the total loans	32%



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- (iv) There are no loans, guarantees, and security given in respect of which provisions of Section 185 of the Act are applicable. In respect of loans, investments, guarantees and security in respect of which provisions of Section 186 of the Act is applicable, have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the products of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues applicable to it though there has been slight delay in remittance of professional tax, employees' state insurance and provident fund in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, goods and services tax, customs duty, value added tax, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount of dispute (Rs. in Lakhs)	Payment under protest (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise and Customs Act, 1944	Excise duty	8	-	March 2006 to May 2007	Commissioner of Central Excise & Customs (Appeals)
The Central Excise and Customs Act, 1944	Excise duty	70	-	November 2004 to February 2006	Honorable Supreme Court of India
The Central Excise and Customs Act, 1944	Excise duty	1	-*	March 2011 to December 2012	Customs Excise Service Tax Appellate Tribunal
The Central Excise and Customs Act, 1944	Excise duty	-*	-*	January 2014 to December 2014	Commissioner of Central Excise & Customs (Appeals)
The Central Excise and Customs Act, 1944	Excise duty	-*	-*	January 2015 to December 2015	Commissioner of Central Excise & Customs (Appeals)
The Central Excise and Customs Act, 1944	Excise duty	11	11	March 2011 to December 2011	Customs Excise Service Tax Appellate Tribunal
The Central Excise and Customs Act, 1944	Excise duty	66	66	January 2012 to October 2013	Commissioner of Central Excise & Customs (Appeals)



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Name of the statute	Nature of dues	Amount of dispute (Rs. in Lakhs)	Payment under protest (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise and Customs Act, 1944	Excise duty	43	43	November 2013 to October 2014	Commissioner of Central Excise & Customs (Appeals)
The Central Excise and Customs Act, 1944	Excise duty	38	38	November 2014 to October 2015	Commissioner of Central Excise & Customs (Appeals)
Karnataka Value Added Tax Act, 2003	VAT/CST	251	-	December 2006 to September 2007	Honorable Supreme Court of India
Maharashtra Value Added Tax Act, 2002	VAT	97	-	April 2013 to March 2014	Joint Commissioner of Sales tax
Maharashtra Value Added Tax Act, 2002	CST	27	-	April 2014 to March 2015	Joint Commissioner of Sales tax
Kerala Value Added Tax	Value Added Tax	14	6	2005-06 to 2016-17	Commercial Tax Office, Kerala
Tamil Nadu Value Added Tax	Value Added Tax	4,375	10	2009- 10 to 2015-16	Asst. Commissioner, Commercial Taxes
Finance Act, 1994	Service Tax	27	13	2004-05 to 2005- 06	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax (including penalty)	816	48	2010-11 to June 2017	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	11	-	2008-09 to 2009-10	Commissioner of Central Excise
Karnataka Value Added Tax	Value Added Tax	42	42	January 2007 to December 2007	Supreme Court of India

*Rounded off to nearest lakhs

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed in note 53 to the standalone financial statements, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



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- (e) On an overall examination of the standalone financial statements of the Company, 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 ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section (12) of Section 143 of the Act has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Section 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to Section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.




S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 47 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to Sub-section 5 of Section 135 of the Act. This matter has been disclosed in note 40 to the standalone financial statements.
- (b) All amounts that are unspent under Sub-section (5) of Section 135 of Act pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of Sub-section (6) of Section 135 of the Act. This matter has been disclosed in note 40 to the standalone financial statements.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Sunil Gagger
Partner
Membership Number: 104315
UDIN: 23104315BGXPZG9695



Place: Bengaluru
Date: September 19, 2023

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of MTR Foods Private Limited

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

We have audited the internal financial controls with reference to standalone financial statements of MTR Foods Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 these 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 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 these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to 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 financial statements in



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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.

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 with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN: 23104315BGXPZG9695



Place: Bengaluru
Date: September 19, 2023

MTR Foods Private Limited
Standalone Balance Sheet as at March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022 [Restated (Refer Note 51)]
Assets			
Non-current assets			
Property, plant and equipment	3(a)	36,136	38,320
Capital work-in-progress	3(b)	7,389	308
Right-of-use assets	4(a)	4,556	4,544
Goodwill	5	98,636	98,636
Other intangible assets	5	59,295	60,282
Financial assets			
Investment in subsidiaries, joint venture and associate	6(a)	4,962	4,763
Other investments	6(b)	-	-
Loans	7	567	542
Other financial assets	8	949	967
Other non-current assets	9	617	492
Income tax assets (net)	10	8,072	1,553
		221,179	210,407
Current assets			
Inventories	11	34,796	30,762
Financial assets			
Investments	6(c)	23,458	18,189
Trade receivables	12	11,549	9,879
Loans	13	593	754
Cash and cash equivalents	14	2,399	1,412
Bank balances other than above	15	5,000	-
Other financial assets	16	5,295	2,904
Other current assets	17	5,966	5,221
		89,056	69,121
Total assets		310,235	279,528
Equity and liabilities			
Equity			
Equity share capital	18	1,233	1,233
Other equity	19	223,042	189,397
Total equity		224,275	190,630
Non-current liabilities			
Financial liabilities			
Borrowings	22(a)	377	401
Lease liabilities	4(b)	5,215	5,179
Other financial liabilities	25(a)	582	354
Government grants	20	107	107
Deferred tax liabilities (net)	23	7,238	16,102
Provisions	27(a)	191	1,494
Other non-current liabilities	21	112	93
		13,822	23,730



MTR Foods Private Limited
Standalone Balance Sheet as at March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022 [Restated (Refer Note 51)]
Current liabilities			
Financial liabilities			
Borrowings	22(b)	3,122	3,135
Lease liabilities	4(b)	706	577
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	24	10,570	10,134
Total outstanding dues of creditors other than micro enterprises and small enterprises	24	14,372	11,104
Other financial liabilities	25(b)	39,665	36,599
Other current liabilities	26	1,434	1,436
Provisions	27(b)	2,269	1,760
Current tax liabilities (net)	28	-	423
		72,138	65,168
Total liabilities		85,960	88,898
Total equity and liabilities		310,235	279,528

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm registration number: 101049W/E300004
 Chartered Accountants


 per Sunil Gaggar
 Partner
 Membership no.: 104315



**For and on behalf of the board of directors of
 MTR Foods Private Limited**


 Atle Vidar Johnsen
 Chairman
 DIN: 01361367


 Sanjay Sharma
 Director & Chief Executive Officer
 DIN: 02581107


 B.G. Shenoy
 Chief Financial Officer


 Ragesh Raju
 Company Secretary
 Membership no: F11322

Place: Bengaluru
 Date: September 19, 2023

Place: Bengaluru
 Date: September 19, 2023



MTR Foods Private Limited
 Standalone Statement of Profit and Loss for the year ended March 31, 2023
 (All amounts are in Indian Rupees Lakhs except share data and per share data, unless stated otherwise)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022 [Restated (Refer Note 51)]
Income			
Revenue from operations	29	215,403	181,849
Other income	30	2,912	1,587
Total income		218,315	183,436
Expenses			
Cost of raw materials and packing materials consumed	31	118,668	93,719
Purchase of traded goods	32	5,625	15,249
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	33	1,439	(699)
Employee benefits expense	34	22,480	20,419
Depreciation and amortisation expense	35	5,495	5,591
Finance costs	36	2,700	2,938
Other expenses	37	36,277	29,717
Total expenses		192,684	166,934
Profit before tax		25,631	16,502
Tax expense:			
- Current tax	38	593	5,416
- Previous years tax expense	38	39	-
- Deferred tax credit	38 and 51	(8,797)	(591)
Total tax expense		(8,165)	4,825
Profit for the year		33,796	11,677
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit or loss in subsequent periods :			
(a) Re-measurement losses on defined benefit plans	39	(266)	(22)
Income tax effect on above	38	67	5
(b) Fair value losses on equity instruments		-	(39)
Income tax effect on above	38	-	10
Total other comprehensive income/(loss) for the year (net of tax)		(199)	(46)
Total comprehensive income for the year		33,597	11,631
Earnings per equity share [nominal value of shares: Rs. 10 (March 31, 2022: Rs. 10)]			
Basic	52	261	90
Diluted		261	90

Summary of significant accounting policies

2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: I01049W/E300004

Chartered Accountants

per Sunil Gaggar
Partner

Membership no.: 104315



For and on behalf of the board of directors of
MTR Foods Private Limited


Atle Vidar Johnsen
Chairman
DIN: 01361367


B.G. Shenoy
Chief Financial Officer


Sanjay Sharma
Director & Chief Executive Officer
DIN: 02581107


Ragee Raju
Company Secretary
Membership no: F11322

Place: Bengaluru

Date: September 19, 2023

Place: Bengaluru

Date: September 19, 2023



MTR Foods Private Limited
 Standalone Statement of Changes in Equity for the year ended March 31, 2023
 (All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

a) Equity share capital

Equity shares of Rs. 10 each, issued, subscribed and fully paid-up

As at March 31, 2022

As at March 31, 2023

	Nos.	Amount
As at March 31, 2022	12,330,269	1,233
As at March 31, 2023	12,330,269	1,233

For movement in share capital, refer note 18.

b) Other equity

	Reserve and surplus				Shares pending issuance (refer note 51)	Other comprehensive income	Total
	Security premium reserve	Capital redemption reserve	Retained earnings	Other equity-share based payment		Fair value gains/(losses) on equity instruments	
As at April 1, 2021	111,014	337	39,130	92	27,000	141	177,714
Profit for the year	-	-	11,677	-	-	-	11,677
Other comprehensive income/(loss) (net of tax)	-	-	(17)	-	-	(29)	(46)
Total Comprehensive income for the year	-	-	11,660	-	-	(29)	11,631
Compensation cost related to employee share based payment plans (refer note 43)	-	-	-	91	-	-	91
Cross charge from ultimate holding company for employee share based payment plans	-	-	-	(39)	-	-	(39)
As at March 31, 2022 [Restated (refer note 51)]	111,014	337	50,790	144	27,000	112	189,397
Profit for the year	-	-	33,796	-	-	-	33,796
Other comprehensive income/(loss) (net of tax)	-	-	(199)	-	-	-	(199)
Total Comprehensive income for the year	-	-	33,597	-	-	-	33,597
Compensation cost related to employee share based payment plans (refer note 43)	-	-	-	69	-	-	69
Cross charge from ultimate holding company for employee share based payment plans	-	-	-	(21)	-	-	(21)
As at March 31, 2023	111,014	337	84,387	192	27,000	112	223,042

Summary of significant accounting policies. Refer note 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm registration number: 101049W/E300004
 Chartered Accountants

per Sunil Gaggar
 Partner
 Membership no.: 104315



For and on behalf of the board of directors of
 MTR Foods Private Limited

Atle Vida Johnsen
 Chairman
 DIN: 01361367

B.G. Shenoy
 Chief Financial Officer

Sanjay Sharma
 Director & Chief Executive Officer
 DIN: 02581107

Ragee Raju
 Company Secretary
 Membership no: F11322

Place: Bengaluru
 Date: September 19, 2023

Place: Bengaluru
 Date: September 19, 2023



MTR Foods Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

Notes	As at March 31, 2023	As at March 31, 2022 [Restated (Refer Note 51)]
A. Cash flows from operating activities		
Profit before tax	25,631	16,502
Adjustments to reconcile profit before tax to net cash flows:		
Share based payment expenses	48	52
Depreciation of property, plant and equipment	3,695	3,712
Amortisation of intangible assets	1,037	1,216
Depreciation on right-of-use assets	763	663
Interest expense - others	2,043	2,306
Interest expense - lease liabilities	549	517
Provision for doubtful debts and advances	165	(93)
Provision for balances with government authorities	-	150
Advance written off	5	-
Expense settled through transfer of assets	15	-
Unwinding of security deposit	(27)	(27)
Gain on termination/modification of right-of-use assets	(10)	(1)
Rental income	(3)	(9)
Profit on sale of current investments	(1,325)	(245)
Fair value gain on financial instruments at fair value through profit and loss	(412)	(84)
Liabilities no longer required written back	(27)	(181)
(Gain)/loss on sale of property plant and equipment	32	(63)
Write back of advance from customers	(12)	-
Interest income	(100)	(128)
Unrealised foreign exchange gain	(60)	(68)
Operating profit before working capital changes	32,007	24,219
Movements in Working capital :		
Decrease/(increase) in trade receivables	(1,773)	(169)
Decrease/(increase) in inventories	(4,034)	(254)
Decrease/(increase) in financial assets and other assets	(3,126)	198
Increase/(decrease) in trade payable	3,729	227
Increase/(decrease) in financial liabilities and other liabilities	598	(319)
Increase/(decrease) in provisions	(1,060)	(345)
Cash generated from operations	26,341	23,557
Direct tax paid (net)	(7,576)	(5,888)
Net cash from operating activities (A)	18,765	17,669
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress and capital advances)	(7,930)	(3,317)
Proceeds from sale of property, plant and equipment	151	772
Purchase of units of mutual funds	(61,354)	(57,232)
Sale of units of mutual funds	57,811	42,574
Loan given to subsidiary company	-	(600)
Repayment of loan by subsidiary company	180	50
Loan given to associate company	-	(500)
Proceeds from/(investment) in bank deposits/margin money deposits (having original maturity of more than three months)	(5,027)	999
Investment in shares of associates	(199)	-
Interest received	67	139
Proceeds from the sale of long term investments	-	2
Rent received	3	9
Net cash used in investing activities (B)	(16,298)	(17,104)



