

## **NOTICE OF ANNUAL GENERAL MEETING**

Shorter Notice is hereby given that the 28<sup>th</sup> Annual General Meeting ('AGM') of the members of **M/s ORKLA INDIA PRIVATE LIMITED** will be held at the Registered Office of the Company at No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Monday, September 30, 2024 at 01:00 P.M. (IST) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To reappoint S.R Batliboi & Associates LLP., as Statutory Auditors, for a term of 5 years from the ensuing AGM at such remuneration as agreed upon.

### **SPECIAL BUSINESS:**

3. To Appoint Mr. Paul Jordahl (DIN: 02510528) 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. Paul Jordahl (DIN: 02510528), 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 December 05, 2023, who holds office till 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  
ORKLA INDIA PRIVATE LIMITED**



**Ragee Raju  
Company Secretary**

**Date: September 10, 2024**

**Place: Cochin**

## 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 31<sup>st</sup> March 2024 are enclosed.
6. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
7. 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 the Annual General Meeting.

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

|   |                     |
|---|---------------------|
| Name  | <b>Paul Jordhal</b> |
| Age   | 63 years            |
| Terms and conditions of appointment or re-appointment.  | NA                  |
| Details of remuneration sought to be paid.  | NA                  |
| Last drawn remuneration.  | Nil                 |
| Date of first appointment on the Board.   | December 05, 2023   |
| Shareholding in the Company.  | Nil                 |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company. | NA                  |
| The number of Meetings of the Board attended during the year.                                 | 3                   |
| Other Directorships, Membership/ Chairmanship of Committees of other Boards.                  | N.A.                |

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

**SPECIAL BUSINESS:**

**ITEM NO. 3:**

**TO APPOINT MR. PAUL JORDHAL (DIN: 02510528) AS DIRECTOR OF THE COMPANY:**

Mr. Paul Jordahl (DIN: 02510528) was first appointed to the Board as an Additional Director on December 05, 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. Paul Jordahl (DIN: 02510528) can hold office only up to the date of the ensuing Annual General Meeting of the Company. Mr. Paul Jordahl (DIN: 02510528) 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. Paul Jordahl (DIN: 02510528) 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 Mr. Paul Jordahl (DIN: 02510528) herself, is in any way concerned or interested, in the said resolution.

**2. 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  
Monday, September 30, 2024 at 01:00 P.M. (IST)**

**CIN** : U15136KA1996PTC021007

**Name of the Company** : Orkla India 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 &<br>DP. Id | : |  |

I/We, being the Member(s) of 1,23,30,209 shares of the above-named Company, hereby appoint:

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

**Registered Office: Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
CIN: U15136KA1996PTC021007 | T: +91 80 4081 2100/7 | Website: www.orklaindia.com

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

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 Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Monday, September 30, 2024 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:

| Resolution No.           | Resolution   | Type of Resolution | Vote<br>(Please mention no. of shares) |         |
|--------------------------|--|--------------------|--|---------|
|                          |  |                    | For                                    | Against |
| <b>Ordinary Business</b> |  |                    |  |         |
| 1.                       | To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon. | <b>Ordinary</b>    |  |         |
| 2.                       | To re-appoint, S.R Batliboi & Associates LLP as Statutory Auditors of the Company for a period of five years from the conclusion of AGM and to fix their remuneration.   | <b>Ordinary</b>    |  |         |
| <b>Special Business</b>  |  |                    |  |         |
| 3.                       | To appoint Mr. Paul Jordahl (DIN: 02510528) as Director of the Company.  | <b>Ordinary</b>    |  |         |

Signed this the ..... day of September, 2024

Signature of . member .....

Registered Office: **Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
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Signature of Proxy holder .....

.

*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.*

### 3. ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of ORKLA INDIA PRIVATE LIMITED (Formerly 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 Ejjipura, Ashwini Layout, Vivek Nagar, Bengaluru 560047 on Monday, September 30, 2024 at 01:00 P.M. (IST). Following are my details:

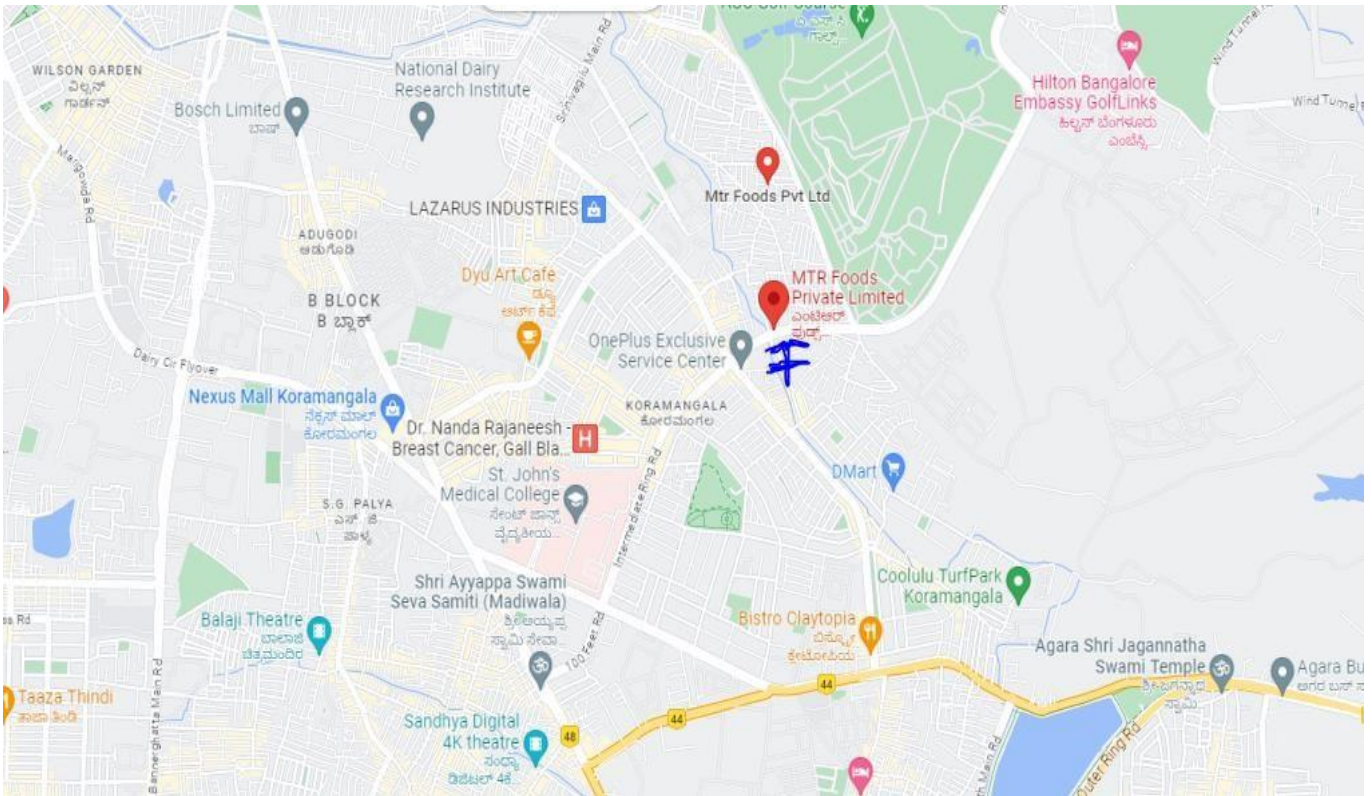
|                            |  |
|----------------------------|--|
| Name of Member             |  |
| Address                    |  |
| Regd. Folio No             |  |
| No. of Shares held         |  |
| Name of the Proxy (If any) |  |

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:

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

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING:**



Registered Office: **Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejjipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
CIN: U15136KA1996PTCO21007 | T: +91 80 4081 2100/7 | Website: [www.orklaindia.com](http://www.orklaindia.com)

## **SUPPLEMENTARY NOTICE OF ANNUAL GENERAL MEETING**

This Supplementary Notice of the 28<sup>th</sup> Annual General Meeting (AGM) of the members of M/s ORKLA INDIA PRIVATE LIMITED (Formerly Known as MTR Foods Private Limited) is issued to transact the following additional Special Business at the AGM scheduled on Monday, September 30, 2024 at 01:00 P.M. at the at the Registered Office of the Company at No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 and shall form part of the Notice of the aforesaid AGM issued at a shorter notice, dated September 10, 2024 with an option to attend through Video Conferencing ("VC")/ Other Audio-Visual Means ("OVAM"), to transact the following business.

### **SPECIAL BUSINESS:**

#### **ITEM NO. 4**

#### **TO AMEND THE ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023 (including any statutory modification or re-enactment thereof for the time being in force), subject to the approval of Registrar of Companies, the consent of the members be and is hereby accorded to Amend the Articles of Association in the following manner:

#### **A] Inclusion of Clauses (f), (j), (k) and (z) under Clause 2(i) of Interpretation**

(f) "Beneficial owner" means a person or persons whose name is recorded as such with a depository.

(j) "Depositories Act" means the Depositories Act, 1996 and includes any statutory modification or enactment thereof.

(k) "Depository" means a means a "depository" as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.

(z) "Register of Members" shall mean the register of members required to be maintained pursuant to the Act and shall include the Register of Beneficial Owners maintained by a Depository under the Depositories Act 1996 in respect of the Company's shares being held in a dematerialized form.

#### **B] Amendment of Clause (6) as follows:**

### **DEMATERIALIZATION OF SECURITIES**

Registered Office: **Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
CIN: U15136KA1996PTC021007 | T: +91 80 4081 2100/7 | Website: www.orklaindia.com

(a) Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize all or any of its existing shares, rematerialize all or any of its shares held in the Depositories and / or to offer its fresh shares or buyback its shares in Dematerialized form pursuant to the Depositories act, 1996 and the relevant rules, if any. Provided however that no share certificate(s) shall be issued for shares held in dematerialised from so long as they remain dematerialized.

(b) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by the applicable law in respect of any security in the manner provided by the Depositories Act, 1996 and the company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.

(c) The Company shall intimate the Depository the details of allotment of the security and/or transfer of securities if any from time to time and on receipt of the information, the Depository shall record the name of the allottee and/or transferee as the Beneficial Owner of the security.

(d) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

(e). Nothing contained in the Act or these articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held with a Depository.

(f). Notwithstanding anything to the contrary contained in the Act or these articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial.

(g). Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(h). Every person holding securities of the company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

(i). Notwithstanding anything to the contrary contained in the Act or these articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository to the company by means of electronic mode or by delivery of floppies or discs.

(j). The register and index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register of Members and security holders for the purposes of these articles."

The provisions of Clause (6) shall *mutatis mutandis* apply to debentures of the company.

**C] Deletion of Clause 7 from the Articles of Association:**

(i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of Transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles 6 and 7 shall *mutatis mutandis* apply to debentures of the Company.

**D] Amendment of Clause 29 (after deletion of Clause 7 numbered as Clause 28) as follows:**

The Board may decline to recognize any instrument of transfer unless—

- a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
- b. the instrument of transfer is accompanied by the certificate of the Shares/Dematerialized Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c. the instrument of transfer is in respect of only one class of Shares.

**E] Amendment of Clause 46 (ii) (after deletion of Clause 7 numbered as Clause 45) as follows:**

The Board shall have power—

- (a) to make such provisions, by the issue of fractional certificates/Dematerialized Shares or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (b) to authorise any Person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

**F] Deletion of Clause 84 (after deletion of Clause 7 numbered as Clause 83) from the Articles of Association**

(i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other Person as the Board may appoint for the purpose; and those two directors and the secretary or other Person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

**G] Numbering of clauses under 'Interpretation' and suitable renumbering of clauses arising from the aforementioned amendments.**

**"RESOLVED FURTHER THAT** the Draft Articles of Association tabled before the Board be and is hereby approved and initialed by the Chairman for identification.

**RESOLVED FURTHER THAT** any of the Directors of the Company and the Company Secretary be and are hereby authorized, as may be applicable, to make application and file all the requisite e-Forms including Form MGT-14 along with such other documents as may be required with the Registrar of Companies and to do all such acts, deeds and things and matters that may be necessary, desirable or expedient for giving effect to the above amendments of Articles of Association on behalf of the Company."

**For and On Behalf of Board**

**ORKLA INDIA PRIVATE LIMITED**



**Ragee Raju**

**Company Secretary**

**Date: September 20, 2024**

**Place: Bengaluru**

**NOTES:**

1. This Supplementary Notice is issued at shorter period before the AGM than as required under Section 101 of Companies Act, 2013 ('the Act'). The shareholders are requested to provide their consent, pursuant to the aforesaid Section of the Act, for such shorter notice by writing to the Company Secretary before the commencement of the AGM.

## EXPLANATORY STATEMENT

**(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)**

### **SPECIAL BUSINESS:**

#### **ITEM NO. 4**

#### **TO AMEND THE ARTICLES OF ASSOCIATION OF THE COMPANY**

In pursuance to the Notification dated 27<sup>th</sup> October, 2023 issued by the Ministry of Corporate Affairs, and applicable provisions of the Companies Act, 2013 read with the rules framed thereunder the Companies belong to such classes as stated in the Notification are required to facilitate the dematerialization of its Shares within 30<sup>th</sup> September, 2024.

In compliance to the notification and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, the Board in its meeting held on September 18, 2024, hereby proposes the resolution set out in the Item No.4 for the approval of the members of the by Special Resolution.

A copy of the proposed set of new Articles of Associations of the Company would be available for inspection at the registered office of the Company during the business hours on any working day between 10:00 AM to 04:00 P.M up to the date of the Annual General meeting

Notification issued has been annexed to this notice for ease of reference.

None of the Directors and Key Managerial Personnel of the company, including their respective relatives, is concerned or interested, financially or otherwise, in the foregoing resolution.

The draft Articles of Association, as amended, as appended.

**For and On Behalf of Board**  
**ORKLA INDIA PRIVATE LIMITED**  
**(Formerly known as MTR Foods Private Limited)**



**Ragee Raju**  
**Company Secretary**

**Date: September 18, 2024**

**Place: Bengaluru**



**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 Monday,  
September 30, 2024 at 01:00 P.M. (IST)**

**CIN** : U15136KA1996PTC021007  
**Name of the Company** : Orkla India Private Limited (Formerly Known as 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 1,23,30,209 shares of the above-named Company, hereby appoint:

|    |           |   |       |
|----|-----------|---|-------|
| 1. | 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

Registered Office: **Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
CIN: U15136KA1996PTC021007 | T: +91 80 4081 2100/7 | Website: www.orklaindia.com



Company at No. 1, 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar Bangalore 560047 on Monday, September 30, 2024 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:

| Resolution No. | Resolution  | Type of Resolution | Vote<br>(Please mention no. of shares) |         |
|----------------|---|--------------------|--|---------|
|                |   |                    | For                                    | Against |
| 4.             | To amend the Articles of Association of the Company | Special            |  |         |

Signed this the ..... day of September, 2024

**Signature of** . member .....

**Signature of Proxy holder** .....

***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.***

### 3. ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of ORKLA INDIA PRIVATE LIMITED (Formerly 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, Bengaluru 560047 on Monday, September 30, 2024 at 01:00 P.M. (IST).