MTR Foods Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

Notes	As at March 31, 2023	As at March 31, 2022 [Restated (Refer Note 51)]
C. Cash flow from financing activities		
Proceeds from short term borrowings	3,100	4,000
Repayment of short term borrowings	(2,500)	(6,759)
Interest paid	(326)	(162)
Payment of lease liabilities	(568)	(474)
Interest on lease liabilities paid	(549)	(517)
Repayment of long-term borrowings	(637)	(1,059)
Net cash from financing activities (C)	(1,480)	(4,971)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	987	(4,406)
Cash and cash equivalents at the beginning of the year	1,412	5,818
Cash and cash equivalents at the end of the year	2,399	1,412
Components of cash and cash equivalents		
Balances with banks:		
On current accounts	2,393	1,410
Cash on hand	6	2
Total cash and cash equivalents (refer note 14)	2,399	1,412

Summary of significant accounting policies

2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants

For and on behalf of the board of directors of

MTR Foods Private Limited

per Sunil Gaggar
Partner

Membership no.: 104315



Atle Vidar Johnsen
Atle Vidar Johnsen
Chairman
DIN: 01361367

Sanjay Sharma
Sanjay Sharma
Director & Chief Executive Officer
DIN: 02581107

B.C. Shenoy
B.C. Shenoy
Chief Financial Officer

Ragee Raju
Ragee Raju
Company Secretary
Membership no: F11322

Place: Bengaluru

Date: September 19, 2023

Place: Bengaluru

Date: September 19, 2023



1. Corporate Information

MTR Foods Private Limited ("the Company" or "MTR") (CIN No. - U15136KA1996PTC021007) was incorporated at Bangalore in 1996 under the Companies Act, 1956, and is engaged in the manufacture and sale of ready-to-eat food products, instant food mixes, spices and masalas, vermicelli, milk-based products, confectionery and beverages, blended curry powders made of spices (viz. Sambar, Rasam, Chicken Masala, Fish Masala, Biryani Masala, coffee, rice products (viz. Puttu Podi, Idli Podi, Dosa Podi, Pathiri Podi, Appam Podi, etc.), etc. The Company also undertakes trading of certain food products such as, spices, spice mix, pickles, tea, tamarind, coconut oil and oral care products.

The Company is headquartered in Bengaluru and has its manufacturing facilities and warehouse in Bengaluru, Kerala, Theni in Tamil Nadu, Guntur in Andhra Pradesh, Kota in Rajasthan and an extensive distribution network in India, Middle East countries and other overseas markets.

The Standalone financial statements were approved for issue by the Company's Board of Directors on September 19, 2023.

2. Significant accounting policies

2.1 Basis of Preparation:

The standalone 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 (as amended from time to time) and presentation requirement of division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

These standalone financial statements have been prepared on historical cost basis as explained in the accounting policies below, except for the following assets and liabilities measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities measured at fair value; and
- Derivative financial instruments;

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated. Certain notes and disclosures in the financials have been represented as Zero ("0"), where the absolute amount is below Rs. 50,000 ("fifty thousand").

2.2 Summary of significant accounting policies:

(a) Current versus non-current classification

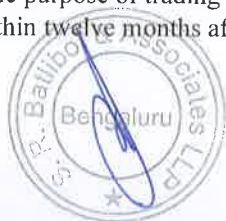
The Company presents assets and liabilities in the Standalone Balance Sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period; or
- Cash and 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 conditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currency translation

The financial statements are presented in Indian Rupees Lakhs ('INR 00,000'), which is the functional currency of the Company.

Transactions in foreign currencies are initially recorded by the entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

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 recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency 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 (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

(c) Fair Value Measurement

The Company measures financial instruments such as derivative instruments and investments (other than investment in subsidiaries and associates) at fair value at each balance sheet 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:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Company 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.



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All assets and liabilities for which fair value is measured or disclosed in the standalone 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:

- (i) Level 1 — inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) 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 recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:-

- (i) Disclosure for fair valuation methods, significant estimates and judgements - Note 48 and 2.3.
- (ii) Financial Instruments (including those carried at amortised cost) - Note 6(a), 6(b), 6(c), 7, 8, 12, 13, 14, 15, 16, 22(a), 22(b), 24, 25(a), 25(b).

(d) Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

To recognize revenues, the Company applies the following five- step approach:

- Identify the contract with a customer;
- Identify the performance obligation in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

(i) Sale of goods:

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts to customers.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Goods and Services tax (GST) is not received by the Company in its own account. Rather, it is collected on value added to commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

(ii) Variable consideration:

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract



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inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The contracts for the sale of goods provide with the customers with a right to return, cash discounts, and volume rebates/trade incentives. The rights of return, cash discount and volume rebates/trade incentives give rise to variable consideration.

- **Volume rebates**

The Company gives volume rebates/trade incentives to customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability for the expected future rebates (i.e., the amount not included in the transaction price).

- **Right to return**

As a practice, the Company provides a customer with a right to return in case of any defects or on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

(iii) Rendering of services

Revenue from the management services is recognized as and when services are rendered. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence it is excluded from the revenue.

(iv) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.



(v) Assets and liabilities arising from rights of return

Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

(vi) Sale of energy from windmills

Revenue from energy generated from windmills is recognised based on energy units generated and supplied to the Grid (Electricity board) net off units drawn for own consumption. As regards to energy units used for own consumption, they are netted off against power costs.

(vii) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in Other income in the standalone statement of profit and loss.

(viii) Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(ix) Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

(x) Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Accordingly, government grants:

- (a) related to or used for assets, are deducted from the carrying amount of the asset.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

Government grants are recognised when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. Income from such grants is recognised on a systematic basis over the periods to which they relate. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.



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(e) Income-tax

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.

Current income tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity, in correlation to the underlying transaction. Management periodically evaluates positions taken in 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 provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or taxable profit or loss.
- In respect of taxable temporary differences associated with the investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and if it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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 utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity, in correlation to the underlying transaction.



Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Services Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and services tax paid, except:

- i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(f) Property, plant and equipment

On transition to Ind AS, the Company had elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2019 measured as per the Indian GAAP and use that carrying value as deemed cost of property, plant and equipment.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of tax credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of the assets 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.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, at the end of each reporting period

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management except in case of leasehold improvements.



Particulars	Useful life used by the management (in years)
Plant and machinery	5-15
Office equipment/ Computers	3-6
Factory buildings	30
Electrical fittings	10
Furniture and fixtures	10
Vehicles	4-8
Windmill	22

Leasehold Improvements are depreciated over the primary period of the lease, or useful life, whichever is lower, on a straight-line basis.

In respect of assets acquired which have been previously used by another party, depreciation is provided over the remaining useful lives of such assets determined within their overall useful lives as stated above.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

(g) Intangible assets

On transition to Ind AS, the Company had elected to continue with the carrying value of all its intangible assets recognised as at April 1, 2019 measured as per the Indian GAAP and use that carrying value as deemed cost of intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 recognised in the statement of profit and loss when the asset is derecognised.



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A summary of amortisation policies applied to the Company's intangible assets is as below:

Assets	Useful life (in years)
Software	3 years
Trademarks	Indefinite
Distribution network	4 years
Recipes	10 years

(h) Business combination and goodwill

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the Company's financial statements. No adjustments are made to reflect fair values or recognise any new assets or liabilities. The components of equity of the acquired companies are added to the same components within the Company's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves. The Company's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment is specified in the court approved scheme.

Deferred tax assets or liabilities, and liabilities or assets related to employee benefits arrangements are recognized and measured in accordance with Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits" respectively.

Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or company's of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

<u>Category of assets</u>	<u>Estimated Useful life</u>
Building	2 to 25 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The standard provides specific transition requirements and practical expedients, which have been applied by the Company as follows:

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.



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(j) Inventories

Inventories are valued as follows:

Raw materials, packing materials and stores, spares and consumables

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress & finished goods including traded goods

Lower of cost and net realizable value. Cost of Work in progress and finished goods includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.



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(l) Provisions and contingent liabilities

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 recognised 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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 a contingent liability but discloses its existence in the financial statements.

(m) Retirement and other employee benefits

Defined contribution plan:

Retirement benefit in the form of provident fund is 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. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan:

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.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an employee benefits expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Interest expense and Income



Leave Encashment / compensated absences:

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(n) Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for cash payments based on equity instruments (equity settled transactions) of the ultimate holding company.

The Company classifies a share-based payment transaction as equity settled when it receives goods or services as consideration for its own equity instruments or receives goods or services but has no obligation to settle the transaction with the supplier.

Further, it classifies a share-based payment transaction as cash settled if it acquires the goods or services by incurring a liability to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price of its own equity instruments or that of another group entity.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised together with a corresponding increase in share-based payment reserves in equity or capital contribution from parent depending on which entity is settling the transaction. The costs are recognised, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

(o) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being valued through Statement of Profit and Loss.



Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss (P&L). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Investments in subsidiaries and associates are recorded at cost less impairment. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or



- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and other receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, trade and other receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, including payable to employees and borrowings

Subsequent measurement



All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR). The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. EIR is the rate that exactly discounts the estimated future cash payments over the expected life of the financial liability or a shorter period, where appropriate, to the net carrying amount on initial recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



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(p) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, 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.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects the statement of profit and loss or treated as basis adjustment, if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(q) Investment in Subsidiary and associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

The investment in subsidiary and associate are carried at cost as per IND AS 27. Investment accounted for at cost is accounted for in accordance with IND AS 105 when they are classified as held for sale and Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee and
- the ability to use its power over the investee to affect the amount of the investor's returns.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(r) Segment accounting policies

Identification of segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker is considered to be the Board of Directors which makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

In accordance with Ind AS 108- Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and 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 such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



(t) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet and for the purpose of the statement of cash flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months

(u) Cash dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(v) 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 capitalised 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 and other costs 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.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company's assumptions and estimates are based on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans (gratuity benefits)

The Company operates a defined benefit gratuity plan under the Payment of Gratuity Act, 1972 in India, which is a defined benefit obligation. The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. The estimate of future salary increases is based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in note 39.



(b) Leases

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The management while evaluating lease periods have not considered the renewal periods of real estate leases as the management is not reasonably certain of exercising the renewal options available as on the balance sheet date. Further, the management is reasonably certain of not exercising any termination options available as part of the contract as on the balance sheet date for all such leases and hence have not considered them in evaluation of lease periods.

(c) Provision for sales return

The Company provides for sales return on damaged goods based on trend of previous years. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario and based on the management's assessment of market conditions.

(d) Estimating variable consideration for discount, volume rebates and trade incentives

Revenue is measured at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume based discounts, rebates and other promotion incentives schemes ('trade schemes') provided to the customers. At year end, amounts for trade schemes that have been incurred and not yet provided to the customers are estimated and accrued.

In estimating the variable consideration towards discounts, volume rebates and trade incentives taking into consideration the terms of the volume thresholds and expected likely payout based on historical experience, current trend and future expectations of future expectations of customers meeting the thresholds.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

(e) Provision on inventories

The Company has a defined policy for provision on inventory sub-categorised into raw materials, packing materials and finished goods. The Company provides provision based on the policy, expired, obsolete and slow moving inventory.



(f) Useful life of assets considered for depreciation of property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. The useful lives are based on technical advice, prior asset usage experience and the risk of technological obsolescence.

(g) Impairment allowance for doubtful debts

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible. Further details about impairment allowance are given in Note 49.

2.4 New and amended standards and interpretations

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(i) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(ii) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the financial statements of the Company as there were no modifications of the financial instruments during the period.