Following are my details:

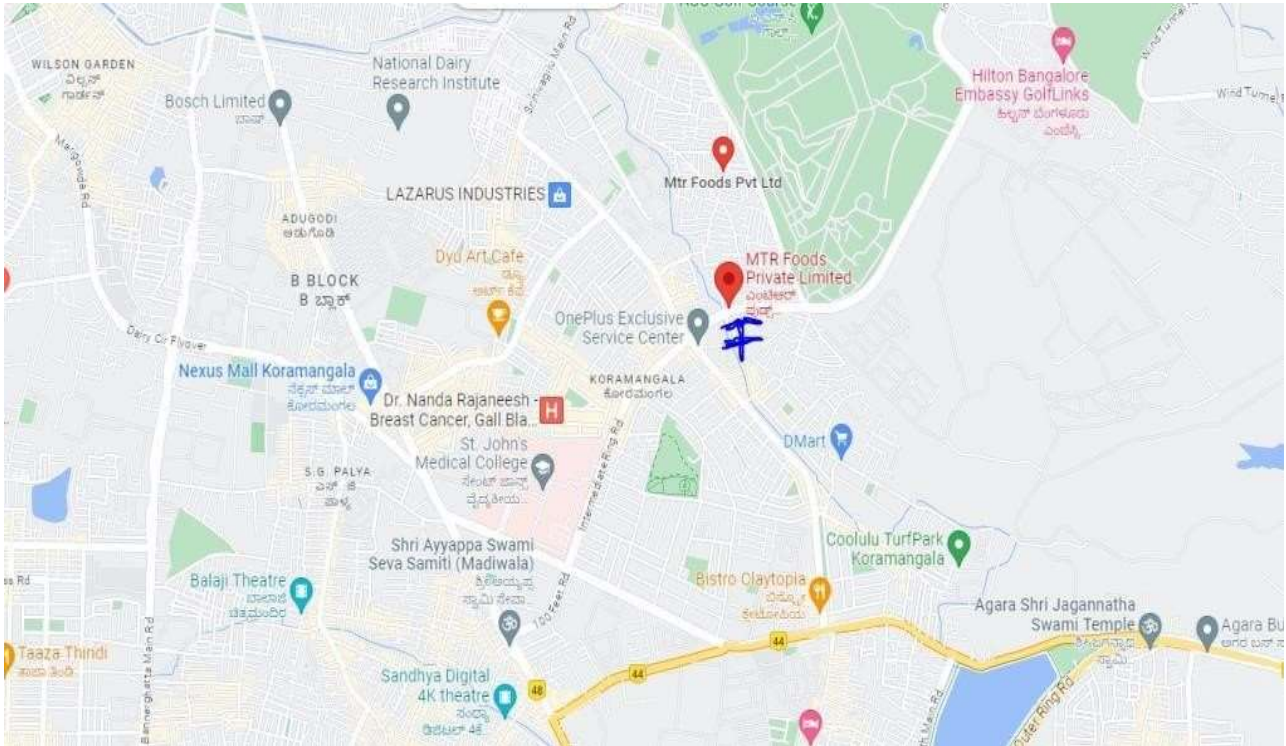
|                            |  |
|----------------------------|--|
| Name of Member             |  |
| Address                    |  |
| Regd. Folio No             |  |
| No. of Shares held         |  |
| Name of the Proxy (If any) |  |

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:

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

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING:**



Registered Office: **Orkla India Private Limited**  
(Formerly MTR Foods Private Limited)

No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Viveknagar SO, Bengaluru - 560 047. INDIA  
CIN: U15136KA1996PTC021007 | T: +91 80 4081 2100/7 | Website: [www.orklaindia.com](http://www.orklaindia.com)

# ORKLA INDIA PRIVATE LIMITED

(Formerly known as MTR Foods Private Limited)

Directors' Report

Financial Year 2023-24

## DIRECTORS' REPORT

Dear Members,

We are pleased to present the annual Directors' Report on business and operations together with the Audited Financial Statements and the Auditor's Report of Orkla India Private Limited ("the Company") for the Financial Year ended March 31, 2024 (the 'FY24').

### FINANCIAL SUMMARY:

The standalone and consolidated financial highlights of the Company for the FY24 and its comparative period, are as follows:

(Amount in Rs. Lakhs)

| Particulars   | Standalone     |                | Consolidated   |                |
|---|----------------|----------------|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Operating Income  | 2,34,233       | 2,15,403       | 2,35,601       | 2,17,248       |
| Other Income  | 3,253          | 2,912          | 3,198          | 2,896          |
| Total Income  | 2,37,486       | 2,18,315       | 2,38,799       | 2,20,144       |
| Total Expenditure<br>(Including Finance<br>Cost on Forward<br>Contract Liability) | 2,07,157       | 1,92,684       | 2,08,337       | 1,94,372       |
| Profit / (Loss) before<br>Exceptional and<br>Extraordinary items<br>and Tax       | 30,329         | 25,631         | 30,462         | 25,772         |
| Less: Exceptional<br>Items  | -              | -              | -              | -200           |
| Add: Share of<br>Profit/(Loss) from<br>Associates                                 | -              | -              | 221            | 119            |
| <b>Profit Before Tax</b>  | <b>30,329</b>  | <b>25,631</b>  | <b>30,683</b>  | <b>25,691</b>  |
| Less: Current Tax &<br>tax of earlier years                                       | 6,369          | 632            | 6,433          | 599            |
| Deferred Tax  | 1,567          | -8,797         | 1,617          | -8,821         |



| Particulars   | Standalone      |                 | Consolidated    |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | March 31, 2024  | March 31, 2023  | March 31, 2024  | March 31, 2023  |
| Profit Or Loss after Tax                                    | 22,393          | 33,796          | 22,633          | 33,913          |
| Other Comprehensive Income/(loss)                           | 652             | -199            | 673             | -147            |
| <b>Total comprehensive income for the year</b>              | <b>23,045</b>   | <b>33,597</b>   | <b>23,306</b>   | <b>33,766</b>   |
| Balance as per Last Balance Sheet                           | <b>2,23,042</b> | <b>1,89,397</b> | <b>2,22,728</b> | <b>1,88,914</b> |
| Less: Amount utilized for Buy back of Shares and tax Theron | -               | -               | -               | -               |
| <b>Balance Transferred to Balance Sheet</b>                 | <b>2,79,388</b> | <b>2,23,042</b> | <b>2,79,335</b> | <b>2,22,728</b> |

**BRIEF DESCRIPTION OF THE COMPANY'S BUSINESS OPERATIONS & FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR:**

**REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:**

Operating Income during the year, grew by 8.5% largely due to strong growth delivered in International markets of 21.9% and Domestic markets delivered growth of 5.9%. Consumption remained subdued in the economy during the year. The weak consumption is primarily on account of muted agricultural growth. Agricultural production was disrupted during the year due to erratic weather patterns, triggered by El Niño. With agricultural output impacted, rural consumption was weak.

In FY'24 there was sharp increase in prices of certain raw materials. Your Company had to take appropriate price corrections to cover cost increases to protect margins and profits. Based on the price increases rolled out, rising commodity and other costs were not only offset, but such corrections also helped deliver strong margin growth during the year.

Overhead growth was broadly under control during the year, despite an inflationary environment. Moreover, your Company has implemented several synergy initiatives upon merger with Eastern Condiments Pvt. Ltd. during FY24 and has plans to reduce its cost base, by consolidating and optimizing its manufacturing footprint.

Your Company has made significant investments under the Production Linked Incentive Scheme for Food



Processing Industry by the Ministry of Food Processing Industries, which concluded in FY24. Your Company has already accrued a benefit on the said investment amounting to Rs. 2,173 Lakhs in FY24.

Finance cost for FY24 was lower by 75% over the previous year as the finance cost on forward commitment was Nil, in addition to surplus liquid resources emerging from the strong profitability trends noted above.

Profit before taxes for FY24 was Rs. 30,683 Lakhs as against Rs. 25,691 Lakhs i.e. registering an increase of Rs. 4,992 Lakhs over the previous year.

#### Information Technology:

Your Company takes cognizance of the fact that modern information systems must be state-of-the-art, drive agile actions, and integrate seamlessly with both front-end and back-end software platforms to enable quick data exchange and analytics, thereby improving decision-making at all levels of the business hierarchy.