(iii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.



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The amendments also add a new paragraph to IND As 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

2.5 Standards Issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31, 2023, to amend the following Ind AS which are effective from April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

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 are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

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 to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

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.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Company is currently assessing the impact of the amendments.



MTR Foods Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

3(a) Property, plant and equipment

	Land [refer notes (ii) & (iii)]	Buildings [on freehold land]	Buildings [on leasehold land]	Leasehold Improvements	Plant and Machinery	Office Equipment	Electrical Fittings	Furniture and Fixtures	Vehicles	Windmill	Total
Gross block											
As at April 1, 2021	4,440	5,808	-	41	12,629	312	693	483	35	-	24,441
Addition on account of merger (Refer Note 51)	7,798	6,512	557	-	3,518	223	-	97	802	635	20,142
At April 1, 2021 (Restated)	12,238	12,320	557	41	16,147	535	693	580	837	635	44,583
Additions	18	79	-	56	2,578	366	88	140	16	-	3,341
Disposals	-	(97)	-	-	(140)	(4)	-	(6)	(151)	-	(398)
Transfer to asset held for sale	-	-	-	-	(5)	-	-	-	-	-	(5)
At March 31, 2022 (Restated)	12,256	12,302	557	97	18,580	897	781	714	702	635	47,521
Additions	25	43	-	-	893	247	5	68	415	-	1,696
Disposals	-	-	-	-	(279)	(7)	-	(5)	(106)	-	(397)
Transfer to asset held for sale	-	(1)	-	-	(117)	(0)	(15)	-	-	-	(133)
At March 31, 2023	12,281	12,344	557	97	19,077	1,137	771	777	1,011	635	48,687
Depreciation and impairment											
As at April 1, 2021	-	657	-	21	4,555	178	209	147	1	-	5,768
Depreciation for the year (refer note 35)	-	643	46	5	2,306	211	95	99	220	87	3,712
Disposals	-	(97)	-	-	(118)	(4)	-	(4)	(51)	-	(274)
Transfer to asset held for sale	-	-	-	-	(5)	-	-	-	-	-	(5)
At March 31, 2022 (Restated)	-	1,203	46	26	6,738	385	304	242	170	87	9,201
Depreciation for the year (refer note 35)	-	640	46	15	2,336	200	92	95	184	87	3,695
Disposals	-	-	-	-	(163)	(7)	-	(3)	(98)	-	(271)
Transfer to asset held for sale	-	(1)	-	-	(58)	(0)	(15)	-	-	-	(74)
At March 31, 2023	-	1,842	92	41	8,853	578	381	334	256	174	12,551
Net carrying value as at:											
At March 31, 2022 (Restated)	12,256	11,099	511	71	11,842	512	477	472	532	548	38,320
At March 31, 2023	12,281	10,502	465	56	10,224	559	390	443	755	461	36,136

Note:

(i) The Company had elected to carry forward the carrying values of property, plant and equipment as on March 31, 2019 under the previous GAAP as deemed cost on the transition date (April 01, 2019) under Ind AS 101 'First-Time Adoption of Indian Accounting Standards'.

(ii) Title deeds of immovable properties not held in the name of the Company as at March 31, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter/director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Land (freehold and leasehold) and Buildings	7,987	Eastern Condiments Private limited (ECPL) [Erstwhile Subsidiary]	No	Refer note 51	Land & Building pending transfer to the Company on account of scheme of merger which are in the name of erstwhile subsidiary, will be transferred in the name of the Company in due course.

(iii) The Company purchased a land situated at Edappally from a bank through auction during the year ended March 2019. During earlier year, the Company had advanced an amount of Rs.465 for purchase of the said land to a party, which is disclosed under capital advances in Note 9. The concerned land was mortgaged by the said party with a bank as security. The land was taken over by the bank during the year ended March 31, 2019 as part of its recovery proceedings against the said party. The Company has provided for the capital advances as doubtful of recovery. The Company has purchased the said land from the bank through auction at a cost of Rs.377. Mr. Navas M. Meeran (CEO and Director of ECPL, erstwhile subsidiary) has paid Rs.377 to the Company, as agreed through his personal guarantee to secure the title of the land in the name of the Company. The amount paid by Mr. Navas M. Meeran is disclosed as interest free borrowing in Note 22(a). As per the agreement between the Company and Mr. Navas M. Meeran, repayment of the borrowing is restricted to the extent of amount recovered from the aforesaid party. In the event of non-recovery of the amount from the above party, the entire borrowing amount will be set off against the advance receivable from the party and no amounts would be payable to Mr. Navas M. Meeran. The difference of Rs.88 has been written off in the books of accounts.



3(b) Capital work-in-progress

Cost	Amount
As at April 1, 2021	224
Addition on account of merger (Refer Note 51)	161
At April 1, 2021 (Restated)	385
Additions	267
Capitalised	(344)
At March 31, 2022 (Restated)	308
Additions	7,313
Capitalised	(232)
At March 31, 2023	7,389

Capital work in progress (CWIP) ageing schedule

As at March 31, 2023					
Particulars	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	7,267	6	-	5	7,278
Projects temporarily suspended	-	94	4	13	111
Total	7,267	100	4	18	7,389

As at March 31, 2022					
Particulars	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	244	1	-	5	250
Projects temporarily suspended	36	9	13	-	58
Total	280	10	13	5	308

Completion is overdue to its original plan:

As at 31 March 2023					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Factory, Bengaluru	1,496	-	-	-	1,496
Corporate office, Bengaluru	546	-	-	-	546
Stores, Bengaluru	117	-	-	-	117
Factory, Kittur	5	-	-	-	5
Factory, Kothamanagalam	2	-	-	-	2
Total	2,166	-	-	-	2,166

As at 31 March 2022					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Factory, Bengaluru	4	36	-	-	40
Total	4	36	-	-	40

As at March 31, 2023 and March 31, 2022, the Company has no projects whose cost has exceeded compared to its original plan.

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4 Right-of-use assets and lease liabilities

4(a) Right-of-use assets (ROU)

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
At the beginning of the year	4,544	2,001
Additions on account of merger (Refer Note 51)	-	201
At the beginning of the year (Restated)	4,544	2,202
Additions	773	3,007
Amortization (refer note 35)	(763)	(663)
Deletions	(45)	(11)
Adjustments due to modification [refer note (i) below]	47	9
At the end of the year	4,556	4,544

4(b) Lease liabilities

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
At the beginning of the year	5,756	3,133
Additions on account of merger (Refer Note 51)	-	201
At the beginning of the year (Restated)	5,756	3,334
Additions	741	2,901
Retirements	(55)	(13)
Interest expense on lease liabilities (refer note 36)	549	517
Payments	(1,117)	(991)
Adjustment due to modification [refer note (i) below]	47	8
At the end of the year	5,921	5,756

Note :

- (i) The modification/adjustment is on account of change in the lease term or change in the lease payments. Accordingly the lease liability is re-measured as on date of modification and the difference between the lease liability as on date of modification and the re-measured lease liability as per above is adjusted to the carrying amount of ROU.

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Non-current	5,215	5,179
Current	706	577

The following are the amounts recognised in profit and loss :

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Gain on termination/modification of right-of-use assets (refer note 30)	10	1
Depreciation expense of right-of-use assets (refer note 35)	763	663
Interest expense on lease liabilities (refer note 36)	549	517
Expense relating to short-term leases (included in other expenses & staff welfare)	854	1,059
Expense relating to leases of low value assets (included in other expenses)	108	132

Also refer note 41(a) for other disclosures in respect of leases.

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5 Intangible assets

	Goodwill [refer note (i)]	Trademarks and Brands [refer note (i)]	Distribution Network	Recipes	Computer Software	Total
Gross block						
As at April 1, 2021	-	-	-	-	454	454
Addition on account of merger (Refer Note 51)	98,636	57,311	3,680	5	169	61,165
At April 1, 2021 (Restated)	98,636	57,311	3,680	5	623	61,619
Additions	-	-	-	-	195	195
Disposals	-	-	-	-	-	-
At March 31, 2022 (Restated)	98,636	57,311	3,680	5	818	61,814
Additions	-	-	-	-	50	50
Disposals	-	-	-	-	-	-
At March 31, 2023	98,636	57,311	3,680	5	868	61,864
Depreciation						
As at 1 April 2021	-	-	-	-	316	316
Charge for the year (refer note 35)	-	9	920	3	284	1,216
Disposals	-	-	-	-	-	-
At March 31, 2022 (Restated)	-	9	920	3	600	1,532
Charge for the year (refer note 35)	-	0	920	0	117	1,037
Disposals	-	-	-	-	-	-
At March 31, 2023	-	9	1,840	3	717	2,569
Net carrying value as at:						
At March 31, 2022 (Restated)	98,636	57,302	2,760	2	218	60,282
At March 31, 2023	98,636	57,302	1,840	2	151	59,295

Note:

(i) The Company has recognised goodwill of Rs. 98,636 and Trademarks & Brands amounting to Rs. 57,300 on acquisition of ECPL (refer note 51). Trademarks and Brands are not amortised and are considered to have indefinite life considering the history of ECPL operations and established brands in the market of its operations. These intangible assets and goodwill are tested for impairment annually in line with the applicable accounting standards.

The recoverable amount of the CGU as at March 31, 2023, has been determined based on value in use using cash flow projections from financial budgets approved by management for next year and financial year 2025 to 2028 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows and then have considered that as a base to arrive at the value of perpetuity beyond March 31, 2028 using an exit multiple of 19 on Earning before interest depreciation tax and amortization (EBIDTA) of ECPL. The post-tax discount rate of 12% is applied to cash flow projections for impairment testing during the current year.

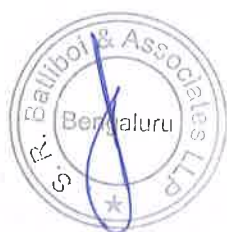
The Company has assessed the carrying value of CGU by using fair value less cost of disposal. The fair value less costs of disposal is a post-tax measure of recoverable value. It is concluded that carrying value of CGU does not exceed the recoverable value and as a result of this analysis, management did not identify impairment for this CGU.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors.

The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

The above discount rate is based on the weighted average cost of capital (WACC) of a comparable market participant, which is adjusted for specific risks. These estimates are likely to differ from future actual results of operation and cash flows.

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6 Investments

6(a) Non-current investments

Investment in subsidiaries, associate and joint Venture

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
In subsidiaries (at cost unless stated otherwise):		
Unquoted equity shares:		
50,000 (March 31, 2022: 50,000) Equity shares of Rs. 10 each fully paid-up in Rasoi Magic Foods (India) Private Limited [refer note (i) below]	2,707	2,707
20,00,000 (March 31, 2022: 20,00,000) Equity shares of Rs. 10 each fully paid-up in BAMS Condiments Impex Private Limited	200	200
Less: Provision for impairment	(200)	(200)
1,00,000 (March 31, 2022: 1,00,000) Equity shares of Rs. 10 each fully paid-up in Eastern Food Speciality Formulations Private Limited	10	10
Less: Provision for impairment	(10)	(10)
	(A) 2,707	2,707
In associate (at cost unless stated otherwise):		
Unquoted equity shares:		
3,732 (March 31, 2022: 3,514) Equity shares of Rs 10 each fully paid-up in Pot Ful India Private Limited [refer note (ii) below]	1,516	1,317
	(B) 1,516	1,317
In joint venture (at cost unless stated otherwise):		
Unquoted equity shares:		
2,500 (March 31, 2022: 2,500) equity shares of UAE Dirhams 1,000 each fully paid-up in Eastern Condiments Middle East & North Africa FZC, UAE	739	739
	(C) 739	739
Total	(A+B+C) 4,962	4,763

6(b) Other investments:

Unquoted equity instruments:

Carried at fair value through other comprehensive income

1,403 (March 31, 2022: 1,403) Equity shares of Rs 10 each fully paid-up in Firmroots Private Limited [refer note (iii) below]

Total	-	-
--------------	---	---

6(c) Current Investments :(Carried at fair value through profit or loss account)

Unquoted mutual funds:

Aditya Birla Sun Life Liquid Fund

27,95,729 units (March 31, 2022: 16,22,789 units)

10,152

5,568

Aditya Birla Sun Life Liquid Fund - Growth Direct Plan [refer note (iv) below]

2,31,745 units (March 31, 2022: 10,41,596 units)

1,590

3,573

ICICI Prudential Liquid Fund

30,41,612 units (March 31, 2022: 17,35,406 units)