While most critical processes at MTR business unit are already digitized, the Eastern business unit is undergoing upgrades to unify its platforms with those of the MTR business unit. A key task in achieving this goal is the migration of Eastern business unit's ERP system from Oracle to SAP, which was accomplished last year. Your Company strives to leverage technology further for its business needs to have standard, scalable IT Landscape. Your Company aims to roll out a series of software platforms—primarily for sales and manufacturing, digitized approval processes & unified business analytics, to fully converge Eastern's & International Business's IT landscape with MTR's established systems.

#### Industrial Relations:

Your Company maintained a healthy, cordial and harmonious industrial relations. Your Company continued to receive co-operation and support from distributors, retailers, stockists, suppliers and other stakeholders, as its trading and value chain partners. Your Directors wish to place on record their appreciation for the co-operation, while your Company continues in its endeavor to build and nurture strong links with trade, based on mutuality, fairness, respect and co-operation with each other.

#### **DIVIDEND AND TRANSFER TO RESERVES:**

With a view to conserve resources for the Company's operations, your Directors do not recommend payment of dividend for the year ended March 31, 2024. The profit earned during the year of reporting, 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 FY24 TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:**

There have been no material changes that have occurred, or commitments made between the end of the financial year to which the financial statements relate and the date of this Report.

**NUMBER OF MEETINGS OF THE BOARD:**

Information in respect of the composition of the Board, qualification of Board members, field of specialization, status of Directorships, meetings held during the FY24 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 March 31, 2024 consisted of 7 Directors comprising of one Executive Director and 6 Non-Executive Directors.

**Meetings of the Board:**

During the FY24, the Board held 7 meetings that were held on the following dated, viz: June 28, 2023, September 02, 2023, September 05, 2023, September 19, 2023, December 05, 2023, January 10, 2024 and March 18, 2024. 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 | 7                        |
| 2   | Sanjay Sharma             | Executive Director       | 6                        |
| 3   | Maria Syse-Nybraaten      | Non- Executive Director  | 5                        |
| 4   | Per Havard Skiaker Maelen | Non – Executive Director | 5                        |
| 5   | Else Helena Margareta     | Non – Executive Director | 5                        |
| 6   | Claes Johan Wilhelmsson   | Non – Executive Director | 5                        |
| 7   | Paul Jordhal*             | Non – Executive Director | 2                        |

\*Appointed effective December 05, 2023.

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

During the FY24, there were following changes in the composition of Board of Directors and KMPs.

Mr. Paul Jordahl (DIN02510528) was appointed to the Board as Additional Director of the Company with effect from December 05, 2023, to hold office until the ensuing Annual General Meeting of the Company and being



eligible offer himself for appointment as Director subject to the approval of the Members.

Mr. Ganesh Shenoy retired as the CFO of the Company effective December 31, 2023 and other committees of which he was a member. His resignation was taken on record by the Board of Directors in their meeting dated December 05, 2023 and in the same meeting, the Board appointed Ms. Suniana Calapa as the CFO of the Company with effect from January 01, 2024.

**Board of Directors and Key Managerial personnel as on March 31, 2024**

| No. | Name of the Director      | DIN/PAN    |
|-----|---------------------------|------------|
| 1   | Atle Vidar Nagel Johansen | 01361367   |
| 2   | Sanjay Sharma             | 02581107   |
| 3   | Maria Syse-Nybraaten      | 10133899   |
| 4   | Per Havard Skiaker Maelen | 10138903   |
| 5   | Else Helena Margareta     | 07986081   |
| 6   | Claes Johan Wilhelmsson   | 08344827   |
| 7   | Paul Jordhal*             | 02510528   |
| 8   | Suniana Calapa**          | ACIPC8859M |
| 9   | Ragee Raju                | AUJPR7154B |

\*Appointed effective December 05, 2023.

\*\*Appointed effective January 01, 2024.

**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) on constitution of Nomination and Remuneration Committee are not applicable to the Company.

**WEB LINK OF ANNUAL RETURN:**

The Annual Return of the Company is available on the weblink: <https://www.orklaindia.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 the following:

- (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. The CSR Policy is available on the weblink: <https://www.orklaindia.com/csr-policy-and-structure/>

- (b) 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 undertaken by the Company.

The Corporate Social Responsibility Committee comprised of following Directors as its members as on March 31, 2024:

1. Mr. Sanjay Sharma
2. Ms. Else Helena Margareta
3. Ms. Maria Syse Nybraaten
4. Mr. Paul Jordahl

The CSR Committee was reconstituted on December 05, 2023, with the appointment of Ms. Maria Syse Nybraaten and Mr. Paul Jordahl as members of the 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, 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.

#### **CAPITAL STRUCTURE:**

Pursuant to the merger order of the NCLT, dated August 24, 2024, with Eastern Condiments Pvt. Ltd. the Authorized Share Capital was amended to reflect as 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.

#### **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 Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statements of subsidiary and associate Company are 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 33<sup>rd</sup> Annual General Meeting.

**AUDITOR'S REPORT:**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

**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 Touche Tohmatsu India LLP., as the internal auditor of the Company to conduct internal audit of the functions and activities of the Company. The reports and findings of the Internal Auditors are periodically reviewed by the Board of Directors.

**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 has been issued by the Statutory Auditors of the Company for the FY24.

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

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

**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 FY24, 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 has complied with all the requirements under the Foreign Exchange Management Act, 1999 during the FY24.

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

The Company has 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*. An 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. The only complaint that was received during 2023-24 has been resolved.

**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 were Whistle Blower Complaints against certain employees of the Company. The Management initiated inquiries and an update on the status was provided to the Board. The complaints were resolved by the Management as on the date of this report.

**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 **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 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE 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 FY24 there has been no one time settlement of any 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 ended March 31, 2024, 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 and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of 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; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems 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 FY24:

- 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 the Registrar of Companies, banks and financial institutions, the Central and State governments and shareholders and look forward to having the same support in all our future endeavors.



For and on behalf of the Board of Directors of  
**ORKLA INDIA PRIVATE LIMITED**

A handwritten signature in blue ink, appearing to read "Atle Vidar Nagel Johansen".

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

A handwritten signature in blue ink, appearing to read "Sanjay Sharma".

**Sanjay Sharma**  
Director  
(DIN: 02581107)

**Date: September 10, 2024**

**Place: Kochi**



## Annexure - 1

### Report on CSR Activities for Financial Year 2023-2024

1. Brief outline of the CSR Policy of the Company.

To Integrate Orkla India's Social and environmental responsibilities in a manner to ensure sustainability in operations and relationships with Key Stakeholders and Communities – "Enhance everyday life of families and communities for a better tomorrow". Our CSR Policy is aligned to Schedule VII of the Companies Act and available at weblink: <https://www.orklaindia.com/csr-policy-and-structure/>

2. Composition of CSR Committee: Committee comprises of four Directors.

| Sl. No. | Name of Director                      | Designation / Nature of Directorship        | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------------------|---|--|
| 1.      | Sanjay Sharma (DIN: 02581107)         | Member (Chairperson till December 05, 2023) | 2  |
| 2.      | *Maria Syse-Nybraaten (DIN: 10133899) | Chairperson (From December 05, 2023)        | 1  |
| 3.      | Helena Giertz (DIN: 07986081)         | Member                                      | 2  |
| 4       | *Paul Jordhal (DIN: 02510528)         | Member                                      | 1  |

\*Note: The CSR Committee was reconstituted at the meeting of the committee held on December 05, 2023, with the appointment of Ms. Maria Syste-Nybraaten and Mr. Paul Jordhal. Number of CSR Committee meetings held during the year:2.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. – <https://www.orklaindia.com/csr-policy-and-structure/>
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Not applicable.  
Average net profit of the company as per section 135(5): INR 22,782.51 Lakhs
6. (a) Two percent of average net profit of the Company as per section 135(5): Rs 456 Lakhs  
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil  
(c) Amount required to be set off for the financial year, if any: Nil  
(d) Total CSR obligation for the financial year (6a+6b-6c): Rs. 456 Lakhs