10,135

5,472

ICICI Prudential Ultra Short Term Fund - Growth [refer note (iv) below]

2,49,545 units (March 31, 2022: 11,34,335 units)

1,581

3,576

Total	23,458	18,189
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Aggregate book value of unquoted investments

28,420

22,952

Aggregate amount of impairment in value of investments

210

210

Note:

- i) As at March 31, 2023, Rasoi Magic Foods (India) Private Limited ("Rasoi") has a negative net worth of Rs. 135 (March 31, 2022: Rs. 263). The Management is of the view that Rasoi is of strategic importance to the Company and there is no diminution in the value of the investment. The Company has committed to support Rasoi to fund its operations, as may be required.
- ii) On December 1, 2018, the Company had acquired 1,112 shares of Pot Ful India Private Limited ("Pot Ful"), comprising of 10% shareholding in Pot Ful as at April 1, 2019. During the year ended March 31, 2020, the Company acquired 252 equity shares from the promoters of Pot Ful and subscribed to 2,150 equity shares resulting in 26.5% shareholding in Pot Ful. Effective July 15, 2019 Pot Ful became an associate of the Company. During the year ended March 31, 2023, the Company additionally subscribed to 218 equity shares resulting in 27.7% shareholding in Pot Ful.
- iii) On October 13, 2017, the Company had acquired 8,065 shares of Firmroots Private Limited ("FPL"), comprising of 43% shareholding, at fair value of Rs. 4,340 per share. During the year ended March 31, 2020, FPL had converted its Series A CCPS into equity shares, reducing the Company's shareholding to 33%. As at March 31, 2020, on account of continued losses incurred by FPL, the Company had recognised an impairment loss allowance of Rs. 1,513 per share. During the year ended March 31, 2021, the Company sold 6,662 shares of FPL at fair value of Rs. 2,627 per share, resulting into loss of Rs.200 per share. This loss is set off from the impairment allowance recognised in the year ended March 31, 2020. As at March 31, 2021, the Company has 5.54% shareholding in FPL resulting into FPL ceasing to be an associate of the Company w.e.f. December 24, 2020. Accordingly, investments in FPL as at March 31, 2021 has been remeasured at fair value through OCI as per Ind AS 109. Management has assessed the fair value of the investment in FPL as at March 31, 2023 to be Rs. Nil (March 31, 2022: Rs. Nil).
- iv) Units amounting to Rs.1,500 (750 each to both funds) are not allotted as on March 31, 2023 (March 31, 2022: Rs. Nil).

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7 Non current - loans (at amortised cost)

Secured, considered good
Unsecured, considered good
Loans to employees
Loans to related parties (refer note (i) below)

Sub-classification of loans:

Loan receivables considered good- secured
Loan receivables considered good- unsecured
Loan receivables which have significant increase in credit risk
Loan receivables - credit impaired

i) Loans to related parties comprise of the following:

a) PotFul India Private Limited (Associate)
Maximum amount outstanding during the year

(i) The Company has given a loan to Pot Ful India Private Limited for its principal business activities. One of the promoter director of the associate pledged his equity shares as security. The loan is repayable in September 2024 at an interest rate of 7% per annum.

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
	67	42
	500	500
	567	542
	-	-
	567	542
	-	-
	-	-
	567	542
	500	500
	500	500

8 Other non-current financial assets

Security deposits for leased premises
Other deposits
Margin money deposits with bank (refer note (i) below & note 14)

Note:

(i) Margin money deposits are intended to secure the Company's bank guarantee and letter of credit facility obtained by the Company.

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
	585	599
	232	264
	132	104
	949	967

9 Other non-current assets

Capital advances
Prepaid expenses
Balances with statutory/ government authorities

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
	499	419
	23	3
	95	70
	617	492

10 Income tax assets

Advance tax (net of provisions)

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
	8,072	1,553
	8,072	1,553

11 Inventories

At lower of cost and net realisable value

Raw materials
Packing materials
Work-in-progress
Finished goods (includes Goods-in-transit Rs. 235 (March 31, 2022: Rs. Nil))
Traded goods
Stores, spares and consumables

As at March 31, 2023 Rs. 725 (March 31, 2022 Rs. 358) was recognised as provision towards slow moving inventories.

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
	21,818	16,349
	1,838	1,798
	3,380	3,484
	6,455	7,181
	616	1,225
	689	725
	34,796	30,762

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12 Trade receivables

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Trade receivables include:		
Receivable from related parties (refer note 46)	50	93
Receivable from others	11,499	9,786
	11,549	9,879
Break-up for security details:		
Secured, considered good	-	-
Unsecured, considered good	11,549	9,879
Trade Receivables, which have significant increase credit risk	-	-
Trade Receivables, credit impaired	807	665
	12,356	10,544
Less: Allowance for expected credit loss	(807)	(665)
	11,549	9,879

Trade receivables are generally non-interest bearing and are on terms of 0 to 60 days, except for export sales which are generally on terms of 30-120 days, however the same vary from for each customer on basis of agreed terms. They are recognised at their original invoice amount which represent their fair value on initial recognition.

No trade or other receivable is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and condition relating to related party receivables, refer note 46

Trade receivables ageing schedule

As at March 31, 2023	Current but not due	Outstanding for the following periods from the due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	7,388	4,055	106	-	-	-	11,549
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	0	143	120	52	428	743
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	64	64
Total	7,388	4,055	249	120	52	492	12,356

As at March 31, 2022	Current but not due	Outstanding for the following periods from the due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	7,925	1,877	77	-	-	-	9,879
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	66	95	21	419	601
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	64	64
Total	7,925	1,877	143	95	21	483	10,544

13 Current financial assets- loans

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Loans to employees	223	204
Loans to related parties (refer note (i) below)	370	550
	593	754
Sub-classification of loans:		
Loan receivables considered good- secured	-	-
Loan receivables considered good- unsecured	593	754
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	-	-
	593	754

i) Loans to related parties comprise of the following:

a) Rasoi Magic Foods (India) Private Limited (Subsidiary)	370	550
Maximum amount outstanding during the year	550	600

The Company had granted an unsecured loan facility to Rasoi Magic Foods (India) Private Limited at the interest rate prevailing for one year Government securities, for its principal business activities. The said loan is repayable on demand, details as follows:

Type of borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Loan to related parties (Subsidiary- Rasoi)	370	32%	550	42%
Total	370	32%	550	42%



14 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Balances with banks:		
On current accounts	2,393	1,410
Cash on hand	6	2
	2,399	1,412

15 Bank balances other than above

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	5,000	-
Margin money deposits (refer note (i) below)	132	104
Less: amount disclosed under other non-current financial assets (refer note 8)	(132)	(104)
	5,000	-

(i) Margin money deposits are intended to secure the Company's bank guarantee and letter of credit facility obtained by the Company.

Details of non-cash transactions from investing activities and changes in liabilities arising from financing activities

	As at April 1, 2022 [Restated (Refer Note 51)]	Cash flows (net)	Non-cash changes		As at March 31, 2023
			Fair Value adjustments	Others	
Investing activities					
Non-current investments	4,763	199	-	-	4,962
Current investments	18,189	3,543	401	1,325	23,458
Total	22,952	3,742	401	1,325	28,421

	As at April 1, 2021 [Restated (Refer Note 51)]	Cash flows (net)	Non-cash changes		As at March 31, 2022 [Restated (Refer Note 51)]
			Fair Value adjustments	Others	
Financing activities					
Non-current borrowings (including current maturities of long-term borrowings shown under current borrowing)	1,036	(637)	-	-	399
Current borrowings	2,500	600	-	-	3,100
Lease liabilities	5,756	(1,117)	-	1,282	5,921
Total	9,293	(1,154)	-	1,282	9,420

	As at April 1, 2021 [Restated (Refer Note 51)]	Cash flows (net)	Non-cash changes		As at March 31, 2022 [Restated (Refer Note 51)]
			Fair Value adjustments	Others	
Investing activities					
Non-current investments	4,804	(2)	(39)	-	4,763
Current investments	3,206	14,658	80	245	18,189
Total	8,010	14,656	41	245	22,952

	As at April 1, 2021 [Restated (Refer Note 51)]	Cash flows (net)	Non-cash changes		As at March 31, 2022 [Restated (Refer Note 51)]
			Fair Value adjustments	Others	
Financing activities					
Non-current borrowings (including current maturities of long-term borrowings shown under current borrowing)	2,063	(1,059)	-	32	1,036
Current borrowings	5,259	(2,759)	-	-	2,500
Lease liabilities	3,334	(991)	-	3,413	5,756
Total	10,656	(4,809)	-	3,445	9,292

16 Other financial assets - current

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Security deposits for leased premises	119	98
Other deposits	40	-
Interest accrued	43	10
Derivative assets [refer note (i) below]	25	28
Advance to employees	16	9
Receivable from spices board [refer note (ii) below]	358	358
Insurance claim receivable [refer note (iii) below]	2,032	2,264
Incentive receivable	2,319	-
Other receivables	343	137
	5,295	2,904

Note:

(i) Except for a mark to market gain above, all financial assets are carried at amortised cost.

(ii) The amount receivable from Spice Board of India represents the balance amount receivable towards construction of factory building on behalf of Spice Board of India in Kota, Rajasthan. This Factory building has been leased to the Company on monthly rent basis for a period of 15 years commencing from July 2017. Also refer note 41(b) in respect of capital commitments pertaining to installation of Plant and Machinery at the aforesaid location for a sum of Rs. 1,300.

(iii) Pursuant to a fire incident on October 14, 2019, certain fixed assets, inventory and other assets in one of the locations were damaged. The Company lodged an estimate of loss with the insurance company and the survey is currently ongoing. The total loss on account of damage is Rs. 2,896. The Company has recognised a minimum insurance claim receivable for Rs. 2,248. The aforementioned loss (to the extent of insurance receivable) and the corresponding credit arising from insurance claim receivable has been presented on a net basis in these standalone financial statements.

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17 Other current assets

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Unsecured, considered good		
Prepaid expenses	497	457
Others	99	64
Balances with statutory/ government authorities		
Unsecured, considered good	4,354	3,287
Unsecured, considered doubtful	150	150
Less: provision for doubtful balances	4,504	3,437
	(150)	(150)
	4,354	3,287
Advances recoverable in kind**		
Unsecured, considered good	703	880
Unsecured, considered doubtful	18	18
Less: provision for doubtful advances	721	898
	(18)	(18)
	703	880
Export incentive receivables	280	533
Property, plant and equipment held for sale	33	-
	5,966	5,221

**Includes advances given to suppliers against purchase of raw materials and advances to employees against future services.

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MTR Foods Private Limited

Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts are in Indian Rupees Lakhs except share data and per share data, unless stated otherwise)

18 Share capital

a) Authorised shares

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
As at the beginning of the year	5,00,00,000	5,000	5,00,00,000	5,000
Increase during the year	-	-	-	-
As at the end of the year	5,00,00,000	5,000	5,00,00,000	5,000
	As at March 31, 2023		As at March 31, 2022	
Issued, subscribed and paid-up share capital				
Equity shares of Rs. 10 each fully paid up	1,23,30,269	1,233	1,23,30,269	1,233
Total issued, subscribed and paid-up share capital	1,23,30,269	1,233	1,23,30,269	1,233

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2023		As at March 31, 2022	
	Numbers	Amount	Numbers	Amount
As at the beginning of the year	1,23,30,269	1,233	1,23,30,269	1,233
Add: Issued during the year	-	-	-	-
	1,23,30,269	1,233	1,23,30,269	1,233

c) Terms/ rights attached to equity shares

i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

ii) In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	As at March 31, 2023		As at March 31, 2022	
	Numbers	Amount	Numbers	Amount
(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company	1,23,30,209	1,233	1,23,30,209	1,233
Equity shares of Rs. 10 each fully paid up				
(ii) Orkla Food Ingredients AS, Norway, Associate Company	60	0	60	0
Equity shares of Rs. 10 each fully paid up				

e) Details of shares held by promoters

As at March 31, 2023

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total shares	% change during the year
(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company	1,23,30,209	-	1,23,30,209	99.9995%	-
Equity shares of Rs. 10 each fully paid up					
(ii) Orkla Food Ingredients AS, Norway, Associate Company	60	-	60	0%	-
Equity shares of Rs. 10 each fully paid up					
Total	1,23,30,269	-	1,23,30,269	100%	-

As at March 31, 2022

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total shares	% change during the year
(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company	1,23,30,209	-	1,23,30,209	99.9995%	-
Equity shares of Rs. 10 each fully paid up					
(ii) Orkla Food Ingredients AS, Norway, Associate Company	60	-	60	0%	-
Equity shares of Rs. 10 each fully paid up					
Total	1,23,30,269	-	1,23,30,269	100%	-



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MTR Foods Private Limited

Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts are in Indian Rupees Lakhs except share data and per share data, unless stated otherwise)

f) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	Numbers	% holding	Numbers	% holding
Equity shares of Rs.10 each fully paid Orkla Asia Pacific Pte Ltd, Singapore	1,23,30,209	99.9995%	1,23,30,209	99.9995%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

g) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

	As at March 31, 2023	As at March 31, 2022
Equity shares bought back by the Company	33,73,731	33,73,731

In accordance with the approval of the shareholders on March 13, 2019, provisions of Companies Act, 2013 and Companies (Share Capital and Debentures) Rules, 2014 and subsequent amendments made thereafter, the Company offered to buy-back its equity shares of face value of Rs. 10 each, from the shareholders.

During the year ended March 31, 2019, the Company bought back 1,373,731 equity shares at price of Rs.495 per share, utilizing a sum of Rs.6,800. The amount paid towards buy-back of shares in excess of the face value, was appropriated out of Securities premium account, amounted to Rs.1,955 and out of Surplus in the Statement of Profit and Loss amounted to Rs.4,708. The Company extinguished the above mentioned shares as on March 31, 2019 and created Capital Redemption Reserve of Rs.137 by way of appropriation against Surplus in the Statement of Profit and Loss amounting to Rs.137.

19 Other equity

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Capital redemption reserve	337	337
Retained earnings	84,387	50,790
Security premium reserve (Net off stamp duty on issue of shares of Rs.111)	1,11,014	1,11,014
Other equity (Share based payment)	192	144
Other comprehensive income (Fair value gain/(loss) on equity investment)	112	112
Shares pending issuance (Refer note 51)	27,000	27,000
Total other equity	2,23,042	1,89,397

Note : refer Statement of changes in equity, for movement of other equity.

A. Description, nature and purpose of reserves:

- Capital redemption reserve:** The Company has bought back equity shares and as per the provisions of the Companies Act, 2013, the Company is required to create capital redemption reserve out of the profits of the Company available for distribution of dividend. The reserve can be utilized against issue of fully paid up bonus shares of the Company.
- Retained earnings:** It comprises of the accumulated profits/(loss) of the Company.
- Security premium reserve:** Securities Premium is used to record the premium on issue of shares, and is utilised in accordance with the provisions of the Companies Act, 2013.

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20 Government grants

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Grant received for capital assets under Export Promotion Capital Goods (EPCG) scheme (refer note 45)	107	107
	107	107

Movement in liability is as follows:

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Opening balance	107	107
Received during the year	-	-
Refunded	-	-
Closing balance	107	107
Current	-	-
Non-current	107	107

21 Other non-current liabilities

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Interest on Government grants (refer note 45)	112	93
	112	93

22 Borrowings

22(a) Non current

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
From financial institutions		
Vehicle Loan (Secured)		
Kotak Mahindra Prime Limited [refer note (i) below]	-	22
ICICI Bank [refer note (ii) below]	-	2
From others (Unsecured)		
Loan from Director [refer note 3(a)(iii)]	377	377
Total non current borrowings	377	401

22(b) Current

From banks		
Short term loan from Bank (Unsecured) [refer note (iii) below]	3,100	2,500
Current maturity of long-term loans		
From banks		
Term Loan (Secured)		
Foreign Currency loan from ICICI Bank [refer note (iv) below]	-	616
From financial institutions		
Vehicle Loan (Secured)		
ICICI Bank [refer note (ii) below]	-	1
Kotak Mahindra Prime Limited [refer note (i) below]	22	18
Total current borrowings	3,122	3,135



Details of security and terms of repayment

- i) Kotak Mahindra Prime Limited interest rate at 8.50% p.a. to 12.50%p.a. (March 31, 2022: 8.50% p.a. to 12.50%). Repayable in Equated Monthly Instalments over term of 3-5 years and are secured by hypothecation of the vehicles financed. Entire loan is closed as premature closure during the year ended March 31, 2023.
- ii) ICICI Bank Limited interest rate at 9% p.a. Repayable in Equated Monthly Instalments over term of 3-5 years and are secured by hypothecation of the vehicles financed.
- iii) The Company has taken a short term loan of Rs. 3,100 (March 31, 2022 : Rs. 2,500) for a duration of less than 1 year repayable in April 2023 carrying floating interest rate range between 6.86% to 7.53% pa (March 31, 2022 : 3.16% to 3.43% p.a.).
- iv) ICICI Bank Limited, interest rate at USD 3 months LIBOR plus 2.75% margin p.a. (Company had availed cross currency interest rate swaps to hedge the exposure of currency and interest rate risk). Exclusive charge on immovable and movable property, plant and equipment at Guntur manufacturing unit and personal guarantees of Mr. Navas M Meeran, CEO and Mr. Firoz Meeran (Directors of ECPL, erstwhile subsidiary).

The loan was repayable in 36 monthly instalments commencing from November, 2019 and ending on October, 2022. The same is repaid during the year.

23 Deferred tax liability [net]

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Deferred tax liability [net]	7,238	16,102
	7,238	16,102

Deferred tax relates to the following

	Standalone Balance sheet		Standalone statement of Profit and loss and OCI	
	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)	Year ended March 31, 2023	Year ended March 31, 2022 (Refer Note 51)
Property, plant and equipment and intangibles: difference in written down value as per Companies Act, 2013 and as per Income tax Act for the financial reporting period	(8,836)	(17,896)	(9,060)	(438)
Employee retirement benefit expenditure and bonus payable charged to the statement of profit and loss account but allowed for tax purposes on payment basis	769	933	164	68
Impact of Ind AS-116 ROU assets & lease liabilities	344	309	(35)	(19)
Other expenses allowable in tax on payment basis	485	552	67	(217)
Net deferred tax liabilities	(7,238)	(16,102)	(8,864)	(606)

Reconciliation of deferred tax liabilities (net)

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Balance at the beginning of the year	(16,102)	(16,708)
Tax income/(expense) during the year recognised in profit or loss	8,797	591
Tax income/(expense) during the year recognised in OCI	67	15
Balance at the end of the year	(7,238)	(16,102)

24 Trade payables

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Total outstanding dues of micro and small enterprises	10,570	10,134
Total outstanding dues of creditors other than micro and small enterprises*	14,372	11,104
	24,942	21,238

* Includes payable to related parties (refer note 46)

* Trade payables are non-interest bearing and are normally settled on 15 to 60 day terms.



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Trade payable ageing schedule

As at March 31, 2023

	Unbilled	Current but 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	
Total outstanding dues of micro enterprises and small enterprises	109	3,425	7,020	3	8	5	10,570
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,583	5,098	627	12	9	43	14,372
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	8,692	8,523	7,647	15	17	48	24,942

As at March 31, 2022

	Unbilled	Current but 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	
Total outstanding dues of micro enterprises and small enterprises	35	8,340	1,735	17	3	4	10,134
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,749	2,939	1,355	12	10	39	11,104
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	6,784	11,279	3,090	29	13	43	21,238

Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises**	10,768	10,237
Interest due on above	9	15
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	689	236
Interest	2	1
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	16	20
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	24	35
(v) The 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 the MSMED Act, 2006.	144	120

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

**includes payable towards capital creditors as on March 31, 2023 to the extent of Rs. 198 (March 31, 2022: Rs. 103)

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25 Other financial liabilities

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
25(a) Other non current financial liabilities		
Payable to employees	582	354
	582	354
25(b) Other current financial liabilities		
Interest accrued and due on borrowings	18	-
Payable to employees	3,577	3,025
Payable for purchase of capital goods*	1,330	319
Deposits from suppliers	120	210
Refund liabilities [refer note 29(d)]	818	939
Liability on account of forward commitment (refer note 51)	33,802	32,106
	39,665	36,599

*Includes outstanding dues to micro & small enterprises of Rs.198 (March 31, 2022: Rs. 103)

26 Other current liabilities

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Statutory dues payable*	640	624
Payable towards CSR expenditure	220	93
Contract liabilities (advance from customers)	574	719
	1,434	1,436

* Includes dues towards provident fund, employee state insurance dues, profession tax, withholding taxes and goods and services tax.

27 Provisions

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
(a) Non current		
Employee benefit obligation (refer note 39):		
Provision for gratuity	23	1,494
Provision for compensated absences	168	-
	191	1,494
(b) Current		
Employee benefit obligation (refer note 39):		
Provision for gratuity	498	22
Provision for compensated absences	629	596
Other provisions [refer note 42(a)(i)]	1,142	1,142
Total	2,269	1,760

28 Current tax liabilities (net)

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Income tax liabilities (net of advance tax)	-	423
	-	423

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MTR Foods Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

29 Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Sale of products	(A) 2,11,933	1,80,606
Other operating revenue:		
Scrap sales	548	419
Export incentives	377	591
Sale of energy from windmills	224	230
Government grant (production linked incentive)	2,319	-
Others	2	3
	(B) 3,470	1,243
Total revenue from operations	(A+B) 2,15,403	1,81,849

(a) Disclosure of disaggregated revenue recognised in the standalone statement of profit and loss based on geographical segment:*

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Revenue from customers within India	1,75,688	1,48,985
Revenue from customers outside India	36,245	31,621
Revenue as per the standalone statement of profit and loss	2,11,933	1,80,606

(b) Timing of revenue recognition*

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Goods transferred at a point in time	2,11,933	1,80,606
Goods transferred over time	-	-
	2,11,933	1,80,606

(c) Contract balances

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Contract assets - Trade receivables (refer note 12)	11,549	9,879
Contract liabilities - Advance from customers (refer note 26)	574	719

Trade receivables are generally non-interest bearing and are on terms of 0 to 60 days, except for export sales which are generally on terms of 30-120 days, however the same vary from for each customer on basis of agreed terms. They are recognised at their original invoice amount which represent their fair value on initial recognition.

(d) Refund liabilities :

	As at March 31, 2023	As at March 31, 2022 (Refer Note 51)
Refund liabilities [Refer note 25(b)]	818	939

(e) Reconciliation of revenue as recognised in the standalone statement of profit and loss with the contracted price:*

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Revenue as per contracted price	2,27,322	1,94,996
Less:		
Sales return	(3,080)	(2,922)
Discounts and volume rebates	(12,309)	(11,468)
Revenue as per the standalone statement of profit and loss	2,11,933	1,80,606

*The amount of Rs. 3,470 lakhs (March 31, 2022: 1,243 lakhs) pertaining to other operating revenue has not been considered in the above revenue disclosure.



30 Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Interest income		
Loan to subsidiary company	21	16
Loan to associates	35	18
Bank deposit	44	93
Advances and deposits at amortised cost	-	1
Others	5	10
Unwinding of security deposit	27	27
Gain on termination/modification of right-of-use assets	10	1
Gain on sale of property, plant and equipment (net)	-	63
Profit on sale of investments in units of mutual funds	1,325	245
Fair value gain on financial instruments at FVTPL	412	84
Gain on foreign exchange fluctuations	793	614
Liabilities no longer required written back	27	181
Rental income *	3	9
Other non-operating income	210	225
	2,912	1,587

* All leases are on cancellable terms

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31 Cost of raw material and packing materials consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
a) Raw materials		
Inventory at the beginning of the year (refer note 11)	16,349	16,515
Add: Purchases (net)	1,12,274	82,926
	1,28,623	99,441
Less: Inventory at the end of the year (refer note 11)	21,818	16,349
	1,06,805	83,092
b) Packing materials		
Inventory at the beginning of the year (refer note 11)	1,798	2,107
Add: Purchases (net)	11,903	10,318
	13,701	12,425
Less: Inventory at the end of the year (refer note 11)	1,838	1,798
	11,863	10,627
Total (a+b)	1,18,668	93,719

32 Purchase of stock-in-trade

Purchase of stock-in-trade	5,625	15,249
	5,625	15,249

33 Changes in inventories of finished goods, work-in-progress and traded goods

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Inventories at the beginning of the year (refer note 11)		
Traded goods	1,225	897
Work in progress	3,484	3,311
Finished goods	7,181	6,983
	11,890	11,191
Inventories at the end of the year (refer note 11)		
Traded goods	616	1,225
Work in progress	3,380	3,484
Finished goods	6,455	7,181
	10,451	11,890
Decrease/ (increase) in inventories	1,439	(699)