7. (a) Whether CSR amount for the financial year has been spent: yes / no ✓

(b) If yes, CSR amount has been spent against:

|  |    |
|--|----|
| Ongoing Projects                               | NA |
| Other than ongoing projects                    | NA |
| Both (ongoing and other than ongoing projects) | NA |

(i) Details of CSR amount spent against ongoing projects for the financial year: Nil \_\_\_\_\_

Details of CSR amount spent against ongoing projects for the financial year:

| Sl. No | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project. |          | Project duration. | Amount allocated for the project (in Rs.). | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | Mode of Implementation - Through Implementing Agency | Mode of Implementation - Through Implementing Agency |                         |
|--------|----------------------|--|---------------------|--------------------------|----------|-------------------|--|--|---|--|--|-------------------------|
|        |                      |  |                     | State                    | District |                   |  |  |   |  | Name   | CSR Registration Number |
| NIL    |                      |  |                     |                          |          |                   |  |  |   |  |  |                         |

(ii) Details of CSR amount spent against other than ongoing projects for the financial year:

Number of other than ongoing projects for the financial year: 3

| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act. | Local area (Yes/No) | Location of the project. |           | Amount spent for the project (in Rs.). | Mode of implementation - Direct (Yes/No). | Mode of implementation - Through implementing agency. |                         |
|---------|---------------------|--|---------------------|--------------------------|-----------|--|---|---|-------------------------|
|         |                     |  |                     | State                    | District. |  |   | Name.   | CSR registration number |
| 1       | Community Shapers   | Ensuring environmental sustainability,                       | Yes                 | Bangalore                | Karnataka | 2,21,935                               | No  | Anubhuti, Rural                                       | Serve                   |





| Sl. No.      | Name of the Project     | Item from the list of activities in schedule VII to the Act.  | Local area (Yes/No). | Location of the project. |           | Amount spent for the project (in Rs.). | Mode of implementation - Direct (Yes/No). | Mode of implementation - Through implementing agency. |                         |
|--------------|-------------------------|---|----------------------|--------------------------|-----------|--|---|---|-------------------------|
|              |                         |   |                      | State                    | District. |  |   | Name.   | CSR registration number |
|              |                         | conservation of natural resources and maintaining quality of soil, air and water  |                      |                          |           |  |   |   | CSR00003721             |
| 2            | Brothers of Holy Spirit | Rural development, Promoting education for livelihood enhancement projects.   | Yes                  | Ernakulam – Kerala       |           | 10,000                                 | No  | Brothers of Holy Spirit                               | CSR00047993             |
| 3            | Love Plastic            | Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water | Yes                  | Kerala                   |           | 23,210                                 | Yes                                       |   |                         |
| <b>Total</b> |                         |   |                      |                          |           | <b>2,55,245</b>                        |   |   |                         |

(c) Amount spent on Administrative Overheads: Rs. 11,613

(d) Amount spent on Impact Assessment, if applicable: Nil

(e) Total amount spent for the financial year: Rs. 379.43 Lakhs

(f) Amount unspent/(excess) spent for the financial year (6(d)-(e) unspent for ongoing projects: Rs. 76.57 Lakhs





(g) Amount eligible for transfer to Unspent CSR Account for the financial year as per Section 135(6) (before adjustments): Rs. 453.45 Lakhs.

(i) Amount to be transferred to Fund specified in Schedule VII for the financial year (if total unspent for the financial year is greater than unspent for Ongoing projects) Rs. 71.65 Lakhs.

(ii) Excess amount for set off, if any – Nil

(iii) Surplus arising out of the CSR programs or activities of the previous financial year, if any.: Nil

(iv) Amount available for set off in the succeeding financial years: Nil

8. Details of Unspent CSR amount for the financial year:

(a) Transfer of Unspent CSR account as per Section 135(6)

| Amount to be transferred to Unspent CSR account | Amount actually transferred to Unspent CSR account | Date of Transfer | Deficiency, if any. |
|---|--|------------------|---------------------|
| Rs. 382 Lakhs                                   | Rs. 382 Lakhs                                      | April 30, 2024   | Nil                 |

(b) Transfer to Fund specified in Schedule VII as per second proviso to Section 135(5) for the financial year:

| Amount to be transferred to Unspent CSR account | Amount actually transferred to a fund specified in Schedule VII | Date of Transfer          | Deficiency, if any. |
|---|---|---------------------------|---------------------|
| Rs. 71.65 Lakhs                                 | Rs. 71.65 Lakhs   | Before September 30, 2024 | Nil                 |

9. Specify the reason if the Company has failed to spend 2% of the avg. net profit as per section 135(5): NOT APPLICABLE





10. Whether any unspent amount of preceding three financials years (FY ending after January 22, 2021) has been spent in the FY.

(a) Details of CSR amount spent in the financial year pertaining to 3 preceding FYs.

| Sl. No. | Preceding Financial Year. | Amount trfd to unspent CSR account (Rs.) | Amount transferred to Unspent CSR Account under section 135 (6) | Amount spent in the Financial Year (in Rs. Lakhs). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. |                  | Amount remaining to be spent in the succeeding financial years. (in Rs. Lakhs) |
|---------|---------------------------|--|---|--|--|------------------|--|
|         |                           |  |   |  | Name of the Fund   | Date of transfer |  |
| 1       | 2020-21                   | Nil                                      | 88.5  | 88.5   | NA   | NA               | 0  |
| 2       | 2021-22                   | Nil                                      | 30  | 13.75  | NA   | NA               | 16.25  |
| 3       | 2022-23                   | Nil                                      | 385.11  | 265.11   | NA   | NA               | 120.00   |
|         | <b>Total</b>              |  | <b>503.61</b>   | <b>367.36</b>                                      |  |                  | <b>136.25</b>  |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Number of ongoing projects: 10

| Sl. No | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project.  |          | Project duration. | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|--------|----------------------|--|---------------------|---------------------------|----------|-------------------|----------------------------------|--|---|--|--|-------------------------|
|        |                      |  |                     | State                     | District |                   |                                  |  |   |  | Name   | CSR Registration Number |
| 1      | Akshaypatra          | Eradicating hunger, poverty and malnutrition                 | Yes                 | Hubli, Mysore - Karnataka |          | 2 Years           | 1,61,09,302                      | 1,61,09,302                                | Nil   | No                                       | The Akshayapatra                                     | CSR00000286             |



| Sl. No | Name of the Project.            | Item from the list of activities in Schedule VII to the Act.  | Local area (Yes/No) | Location of the project. |          | Project duration. | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|--------|---------------------------------|---|---------------------|--------------------------|----------|-------------------|----------------------------------|--|---|--|--|-------------------------|
|        |                                 |   |                     | State                    | District |                   |                                  |  |   |  | Name   | CSR Registration Number |
|        |                                 |   |                     |                          |          |                   |                                  |  |   |  | Foundation   |                         |
| 2      | Water Conservation Project (KA) | Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water | Yes                 | Bangalore - Karnataka    |          | 2 Years           | 1,06,96,000                      | 1,06,96,000                                | Nil   | No                                       | Mysore Resettlement & Development Agency             | CSR00001099             |
| 3      | FPO (Uluva yogi)                | Rural development, Promoting education for livelihood enhancement projects  | Yes                 | Bangalore - Karnataka    |          | 2 Years           | 6,71,770                         | 6,71,770                                   | Nil   | Yes                                      |  |                         |
| 4      | Love Plastic                    | Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water | Yes                 | Kerala                   |          | 3 Years           | 21,69,405                        | 21,69,405                                  | Nil   | Yes                                      |  |                         |
| 5      | IPM                             | Ensuring environmental sustainability, conservation of natural resources and maintaining                                | Yes                 | Belgavi - Karnataka      |          | 2 Years           | 15,22,890                        | 15,22,890                                  | Nil   | Yes                                      |  |                         |