34 Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Salaries, wages and bonus	18,747	16,922
Contribution to provident and other funds (refer note 39)	1,134	1,016
Gratuity expense (refer note 39)	547	439
Staff welfare expenses	1,983	1,951
Share based payment (refer note 43)	69	91
	22,480	20,419

35 Depreciation and amortisation expense

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Depreciation of property, plant and equipment [refer note 3(a)]	3,695	3,712
Amortisation of intangible assets (refer note 5)	1,037	1,216
Depreciation of right-of-use assets [refer note 4(a)]	763	663
	5,495	5,591

36 Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Interest expense on borrowings	344	162
Interest expense on lease liabilities [refer note 4(b)]	549	517
Unwinding of discount	1,696	2,128
	2,589	2,807
Bank charges	108	115
Interest on income tax	3	16
	111	131
	2,700	2,938



37 Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Consumption of stores and spares	649	642
Power and fuel	2,454	2,139
Processing & water charges	346	294
Repairs and maintenance		
Plant and machinery	702	501
Buildings	348	209
Others	1,478	1,511
Rent	601	662
Provision for balances with government authorities	-	150
Rates and taxes	480	249
Insurance	413	400
Communication costs	98	98
Travelling and conveyance	1,215	714
Legal and professional fees	2,434	1,989
Payments to auditors [refer note (i) below]	221	179
Advertising and sales promotion	10,905	9,130
Selling and distribution expenses	4,562	2,225
Freight and forwarding charges	6,183	6,133
Provision for doubtful debts and advances	165	(93)
Loss on sale of property, plant and equipment (net)	32	-
Advance written off	5	-
CSR expenses (refer note 40)	397	322
Vehicle fuel expenses	589	602
Printing and stationery	62	19
Miscellaneous expenses	1,938	1,642
	36,277	29,717

Note (i): Payment to auditors :

As auditor:

Audit fee

134

124

In other capacity:

Other services

83

51

Reimbursement of expenses

4

4

221

179

38 Income tax expense

	For the year ended March 31, 2023	For the year ended March 31, 2022 (Refer Note 51)
Current income tax charge	593	5,416
Tax expense relating to earlier years	39	-
Deferred tax	(8,797)	(591)
Total	(8,165)	4,825

Deferred tax related to items recognised in OCI during the year

Re-measurement gains/ (losses) on defined benefit plans	(67)	(5)
Fair value gains/ (losses) on equity instruments	-	(10)
Total	(67)	(15)

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate:

Accounting profit/ (loss) before income tax	25,631	16,502
Tax expense/(credit) at India's statutory income tax rate of 25.168% (March 31, 2022: 25.168%)	6,451	4,153
Tax effect of:		
Current tax of earlier years (refer note 51)	(3,836)	-
Reversal of deferred tax (refer note 51)	(11,511)	-
Non-deductible expenses for tax purposes	620	655
Adjustment of tax relating to earlier years	39	-
Others	72	17
Income tax expense/(credit)	(8,165)	4,825

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39 Employee benefit obligation

A. Defined contribution plans

The Company makes contribution determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. For provident fund, the Company has an obligation under law to make the specified contribution and the contribution are charged to profit and loss account. The amount recognised as an expense towards contribution to the provident fund and other funds during the year aggregated to Rs.1,134 (March 31, 2022: Rs. 1,016).

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to government provident fund	1,013	884
Contribution to Employee State Insurance (ESI)	106	119
Contribution to other funds	15	13
Total	1,134	1,016

B. Defined benefit plans

1. Gratuity

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet.

Net Defined Benefit Obligation (DBO)

	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	(4,729)	(3,976)
Fair value of plan assets	4,208	2,460
	(521)	(1,516)

a. Reconciliation of net defined benefit liability/(asset)

(i) Reconciliation of present value of defined benefit obligation

	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	3,976	2,066
Add: Changes on account of merger (Refer Note 51)	-	1,564
Current service cost	390	346
Interest cost	268	229
Benefits paid	(258)	(251)
Actuarial (gain)/ losses recognised in other comprehensive income		
- changes in demographic assumptions	-	(20)
- changes in financial assumptions	412	(37)
- experience adjustments	(166)	79
Past service cost	106	-
Closing defined benefit obligation	4,728	3,976

(ii) Reconciliation of present value of plan assets

Balance at the beginning of the year	2,460	1,907
Add: Changes on account of merger (Refer Note 51)	-	18
Employer's contribution	1,808	650
Benefits paid	(258)	(251)
Expected return	217	136
Actuarial gains / (losses)	(20)	(0)
Balance at the end of the year	4,207	2,460

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MTR Foods Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

	Year ended March 31, 2023	Year ended March 31, 2022
b. Net benefit expense		
(i) Recognised in profit or loss		
Current service cost	390	346
Past service cost	106	-
Interest cost (net)	51	93
	547	439
(ii) Remeasurement recognised in other comprehensive income		
Actuarial loss/(gain) on defined benefit obligation		
- changes in demographic assumptions	-	(20)
- changes in financial assumptions	412	(37)
- experience adjustments	(166)	79
Actuarial loss/ (gain) on plan assets	20	0
	266	22

C. Plan assets

Plan assets comprise of the following:

Investments with insurer in Life Insurance Corporation of India (LIC)

The Company expects to contribute Rs.498 (March 31, 2022: Rs.22) to gratuity fund in the ensuing year.

	As at March 31, 2023	As at March 31, 2022
Investments with insurer in Life Insurance Corporation of India (LIC)	100%	100%

D. i. Actuarial assumptions

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.10% - 7.45%	6.70% - 6.95%
Salary escalation rate	9.00% - 11.00%	8.50% - 9.00%
Attrition		
Upto 45 Years	7.00% - 10.00%	7.00% - 10.00%
Above 45 years	5.00% - 10.00%	5.00% - 10.00%
Retirement age	58-60 years	58-60 years

As at March 31, 2023, the weighted average duration of the defined benefit obligation was 7-9 years (March 31, 2022: 7-9 years)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined obligation [(reduction)/increase] by the amount shown below:

	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (+1/-1% movement)	-7.71%	8.80%	-7.56%	8.63%
Increase/(decrease) in DBO	(365)	416	(300)	343
Future salary growth (+1/-1% movement)	8.39%	-7.51%	7.94%	-7.21%
Increase/(decrease) in DBO	397	(355)	316	(287)
Attrition rate (+50/-50% movement)	-3.24%	4.34%	-1.58%	2.02%
Increase/(decrease) in DBO	(153)	205	(63)	80

iii. Maturity profile of defined benefit obligation

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2023	As at March 31, 2022
1 year	369	338
2 to 5 years	1,924	1,700
Beyond 5 years	7,095	5,156
Total expected payments	9,388	7,194



MTR Foods Private Limited

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

40 Corporate Social Responsibility (CSR)

As per Section 35 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has incurred expenditure on activities which are specified in Schedule VII of the Companies Act, 2013 as below:

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Gross amount to be required to be spent by the Company during the year	397	378
b) Amount approved by the Board to be spent during the year	397	382

March 31, 2023	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	68	-	68

March 31, 2022	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	269	-	269

Details related to spent/ unspent obligations:	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Contribution to public trust	-	-
ii) Contribution to charitable trust	37	125
iii) Directly spent by the Company	31	144
iv) Unspent amount in relation to		
- Ongoing project	329	113
- Other than ongoing project	-	-
Total	398	382

In case of Section 135(6) ongoing project

Opening balance as on April 01, 2022		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2023	
With Company	In separate CSR unspent A/c		From Company's bank A/c	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
53	196	397	68	124	329	125

In case of Section 135(6) ongoing project

Opening balance as on April 01, 2021		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2022	
With Company	In separate CSR unspent A/c		From Company's bank A/c	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
103	106	382	269	73	53	196

As per Sec 135(6) of Companies Act, 2013, for the year ended March 31, 2023, the Company has transferred unspent CSR amount of Rs. 329 relating to ongoing projects to a separate unspent CSR account before 30 days from the end of the financial year.

For the year ended March 31, 2022, the Company has transferred unspent CSR amount relating to ongoing projects of Rs. 60 before the end of the financial year and Rs. 53 on September 27, 2022 to a separate unspent CSR account.

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41 Commitments

a) Leases

Lease commitments as lessee

The Company has lease contracts for various office/ store premises and warehouse facilities. The lease term is for a period ranging from 2 to 25 years. The agreements contain fixed rentals with escalation clause in the lease agreements. Certain lease agreements have renewal option at the mutual agreement of the lessee and lessor. The agreements contain options to terminate the leases after giving a specified notice period to the other party. Accordingly, the Company has considered the initial term of agreement as lease term under Ind AS 116.

The Company also has lease of premises with lease terms of 12 months or less and lease of premises with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

	As at March 31, 2023	As at March 31, 2022
The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis :		
Within one year	1,084	1,049
After one year but not more than five year	3,178	3,753
More than five years	4,813	5,194
Total	9,075	9,996

Total cash outflow for leases for the year ended March 31, 2023 is Rs. 2,079 (March 31, 2022: Rs. 2,182).

Lease commitments for leases not considered in measurement of lease liabilities:

	As at March 31, 2023	As at March 31, 2022
Lease commitment for short-term leases	211	154
Lease commitment for leases of low value assets	48	11
Total	259	165

b) Other commitments

	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances.	1,697	1,551

i) As at March 31, 2023 and March 31, 2022, the Company has committed to provide financial support to Rasoi Magic Foods (India) Private Limited with regard to operations of the subsidiary.

ii) Export obligation being five times the value of the amount released by Spices Board for the construction of Plant building in Spices Park, Ramganjmandi, Kota District Rajasthan with in the extended period ended December 31, 2024. As at March 31, 2023 an amount of ₹ 542 (March 31, 2022: ₹ 542) has been received from Spices Board. Also refer note 16. Further, the Company has to undertake the investment in plant and machinery at the said location, amounting to ₹ 1,300, within the same extended period ended December 31, 2024 as per the terms of agreement entered with Spices Board, Ministry of Commerce and Industries (Government of India).

Also, refer note 45.

42 Contingent liabilities

	As at March 31, 2023	As at March 31, 2022
(a) Litigations		
(i) Indirect taxation (includes matters pertaining to disputes on central excise, service tax, value added taxes and central sales tax.) [refer note (ii), (iii) & (iv) below]	5,489	5,489
(ii) Other litigations [refer note (v) below]	-	158

Notes :

(i) In the prior years, the Company had received claims from the VAT authorities for payment of higher VAT for certain products. Accordingly, as a matter of prudence, the Company had made a provision amounting to Rs. 1,142 in its books of account towards such differential taxes. As at March 31, 2023 and March 31, 2022, the Company carries a provision of Rs. 1,142 in this regard. In the year ended March 31, 2013, the Honourable High Court of Karnataka had adjudicated the matter in favour of the Company. The KVAT authorities have filed a Special Leave Petition (SLP) in the Supreme Court which has been admitted by the Supreme Court. Accordingly, management continues to carry the provision as a matter of prudence pending final adjudication of the matter of law before the Supreme Court.



MTR Foods Private Limited

Notes to Standalone financial statements for the year ended March 31, 2023

(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

- (ii) During the year ended March 31, 2022, the Company received demand order amounting to Rs.843 (March 31, 2022: 843) under section 73(2), of Finance Act 1994 from the Principal Commissioner of Central Tax and Central Excise. Further, interest at applicable rates on amount confirmed by the demand order will also be leviable under section 75 of the Finance Act, 1994. The dispute mainly relates to the applicability of service tax on amounts reimbursed by the Company to its branch office located outside India for the period from April 2010 to June 2017. The Company has filed an appeal with the Central Excise and Service Tax Appellate Tribunal (CESTAT) and believes that the demand is not tenable.
- (iii) The Company has ongoing disputes with Sales Tax/VAT Authorities amounting to Rs.4,431 (March 31, 2022: Rs.4,431). These mainly include disputes on account of levy of purchase tax, denial of concessional rate of tax etc. The management has contested these claims by way of appeal before the appellate authorities and the same is yet to be disposed off. Based on the advice from the Company's tax consultants, management is of the view that such claims are not tenable.
- (iv) Others indirect tax matters of Rs. 215 (March 31, 2022: 215) relate to ongoing Sales Tax/VAT disputes and concessional rate of excise duty availed by the Company on manufacture and sale of certain products. The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the forums where these are contested. No expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (v) Other litigations include Rs. Nil (March 31, 2022 : Rs.158) being penalty and charges claimed by Bangalore Electricity Supply Company Limited (BESCOM) alleging unauthorised extension of power supply. The same has been disposed off by the the appellate authorities during the year ended March 31, 2023 raising a demand of Rs. 158. The Company has accepted the demand raised and paid the same.
- (b) Bank guarantees

	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
Guarantees given by banks on behalf of the Company for contractual obligations of the Company.	719	624
Guarantees given by the Company to the banks on behalf of its suppliers	-	1,270

The necessary terms and conditions have been complied with and no liabilities have arisen. The Company has given commitments of Rs. Nil (March 31, 2022: Rs.1,270) to purchase raw materials to certain vendors in the normal course of its business.