| Sl. No | Name of the Project.            | Item from the list of activities in Schedule VII to the Act.  | Local area (Yes/No) | Location of the project. |          | Project duration. | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|--------|---------------------------------|---|---------------------|--------------------------|----------|-------------------|----------------------------------|--|---|--|--|-------------------------|
|        |                                 |   |                     | State                    | District |                   |                                  |  |   |  | Name   | CSR Registration Number |
| 6      | Kochi Waste Management Project  | quality of soil, air and water<br>Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water | Yes                 | Ernakulam                | Kerala   | 2 Years           | 40,00,000                        | 13,75,000                                  | 26,25,000   | No                                       | Serve Rural Foundation                               | CSR00003721             |
| 7      | Water Conservation Project (AP) | Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water                                   | Yes                 | Guntur - Andhra Pradesh  |          | 2 Years           | 22,43,800                        | 22,43,800                                  | Nil   | No                                       | Mysore Resettlement & Development Agency             | CSR00001099             |
| 8      | Dialysis Challenge Project      | Promoting Health Care   | Yes                 | Ernakulam                | Kerala   | 2 Years           | 10,00,000                        | 10,00,000                                  | Nil   | Yes                                      | Ernakulam Social Service Society                     | CSR00029931             |
| 9      | Purchase of Dialysis Machines   | Promoting Health Care   | Yes                 | Idukki - Kerala          |          | 2 years           | 10,00,000                        | 10,00,000                                  | Nil   | Yes                                      | Daya Rehabilitati on Trust                           | CSR00005288             |



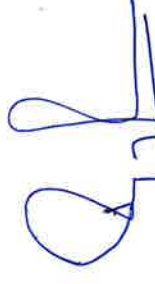


| Sl. No       | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project. |          | Project duration. | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|--------------|----------------------|--|---------------------|--------------------------|----------|-------------------|----------------------------------|--|---|--|--|-------------------------|
|              |                      |  |                     | State                    | District |                   |                                  |  |   |  | Name   | CSR Registration Number |
| 10           | Sanjeevani Mitra     | Promoting Health Care  | Yes                 | Idukki - Kerala          |          | 2 Years           | 9,00,000                         | 9,00,000                                   | Nil   | Yes                                      | JDT Islam Orphanage Committee                        | CSR00009489             |
| <b>Total</b> |                      |  |                     |                          |          |                   |                                  |  |   |  | <b>3,76,88,167</b>                                   |                         |



For and on behalf of the Board of Directors of  
**ORKLA INDIA PRIVATE LIMITED**

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

  
**Sanjay Sharma**  
Director  
(DIN: 02581107)

Date: September 10, 2024  
Place: Kochi

## 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)

| Name of the Subsidiary |  | Rasoi Magic Foods (India) Private Limited  |
|------------------------|--|--|
| 1                      | The date since when subsidiary was acquired  | 04-04-2011   |
| 2                      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period.                     | NA   |
| 3                      | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | NA   |
| 4                      | Share Capital  | 500  |
| 5                      | Reserves & Surplus   | 4,238  |
| 6                      | Total Assets   | 47,547   |
| 7                      | Total Liabilities  | 42,809   |
| 8                      | Investments  | 38   |
| 9                      | Turnover   | 1,72,177   |
| 10                     | Profit before taxation   | 23,967   |
| 11                     | Provision for taxation   | 6,032  |
| 12                     | Profit after taxation  | 17,935   |
| 13                     | Proposed Dividend  | -  |
| 14                     | Extent of shareholding (in percentage)   | 100%   |
| Name of the Subsidiary |  | BAMS Condiments Impex Private Limited  |
| 1                      | 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) |
| 2                      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period.                     | NA   |



|                               |  |  |
|-------------------------------|--|--|
| 3                             | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | NA   |
| 4                             | Share Capital  | 20,000   |
| 5                             | Reserves & Surplus   | (14,109)   |
| 6                             | Total Assets   | 6578   |
| 7                             | Total Liabilities  | 687  |
| 8                             | Investments  | -  |
| 9                             | Turnover   | 22,389   |
| 10                            | Profit before taxation   | (826)  |
| 11                            | Provision for taxation   | 15   |
| 12                            | Profit after taxation  | (841)  |
| 13                            | Proposed Dividend  | -  |
| 14                            | Extent of shareholding (in percentage)   | 100%   |
| <b>Name of the Subsidiary</b> |  | Eastern Food Specialty Formulations Private Limited  |
| 1                             | 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) |
| 2                             | Reporting period for the subsidiary concerned, if different from the holding company's reporting period.                     | NA   |
| 3                             | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | NA   |
| 4                             | Share Capital  | 10,00  |
| 5                             | Reserves & Surplus   | (9,98)   |
| 6                             | Total Assets   | 2  |
| 7                             | Total Liabilities  | -  |
| 8                             | Investments  | -  |
| 9                             | Turnover   | -  |
| 10                            | Profit/(loss) before taxation  | (40)   |
| 11                            | Provision for taxation   | -  |
| 12                            | Profit/(loss) before taxation  | (40)   |
| 13                            | Proposed Dividend  | -  |
| 14                            | 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 Associate   | M/s Pot Ful India Private Limited  |
|---|--|
| 1. Latest audited Balance Sheet Date  | 31 <sup>st</sup> March 2024  |
| 2. Date on which the Associate or Joint Venture was associated or acquired    | 15 <sup>th</sup> July 2019   |
| 3. Shares of Associate or Joint Ventures held by the company on the year end  | No. of Shares: 4,271<br>Amount of investment: Rs. 2,020 Lakhs<br>Extent of Holding (%): 30.47%   |
| 4. Reason why the associate/Joint venture is not consolidated.                | NA   |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet | Rs. (120 Lakhs)  |
| 6. Profit or Loss for the year  | Rs. (126 lakhs)  |
| i. Considered in Consolidation  | Yes  |
| ii. Not Considered in Consolidation   | NA   |
| Name of Joint Venture   | Eastern Condiments Middle East & North Africa FNC  |
| 1. Latest audited Balance Sheet Date  | 31 <sup>st</sup> March 2024  |
| 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 Joint Ventures held by the company on the year end               | No. of Shares: 2,500<br>Amount of investment: Rs. 739 Lakhs<br>Extent of Holding (%): 50%  |
| 4. Reason why the associate/Joint venture is not consolidated.                | NA   |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet | AED 56,73,729  |
| 6. Profit or Loss for the year  | AED 15,40,487  |
| i. Considered in Consolidation  | Yes  |
| ii. Not Considered in Consolidation   | NA   |



For and on behalf of the Board of Directors of  
**ORKLA INDIA PRIVATE LIMITED**

  
**Atle Vidar Nagel Johansen**

Chairman and Director  
(DIN: 01361367)

  
**Sanjay Sharma**

Director  
(DIN: 02581107)

**Date: September 10, 2024**  
**Place: Kochi**

**Annexure -3**  
**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

| S. No. | Date of Loan | Date of Board Resolution | Special Resolution (if any) | Name of Borrower              | Nature of Transaction  | Amount in (Rs. Lakhs) |
|--------|--------------|--------------------------|-----------------------------|-------------------------------|--|-----------------------|
| 1      | 26/12/2018   | 14/11/2017               | NA                          | Pot Ful India Private Limited | Investment in Equity Shares vide Share Subscription Agreement dated 7 <sup>th</sup> December 2018. | 417                   |
| 2      | 27/08/2019   | 04/06/2019               | NA                          | Pot Ful India Private Limited | Investment in Equity Shares  | 900                   |
| 3      | 24/09/2021   | 31/08/2021               | NA                          | Pot Ful India Private Limited | Advancement of unsecured loan, vide agreement dated 23 <sup>rd</sup> September 2021.               | 500                   |
| 4      | 05/12/2022   | 29/11/2022               | NA                          | Pot Ful India Private Limited | Investment in Equity Shares.   | 199                   |
| 5      | 13/07/2023   | 28/06/2023               | 12/07/2023                  | Pot Ful India Private Limited | Investment in Equity Shares  | 504                   |



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For and on behalf of the Board of Directors of  
**Orkla India Private Limited**