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	March 31, 2022		
	Tranche 1	Tranche 2	Tranche 3
Number of Options	74,429	74,429	74,429
Dividend yield (%)	3.66%	3.66%	3.66%
Expected volatility (%)	23.06%	22.56%	21.66%
Risk-free interest rate (%)	6.50%	7.20%	8.00%
Expected life of share options (years)	3.0	3.5	4.0
Exercise price at allocation	705	705	705
Exercise price at first possible exercise date	649	658	667

44 Segment reporting

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

45 Government grant

The Company has been awarded government grant under the Export Promotion Capital Goods (EPCG) scheme:

During the year ended March 31, 2018, the Company had availed EPCG license benefit of Rs 107 against import of capital goods amounting to Rs.1,331 for manufacturing of confectionery. In respect of this benefit, the Company has an export obligation of 6 times of the duty saved on import of capital goods on FOB basis within a period of 6 years from the date of issue of the license. The export obligation is Rs 641. If the Company fails to achieve the export obligation, the Company will be liable to pay duty exemption availed with an interest of 18% per annum proportionately to the extent of obligation not met.

The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant. The Government Grant shown in note 20 represents unamortised amount of the duty saved.

During the year ended March 31, 2021, the Company has assessed that it will not be able to meet any export obligations under the said license, and hence the Company would be liable to refund the above benefit amount, along with interest @ 18% p.a. The Company has accrued the interest in its books since the date of availing such benefit.

The initial timeline for fulfilling the export obligation was May 2023. During the year ended March 31, 2023, the Company has received extension for fulfilling the export obligation till May 2025. Accordingly, the liability and interest is classified as non-current.

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46 Related party transactions

A. Name of the related party and relationship

Description of relationship	Name of the related parties	Relationship/Designation
(a) Entities who have control over the Company	Orkla ASA, Oslo, Norway Orkla Asia Pacific Pte Ltd, Singapore	Ultimate holding company Holding company
(b) Entities over which the Company has control	Rasoi Magic Foods (India) Private Limited BAMS Condiments Impex Private Limited Eastern Food Speciality Formulations Private Limited	Subsidiary Subsidiary Subsidiary
(c) Entities over which the Company has significant influence:	PotFul India Private Limited	Associate
(d) Joint Venture	Eastern Condiments Middle East & North Africa FZC, Joint Venture	
(e) Key managerial personnel (KMP):	Mr. Sanjay Sharma Mr. Ganesh Shenoy Mr. Aneesh K Ms. Ragee Ragu	Director & Chief Executive Officer Chief Financial Officer Company Secretary (upto January 30, 2023) Company Secretary (w.e.f. July 20, 2023)

B. Transactions with related parties and outstanding balances at the end of the period

For the year ended
March 31, 2023

For the year ended
March 31, 2022

i) Transactions during the year :

Holding and Ultimate Holding companies:

Orkla ASA

Receipt of services	317	269
Management services provided (cross charges)	40	-
Reimbursement of expenses to related parties	624	108
Reimbursement of expenses from related parties	78	-
Share based payments	48	41

Fellow subsidiaries:

Orkla IT AS

Reimbursement of expenses to related parties	46	47
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Orkla Procurement

Receipt of services	12	-
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Orkla Asia Pacific SDN BHD (formerly "Jordan Asia Pacific SDN BHD")

Purchase of traded goods	44	339
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Subsidiaries:

Rasoi Magic Foods (India) Private Limited

Other income	38	35
Purchase of traded goods	74	132
Receipt of services	37	35
Reimbursement of expenses from related parties	9	9
Patent fees	2	3
Interest on loan	21	16

BAMS Condiments Impex Private Limited

Purchase of goods	11	34
Expenses recovered	-	10
Rendering of service (rent received)	1	-

Associate:

Pot Ful India Private Limited

Interest on loan	35	18
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Joint venture

Eastern Condiments Middle East & North Africa FZC, UAE

Reimbursement of expenses	4,871	3,562
Agency commission	280	217

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ii) Balances outstanding as at year end :

	As at March 31, 2023	As at March 31, 2022
Amounts receivable from :		
Orkla ASA	47	41
Rasoi Magic Foods (India) Private Limited	19	30
BAMS Condiments Impex Private Limited [including provision of Rs. 100 (March 31, 2022: 118)]	150	211
Eastern Food Speciality Formulations Private Limited [including provision of Rs. 24 (March 31, 2022: 24)]	24	24
Amounts payable to :		
Orkla ASA	191	41
Orkla IT AS	0	1
Orkla Procurement	11	-
Orkla Asia Pacific SDN BHD (formerly "Jordan Asia Pacific SDN BHD")	-	158
Rasoi Magic Foods (India) Private Limited	14	27
Eastern Condiments Middle East & North Africa FZC, UAE	286	200

b. Loans given and repayment thereof

Particulars	Opening balance	Loans given during the year	Repayment during the year	Closing balance	Interest receivable
i) Wholly owned subsidiary					
Rasoi Magic Foods (India) Private Limited					
March 31, 2023	550	-	(180)	370	0
March 31, 2022	-	600	(50)	550	5
ii) Associate					
Pot Ful India Private Limited					
March 31, 2023	500	-	-	500	8
March 31, 2022	-	500	-	500	9

c. Compensation to key managerial personnel

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits*	835	993
Post-employment benefits	0	(4)
Total compensation paid to key managerial personnel **	835	989

* The amounts disclosed above does not include the Long term Incentives (LTI).

**The amounts disclosed in the above table are the amounts recognised as an expense during the reporting period related to key managerial personnel.

Terms and conditions of transactions with related parties

(a) The Company has granted an unsecured loan facility to Rasoi Magic Foods (India) Private Limited at the interest rate prevailing for Government securities, for its principal business activities. The Company has given a commitment of financial assistance to its wholly owned subsidiary. The said loan was repayable on demand. The Company has committed to provide support to fund the operations of Rasoi Magic Foods (India) Private Limited.

(b) The Company has granted an unsecured loan facility to Pot Ful India Private limited ("Pot Ful") at the interest rate of 7% p.a, for its principal business activities. The said loan is repayable by September 2024 and interest rests quarterly.

(c) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amounts owed to and by related party are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has recorded impairment of Rs. 124 towards receivables from related parties (March 31, 2022: Rs. 142). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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MTR Foods Private Limited
Notes to Standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

47 Ratio analysis and its elements

S. No	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	1.23	1.06	16%
2	Debt-Equity Ratio	Total Debt	Equity	0.04	0.05	-14%
3	Debt Service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses-Non-cash operating income	Debt service = Interest & Lease Payments + Principal Repayments	4.10	1.97	108% Increase on account of decrease in the repayment of borrowings during the year.
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.16	0.06	158% Increase on account of increase in profit after tax.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	3.84	3.53	9%
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	20.11	18.76	7%
7	Trade Payables Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	7.15	6.49	10%
8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	12.73	46.00	-72% Decrease on account of increase in current assets.
9	Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	0.16	0.06	144% Increase on account of increase in profit after tax.
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.34	0.34	0%
11	Return on Investment	Interest (Finance Income)	Investment	0.08	0.05	69% Increase on account of increase in the rate of interest.

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48 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets measured at fair value		
Investments in unquoted equity shares (measured through other comprehensive income) ^	-	-
Investments in units of mutual funds (measured through profit and loss) #	23,458	18,189
Derivative assets ##	25	28
Total (A)	23,483	18,217
Financial assets carried at amortised cost		
Loans ^	1,160	1,296
Trade receivables*	11,549	9,879
Cash and cash equivalents*	2,399	1,412
Bank balances other than cash and cash equivalents*	5,000	-
Other financial assets*	6,219	3,843
Total (B)	26,327	16,430
Total financial assets	(A+B) 49,810	34,647
Financial liabilities carried at amortised cost		
Lease liabilities ^	5,921	5,756
Borrowings*	3,499	3,536
Trade payables*	24,942	21,238
Other financial liabilities *	40,247	36,953
Total financial liabilities	74,609	67,483

*The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, trade payables, Borrowings and other current financial assets and liabilities approximate their carrying amounts since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled. The fair value of these financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

^ The fair values of these accounts were calculated based on cash flow discounted using a current lending/ borrowing rate and other relevant assumptions, they are classified as level 3 of fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk and market factors.

Investments in mutual funds are based on the net asset value as published by the funds, hence they are classified as level 1 of fair value hierarchy.

Derivative assets (Forward contracts): Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company, hence they are classified as level 2 of fair value hierarchy.

There have been no transfers among level 1, level 2 and level 3 during the year ended March 31, 2023 and March 31, 2022.

49 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade and other payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that derive its value directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. There has been no change to the Company's exposure to the financial risks or the manner in which it manages and measures the risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument will not meet its contractual obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing/financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The carrying amount of financial instruments represents the maximum exposure to credit risk.

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Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit evaluation before entering into an arrangement. Outstanding customer receivables are regularly monitored.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision rates are based on days past due for groupings of customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company considers receivables from Group company to be fully recoverable and hence not subject to risk of impairment.

The Company has evaluated credit risk for customers. Any customer related specific information has been factored over and above the probability of default (PD). The Company uses provision matrix to determine impairment loss allowance on its portfolio of receivables. The provision matrix takes into account historical credit loss experience over the expected life of the trade receivables and is adjusted for forward-looking estimates/ information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix as at March 31, 2023 and March 31, 2022 are as follows:

Ageing

0-90 days
91-180 Days
181-365 Days
> 1 years

	As at March 31, 2023	As at March 31, 2022
	0%-2.45%	0%-2.63%
	2.45%-25%	2.63%-25%
	44.65%-50%	34.03%-50%
	100%	100%

Movement in the expected credit loss allowance**As at the beginning of the year**

Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit

As at the end of the year

	As at March 31, 2023	As at March 31, 2022
	665	758
	142	(93)
	807	665

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt instruments at an amount in excess of expected cash outflows on financial liabilities at any point of time.

Exposure to liquidity risk

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2023:

	Less than 1 year	1-5 years	More than 5 years	Total
Non-derivative financial liabilities:				
Lease liabilities	1,084	3,178	4,813	9,075
Borrowings	3,122	377	-	3,499
Trade payables	24,942	-	-	24,942
Other financial liabilities	39,665	582	-	40,247
Total non-derivative financial liabilities	68,813	4,137	4,813	77,763

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As at March 31, 2022:

	Less than 1 year	1-5 years	More than 5 years	Total
Non-derivative financial liabilities:				
Lease liabilities	1,049	3,753	5,194	9,996
Borrowings	3,135	401	-	3,536
Trade payables	21,238	-	-	21,238
Other financial liabilities	36,599	354	-	36,953
Total non-derivative financial liabilities	62,021	4,508	5,194	71,723

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 optimising the return. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

(a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency (INR) of the Company. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency import of service and exports of finished goods. The currency in which these transactions are primarily denominated as USD, GBP, Euro and NOK.

The Company has entered into following outstanding forward exchange contracts as on March 31, 2023 and March 31, 2022 in respect of highly probable exports:

Currency	As at March 31, 2023	As at March 31, 2022
US Dollar (in Lakhs)	25	24
INR (in Lakhs)	2,088	1,836

Exposure to currency risk

The currency profile of financial & other assets and financial & other liabilities as at March 31, 2023 and March 31, 2022 are as below:

Amount receivable / payable in foreign currency on account of following:		Amount in foreign currency (in Lakhs)		Amount in Rupees (in Lakhs)	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Bank balances	USD	1	2	102	164
Receivables	GBP	0	0	31	27
	NOK	-	5	-	41
	USD	96	100	7,815	7,606
Foreign currency loans [Refer note (i) below]	USD	-	8	-	615
Customer Advances	USD	0	0	28	21
Advance recoverable (including capital advance)	EURO	0	0	4	23
	GBP	0	-	20	-
Trade and other payables	USD	4	5	306	358
	NOK	25	4	202	41
	EURO	0	-	2	-

i) During the year ended March 31, 2020, the Company availed foreign currency loan amounting to USD 4,174,494 at interest rate of 3 month libor+ 2.75% per annum. The Company, as per the agreed terms and conditions of the foreign currency loan had entered into cross currency swaps (CCS) to hedge the exposure of foreign exchange rate and interest rate fluctuations. Accordingly, the Company fixed the USD/INR exchange rate and converted the floating interest rate borrowings to a fixed interest rate borrowings at 7.55% per annum. Since the critical terms of the CCS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Company, the mark to market valuation of the CCS and the net of gain/loss on the underlying loan is offset.