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

  
**Sanjay Sharma**  
Director  
(DIN: 02581107)

**Date: September 10, 2024**  
**Place: Kochi**



**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:**

| <b>Sr. No.</b> | <b>Particulars</b>   | <b>Details</b> |
|----------------|--|----------------|
| 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 Rs. lakhs)**

| <b>Particulars</b>  | <b>Details</b>  |
|---|---|
| <b>1. Name(s) of the related party &amp; nature of relationship</b> | <b>Rasoi Magic Foods (India) Private Limited – Subsidiary</b>                             |
| Nature of contracts/arrangements/transaction                        | 1. Sales, Services and Others<br>2. Purchases<br>3. Reimbursements<br>4. Interest on Loan |
| Duration of the contracts /arrangements /transaction                | Monthly/Yearly/Upfront  |



| Particulars   | Details   |
|---|---|
| Salient terms of the contracts or arrangements or transaction including the value, if any | Other income: 38<br>Purchase of traded goods: 526<br>Sale of goods: 47<br>Receipt of services: 45<br>Reimbursement of expenses from related parties: 10<br>Patent fees: 3<br>Interest on loan: 19 |
| <b>2. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Orkla ASA – Ultimate Holding Company</b>   |
| Nature of contracts/arrangements/transaction  | Receipt of services<br>Management services provided (cross charges)<br>Reimbursement of expenses to related parties<br>Reimbursement of expenses from related parties<br>Share based payments     |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront  |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Receipt of services - 306<br>Management services provided (cross charges) - 280<br>Reimbursement of expenses from related parties - 163<br>Share based payments - 59                              |
| <b>3. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Orkla IT AS – Fellow Subsidiary</b>  |
| Nature of contracts/arrangements/transaction  | Reimbursements of expenses<br>Receipt of services   |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront  |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Reimbursement of expenses to related parties: Rs. 59 Lakhs<br>Receipt of services: Rs. 5 Lakh   |
| <b>4. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Orkla Asia Pacific SDN BHD (formerly "Jordan Asia Pacific SDN BHD") – Fellow Subsidiary</b>  |
| Nature of contracts/arrangements/transaction  | Purchase of traded Goods  |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront  |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Nil   |
|   |   |



| Particulars   | Details  |
|---|--|
| <b>5. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Potful India Private Limited – Associate Company</b>      |
| Nature of contracts/arrangements/transaction  | Sale of Goods<br>Interest on Loan                            |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront                                       |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Sale of Goods – Rs 1 Lakhs<br>Interest on Loan – Rs 35 Lakhs |
| <b>6. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Orkla Financial Services AS – Fellow Subsidiary</b>       |
| Nature of contracts/arrangements/transaction  | Receipt of services  |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront                                       |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 2 Lakh   |
| <b>7. Name(s) of the related party &amp; nature of relationship</b>                       | <b>Orkla Procurement AS– Fellow Subsidiary</b>               |
| Nature of contracts/arrangements/transaction  | Receipt of services  |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront                                       |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 102 Lakh   |
| <b>8. Name(s) of the related party &amp; nature of relationship</b>                       | <b>BAMS Condiments Impex Private Limited – Subsidiary</b>    |
| Nature of contracts/arrangements/transaction  | Purchase goods & Payments of Expenses                        |
| Duration of the contracts /arrangements /transaction                                      | Monthly/Yearly/Upfront                                       |
| Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 1 Lakh   |



For and on behalf of the Board of Directors of  
**ORKLA INDIA PRIVATE LIMITED**

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

  
**Sanjay Sharma**  
Director  
(DIN: 02581107)

**Date: September 10, 2024**  
**Place: Kochi**

## 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

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                  | 2023-24    | 2022-23     |
|--------------------------|------------|-------------|
| <b>Electricity</b>       |            |             |
| Purchased Units (Kwh)    | 11,444,055 | 1,12,95,257 |
| Total Cost (Rs Lakhs)    | 1,010.52   | 959.28      |
| Cost Per Unit            | 8.83       | 8.49        |
| <b>PNG</b>               |            |             |
| Quantity (MT/BTU)        | 5,837      | 5,470       |
| Total Cost (Rs in Lakhs) | 105.07     | 102.33      |
| Cost Per Ton/BTU         | 1,800.09   | 1,870.72    |
| <b>LPG</b>               |            |             |
| Quantity (KG)*           | 17,697.00  | 17.00       |
| Total Cost (Rs in Lakhs) | 13.31      | 0.02        |
| Cost Per kg              | 75.24      | 100.17      |
| <b>Briquette</b>         |            |             |
| Quantity (MT)            | 4,517.55   | 4,934.90    |
| Total Cost (Rs in Lakhs) | 376.13     | 397.10      |
| Cost Per Ton             | 8,326.01   | 8,046.82    |
| <b>HSD</b>               |            |             |
| Quantity (Ltrs)**        | 62,320     | 1,06,238    |
| Total Cost (Rs in Lakhs) | 54.77      | 95.28       |
| Cost Per Liter           | 87.88      | 89.68       |

\*Increase in LPG consumption is attributed to the new paratha plant that commenced in July 2023.

\*\* Reduction is on account of various projects to improve efficiency compounded with reduction in power outages.

## B. TECHNOLOGY ABSORPTION

Your Company has been investing in the application of new designs and features, state of the art manufacturing setup, optimizing efficiency in supply chain processes along with downstream activities like marketing and sales which are dependent on new generation of technologies and digitalization.

Your Company has taken various projects to reduce consumption of fossil fuels and initiated measures for increasing usage of renewable energy in its manufacturing facilities. Your Company has also implemented various projects to digitize water monitoring and consumption, which is a huge milestone towards achieving target of being water neutral and water positive as part of sustainable manufacturing practice.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs. Lakhs)

|                               | FY 23-24 | FY 22-23 |
|-------------------------------|----------|----------|
| Forex Earnings (Rs. in Lakhs) | 44,454   | 38,477   |
| Forex Outgo (Rs. In Lakhs)    | 7,640    | 7,191    |



For and on behalf of the Board of Directors of  
**ORKLA INDIA PRIVATE LIMITED**

**Atle Vidar Nagel Johansen**

Chairman and Director

(DIN: 01361367)

**Sanjay Sharma**

Director

(DIN: 02581107)

Date: September 10, 2024

Place: Kochi

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Orkla India Private Limited (formerly "MTR Foods Private Limited")

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

We have audited the accompanying standalone financial statements of Orkla India Private Limited [formerly "MTR Foods Private Limited"] ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, 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, 2024, 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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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.

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, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (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, except as described in note 53(i) of the standalone financial statements, the information relating to daily back-up schedule for the period April 1, 2023 to March 31, 2024 for one accounting software and server location is not available in respect of one accounting software, thus we are unable to comment on whether daily backups were taken on the servers physically located in India with respect to the aforesaid softwares; and for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
  - (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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to 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, 2024;
  - (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
  - (i) 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 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.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 55(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 55(v) to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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. The Company has used six accounting software for maintaining its books of accounts. Based on our examination which included test checks, except for the instances mentioned below (also refer note 53(ii) to the standalone financial statements), the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
- (a) The feature of recording audit trail (edit log) facility was not enabled at the application level for five accounting software and for certain tables used for maintaining general ledger for one accounting software.
- (b) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the aforesaid accounting software used for maintaining the books of account.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with.

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

per Sunil Gaggar  
Partner  
Membership Number: 104315  
UDIN: 24104315BKEXIR3160



Place: Bengaluru  
Date: September 10, 2024

# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

## Annexure 1 referred to in our report to the members of Orkla India Private Limited [formerly “MTR Foods Private Limited] (“the Company”) for the year ended March 31, 2024

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: i) of the immovable Properties, in the nature of freehold land & buildings, 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 and ii) of the immovable Properties, in the nature of freehold land & buildings are held in the erstwhile name of the Company i.e. MTR Foods Private Limited

| 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 | 14,947                              | Eastern Condiments Private limited (ECPL) [Erstwhile Subsidiary] | No   | September 01, 2023             | Land and building pending transfer to the Company on account of the scheme of amalgamation, which are in the name of its erstwhile subsidiary, will be transferred in the name of the Company in due course |
| Land (freehold and leasehold) and buildings | 10,360                              | MTR Foods Private Limited (Erstwhile name of the Company)        | No   | January 04, 2024               | The legal name of the Company has been changed during the year ended March 31, 2024. The land and building are held in the erstwhile name of the Company.   |

(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, 2024.