Sensitivity analysis*

For the year ended March 31, 2023 and March 31, 2022, every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by Rs. 53 / (Rs. 53) and Rs. 50 / (Rs. 50) respectively.

*Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges.



MTR Foods Private Limited

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

(b) Interest-rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have any long term debt obligations with floating interest rates, hence, is not exposed to any significant interest rate risk.

(c) Price risk

The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks. However, given the short tenure of the underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

50 Capital management

For the purpose of Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company. The primary objective of Company's capital management is to maintain strong credit rating and healthy capital ratio in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of financial covenants. The below displays the capital gearing ratio as at March 31.

	As at March 31, 2023	As at March 31, 2022
Net debt (total borrowings, net of cash and cash equivalents)	1,100	2,124
Total equity	2,24,275	1,90,630
Net debt to equity ratio	0.49%	1.11%

In order to achieve this overall objective, the Company's capital management, amongst other things, aim to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

The Company has not defaulted on any loan obligations and there has been no breach of any loan covenants.

No changes were made in the objectives, policies or process for managing capital during the year ended March 31, 2023 and March 31 2022.

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MTR Foods Private Limited
Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

51 Merger of subsidiary Eastern Condiments Private Limited (ECPL) with the Company

On March 16, 2021 and on March 17, 2021, the Board of Directors and shareholders of the Company, respectively, approved the acquisition of 67.82% stake (6,549,310 shares) in Eastern Condiments Private Limited ("ECPL") for a consideration of Rs. 127,438, pursuant to which on March 24, 2021, the Company executed Share Purchase Agreements ('SPA') with shareholders of ECPL. On March 31, 2021, the Company completed the acquisition of the aforesaid 67.82% stake and ECPL became a subsidiary of the Company as of March 31, 2021.

As per the SPA, it was intended that ECPL shall merge into the Company through a merger process with due approval from the National Company Law Tribunal, Bangalore (NCLT) as per Companies Act, 2013. As a part of merger, the Company shall acquire/swap the remaining 32.18% stake of ECPL from the promoters of ECPL (the Promoters) by issuing equity shares and redeemable optionally convertible preference shares (ROCPS). Accordingly, post-merger, the Company will own 100% stake in ECPL and the Promoters will own 9.99% stake in the Company on a fully diluted basis.

In the event of non-completion of the above proposed merger, the Company will be required to acquire and the Promoters will be required to sell the above remaining stake as per the terms and conditions of the Sale and Acquisition Agreement dated March 24, 2021 (Sale and Acquisition Agreement) between Orkla ASA, ultimate holding company of MTR and the Promoters. To execute the above arrangement, effectively, the Company will acquire the 32.18% stake through a combination of fixed cash consideration of Rs. 33,442 and issue of ROCPS for Rs. 27,000.

Accordingly, in accordance with Ind AS 32, as at March 31, 2023, the fair value of consideration payable in cash amounting to Rs. 33,442 (March 31, 2022: Rs. 31,746) (on an amortised basis) and Rs. 360 (March 31, 2022: Rs. 360) payable for the final adjustment to working capital is disclosed as financial liability and the balance amount of Rs. 27,000 (March 31, 2022: Rs. 27,000) has been disclosed in Standalone Statement of changes in equity as "Shares pending issuance".

On November 13, 2021, the Company and ECPL filed with the National Company Law Tribunal ('NCLT'), a Scheme of Merger ('Scheme') of ECPL with the Company with an appointed date of April 01, 2021. The NCLT vide its order dated 24th August, 2023, approved the Scheme of Merger of subsidiary ECPL with the Company with appointed date of April 01, 2021, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The said Scheme has been effective from September 01, 2023, on compliance of all the conditions precedent mentioned therein. Consequently, above mentioned subsidiary of the Company got merged with the Company w.e.f. April 01, 2021. The above order of merger received subsequent to the year end, before the approval of financial statements is treated as adjusting event in accordance with the guidance in IITFG 14 and the effect of the merger of ECPL with the Company is given effect in standalone financial statements of the Company for the year ended March 31, 2023, as per the accounting treatment included in Scheme approved by NCLT.

Since the merged entity is under common control, the accounting of the said merger has been done applying Pooling of Interest method as prescribed in Appendix C of Ind AS 103 'Business Combinations' w.e.f. the first day of the earliest period presented i.e. April 01, 2021. While applying Pooling of Interest method, the Company has recorded all assets, liabilities and reserves attributable to the subsidiary at their carrying values as appearing in the consolidated financial statements of the Company as per guidance given in IITFG Bulletin 9.

The previous year figures of Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income) and Statement of Cash Flows have been restated considering that the merger has taken place from the first day of the earliest period presented i.e., April 01, 2021 as required under Appendix C of Ind AS 103. Below is the summary of restatement of previous year figures:

Restated balance sheet as at March 31, 2022

Particulars	As at March 31, 2022 (Reported)	Additions/Eliminations on account of merger of ECPL	As at March 31, 2022 (Restated)
Assets			
Non-current assets			
Property, plant and equipment	19,004	19,316	38,320
Capital work-in-progress	157	151	308
Right-of-use assets	2,018	2,526	4,544
Goodwill	-	98,636	98,636
Other intangible assets	144	60,138	60,282
Financial assets			
Investment in subsidiaries and associates	1,88,440	(1,83,677)	4,763
Other investments	-	-	-
Loans	542	-	542
Other financial assets	598	369	967
Other non-current assets	17	475	492
Income tax assets (net)	-	1,553	1,553
	2,10,920	(513)	2,10,407

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Notes to standalone financial statements for the year ended March 31, 2023
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Particulars	As at March 31, 2022 (Reported)	Additions/Eliminations on account of merger of ECPL	As at March 31, 2022 (Restated)
Inventories	9,629	21,133	30,762
Financial assets			
Investments	11,040	7,149	18,189
Trade receivables	2,414	7,465	9,879
Loans	754	-	754
Cash and cash equivalents	224	1,188	1,412
Other financial assets	497	2,407	2,904
Other current assets	1,776	3,445	5,221
	<u>26,334</u>	<u>42,787</u>	<u>69,121</u>
Total assets	<u>2,37,254</u>	<u>42,273</u>	<u>2,79,528</u>
Equity and liabilities			
Equity			
Equity share capital	1,233	-	1,233
Other equity	1,85,994	3,403	1,89,397
Total equity	<u>1,87,227</u>	<u>3,403</u>	<u>1,90,630</u>
Non-current liabilities			
Financial liabilities			
Borrowings	-	401	401
Lease liabilities	2,654	2,525	5,179
Other financial liabilities	354	-	354
Government grants	107	-	107
Deferred tax liabilities (net)	(851)	16,953	16,102
Provisions	-	1,494	1,494
Other non-current liabilities	93	-	93
	<u>2,357</u>	<u>21,373</u>	<u>23,730</u>
Current liabilities			
Financial liabilities			
Borrowings	2,500	635	3,135
Lease liabilities	480	97	577
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	748	9,386	10,134
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,365	4,739	11,104
Other financial liabilities	34,531	2,068	36,599
Other current liabilities	1,195	241	1,436
Provisions	1,700	60	1,760
Current tax liabilities (net)	151	272	423
Total liabilities	<u>47,670</u>	<u>17,498</u>	<u>65,168</u>
Total equity and liabilities	<u>2,37,254</u>	<u>42,274</u>	<u>2,79,528</u>

Restated statement of profit and loss for the year ended March 31, 2022

Particulars	As at March 31, 2022 (Reported)	Additions/Eliminations on account of merger of ECPL	As at March 31, 2022 (Restated)
Income			
Revenue from operations	97,489	84,360	1,81,849
Other income	636	951	1,587
Total income	<u>98,125</u>	<u>85,311</u>	<u>1,83,436</u>
Expenses			
Cost of raw materials and packing materials consumed	43,499	50,220	93,719
Purchase of traded goods	8,204	7,045	15,249
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	(653)	(46)	(699)
Employee benefits expense	11,633	8,786	20,419
Depreciation and amortisation expense	2,939	2,652	5,591
Finance costs	2,580	358	2,938
Other expenses	18,161	11,556	29,717
Total expenses	<u>86,363</u>	<u>80,571</u>	<u>1,66,934</u>
Profit before tax	<u>11,762</u>	<u>4,740</u>	<u>16,502</u>



MTR Foods Private Limited
Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

Particulars	As at March 31, 2022 (Reported)	Additions/Eliminations on account of merger of ECPL	As at March 31, 2022 (Restated)
- Current tax [refer note (i) below]	3,766	1,650	5,416
- Deferred tax credit [refer note (i) below]	(173)	(418)	(591)
Total tax expense	3,593	1,232	4,825
Profit for the year	8,169	3,508	11,677
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit or loss in subsequent			
(a) Re-measurement losses on defined benefit plans	118	(140)	(22)
Income tax effect on above	(30)	35	5
(b) Fair value losses on equity instruments	(39)	-	(39)
Income tax effect on above	10	-	10
Total other comprehensive income/(loss) for the year (net of tax)	59	(105)	(46)
Total comprehensive income for the year	8,228	3,403	11,631

(i) Consequent to the merger of ECPL into the Company with effect from appointed date April 01, 2021, the current tax and deferred tax expenses for the year ended March 31, 2022 as recognised in the books by the Company and merged subsidiary, has been reassessed. In this regard, management based on the views received from its external tax experts, have considered the merged accounts including impact of depreciation on the identified intangible assets (except goodwill) based on purchase price allocation on acquisition of ECPL. Accordingly, tax expenses for the year ended March 31, 2023, includes deferred tax credit of Rs. 11,511 lakhs and reversal of current tax provision of Rs. 3,836 lakhs pertaining to the year ended March 31, 2022.

Restated statement of cash flows for the year ended March 31, 2022

Particulars	As at March 31, 2022 (Reported)	Additions/Eliminations on account of merger of ECPL	As at March 31, 2022 (Restated)
Net cash from operating activities (A)	9,071	8,598	17,669
Net cash used in investing activities (B)	(10,295)	(6,809)	(17,104)
Net cash from financing activities (C)	682	(5,653)	(4,971)

Statement of reserve reconciliation on merger of subsidiary ECPL as at April 01, 2021

Particulars	Securities premium	General reserve	Retained earnings	Total
ECPL	3,594	2,071	26,609	32,274
Total(a)	3,594	2,071	26,609	32,274
Elimination/adjustments				
ECPL	(3,594)	(2,071)	(26,609)	(32,274)
Total(b)	(3,594)	(2,071)	(26,609)	(32,274)
Total (a+b)	-	-	-	-

Note: All the disclosures for the comparative period for the / as at year ended March 31, 2022 from note 39 to 54 are restated on account of scheme of merger.

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52 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share capital data used in the basic and diluted EPS computation:

Weighted average number of equity shares	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Number of equity shares at the beginning of the year	1,23,30,269	1,23,30,269
Equity shares to will be issued upon conversion of ROCPS	6,11,128	6,11,128
Weighted average number of equity shares outstanding at the end of the year	1,29,41,397	1,29,41,397
	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Profit attributable to the equity shareholders	33,796	11,677
Basic earnings per share	261	90
Diluted earnings per share	261	90

53 Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Cryptocurrency or Virtual currency during the year ended March 31, 2023.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entities, 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
- (v) The Company has not received any fund from any person(s) or entities, 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 Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company does not have any such transaction which is not recorded in the books of account 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).
- (vii) The Company do not have any transactions with companies struck off.
- (viii) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

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MTR Foods Private Limited
Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Indian Rupees Lakhs, unless stated otherwise)

54 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. 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.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants


per: Sunil Gaggar
Partner
Membership no.: 104315



Place: Bengaluru
Date: September 19, 2023

For and on behalf of the board of directors of
MTR Foods Private Limited


Atle Vidar Johnsen
Chairman
DIN: 01361367


B.G. Shenoy
Chief Financial Officer

Place: Bengaluru
Date: September 19, 2023


Sanjay Sharma
Director & Chief Executive Officer
DIN: 02581107


Ragee Raju
Company Secretary
Membership no: F11322