(e) As disclosed in note 55(ii) 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.



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(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, 2024 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.

(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<br>To employees  | 474                  |
| Balance outstanding as at balance sheet date in respect of above cases |                      |
| -Subsidiary  | 130                  |
| -Associate   | 500                  |
| -Others<br>To employees  | 336                  |

(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 and the repayment or receipts are regular except for a loan granted to one company which is repayable on demand and hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.

(d) There are no amounts of loans and advances in the nature of loans granted to companies or other parties which are overdue for more than ninety days.

(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, which is a related party as defined in clause (76) of Section 2 of the Companies Act, 2013:

| Particulars  | Loan (Rs. in lakhs) |
|--|---------------------|
| Aggregate amount of loans<br>- Repayable on demand | 130                 |
| Percentage of loans to the total loans             | 13%                 |

(iv) There are no loans, guarantees, and security given in respect of which provisions of Section 185 of the Companies Act, 2013 are applicable. In respect of loans, investments, guarantees and security in respect of which provisions of Section 186 of the Companies Act, 2013 is applicable, have been confirmed with by the Company.



# S.R. BATLIBOI & ASSOCIATES LLP

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- (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 Companies Act, 2013 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 Companies Act, 2013 for the products of the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in remittance of withholding taxes, professional tax and significant delay in remittance of goods and services taxes in few cases.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

| Name of the statute                | Nature of the dues       | Amount (Rs. in lakhs) | Period to which the amount relates | Due date | Date of payment |
|------------------------------------|--------------------------|-----------------------|------------------------------------|----------|-----------------|
| Goods and Services Tax (GST), 2017 | GST (including interest) | 28                    | April 2023 to August 2023          | Various  | Not paid        |

(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                   |
| Central Excise Act, 1944                 | Excise Duty     | 11                               | -                                   | 2008-09 to 2009-10                 | Commissioner of Central Excise                     |
| 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) |
| Kerala Value Added Tax                   | Value Added Tax | 14                               | 6                                   | 2005-06 to 2016-17                 | Commercial Tax Office, Kerala                      |



# S.R. BATLIBOI & ASSOCIATES LLP

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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                    |
|-------------------------------------|---------------------------------|----------------------------------|-------------------------------------|------------------------------------|---|
| Karnataka Value Added Tax Act, 2003 | VAT/CST                         | 251                              | -                                   | December 2006 to September 2007    | Honorable Supreme Court of India                  |
| Karnataka Value Added Tax           | Value Added Tax                 | 42                               | 42                                  | January 2007 to December 2007      | Supreme Court of India                            |
| Tamil Nadu Value Added Tax          | Value Added Tax                 | 132                              | 132                                 | 2009- 10 to 2015-16                | Asst. Commissioner, Commercial Taxes              |
| Goods and Services Tax (GST), 2017  | GST                             | 64                               | -                                   | July 2017 to March 2022            | The Deputy Commissioner of State Tax              |
| Goods and Services Tax (GST), 2017  | GST                             | 4,923                            | -                                   | July 2017 to March 2022            | Office of the Commissioner of Central Tax (Audit) |
| 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 |

\*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 55(viii) 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 loan outstanding during the year and 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.
- (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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

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- (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 Companies Act, 2013 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 Companies Act, 2013. 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 Companies Act, 2013 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 Companies Act, 2013 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 Companies Act, 2013 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 Companies Act, 2013.
- (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.
- (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 standalone financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants


(xx) (a) The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013, till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of Section 135 of the Companies Act, 2013, has not elapsed till the date of our report. This matter has been disclosed in note 40 to the standalone financial statements;

(b) All amounts that are unspent under Section (5) of section 135 of Companies Act, 2013, 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 Companies Act, 2013. 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: 24104315BKEXIR3160



Place: Bengaluru

Date: September 10, 2024

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Orkla India Private Limited (formerly "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 Orkla India Private Limited [formerly "MTR Foods Private Limited"] ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **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 Act.

#### **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 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants


## **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, 2024, 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 Gagar  
Partner  
Membership Number: 104315  
UDIN: 24104315BKEXIR3160



Place: Bengaluru  
Date: September 10, 2024

**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Standalone Balance Sheet as at March 31, 2024**  
**(All amounts are in Indian Rupees Lakhs, unless stated otherwise)**  
**CIN: U15136KA1996PTC021007**

|   | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------|-------------------------|-------------------------|
| <b>Assets</b>   |       |                         |                         |
| <b>Non-current assets</b>                               |       |                         |                         |
| Property, plant and equipment                           | 3(a)  | 40,575                  | 36,136                  |
| Capital work-in-progress                                | 3(b)  | 362                     | 7,389                   |
| Right-of-use assets                                     | 4(a)  | 4,462                   | 4,556                   |
| Goodwill  | 5     | 98,636                  | 98,636                  |
| Other intangible assets                                 | 5     | 59,208                  | 59,295                  |
| <b>Financial assets</b>                                 |       |                         |                         |
| Investment in subsidiaries, associate and joint venture | 6(a)  | 5,466                   | 4,962                   |
| Other investments                                       | 6(b)  | -                       | -                       |
| Loans   | 7     | 61                      | 567                     |
| Other financial assets                                  | 8     | 696                     | 837                     |
| Other non-current assets                                | 9     | 932                     | 729                     |
| Income tax assets (net)                                 | 10    | 10,235                  | 8,072                   |
|   |       | <b>2,20,633</b>         | <b>2,21,179</b>         |
| <b>Current assets</b>                                   |       |                         |                         |
| Inventories   | 11    | 29,511                  | 34,796                  |
| <b>Financial assets</b>                                 |       |                         |                         |
| Investments   | 6(c)  | 29,715                  | 23,458                  |
| Trade receivables                                       | 12    | 16,852                  | 11,549                  |
| Loans   | 13    | 905                     | 593                     |
| Cash and cash equivalents                               | 14    | 3,930                   | 2,399                   |
| Bank balances other than above                          | 15    | 7,500                   | 5,000                   |
| Other financial assets                                  | 16    | 19,908                  | 5,295                   |
| Other current assets                                    | 17    | 8,333                   | 5,966                   |
|   |       | <b>1,16,654</b>         | <b>89,056</b>           |
| <b>Total assets</b>                                     |       | <b>3,37,287</b>         | <b>3,10,235</b>         |
| <b>Equity and liabilities</b>                           |       |                         |                         |
| <b>Equity</b>   |       |                         |                         |
| Equity share capital                                    | 18    | 1,340                   | 1,233                   |
| Instruments entirely equity in nature                   | 18    | 30                      | -                       |
| Other equity  | 19    | 2,79,388                | 2,23,042                |
| <b>Total equity</b>                                     |       | <b>2,80,758</b>         | <b>2,24,275</b>         |
| <b>Non-current liabilities</b>                          |       |                         |                         |
| <b>Financial liabilities</b>                            |       |                         |                         |
| Borrowings  | 22(a) | 377                     | 377                     |
| Lease liabilities                                       | 4(b)  | 5,141                   | 5,215                   |
| Other financial liabilities                             | 25(a) | 790                     | 582                     |
| Government grants                                       | 20    | 107                     | 107                     |
| Deferred tax liabilities (net)                          | 23    | 9,024                   | 7,238                   |
| Provisions  | 27(a) | -                       | 23                      |
| Other non-current liabilities                           | 21    | 132                     | 112                     |
|   |       | <b>15,571</b>           | <b>13,654</b>           |



**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Standalone Balance Sheet as at March 31, 2024**  
**(All amounts are in Indian Rupees Lakhs, unless stated otherwise)**

|  | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| <b>Current liabilities</b>   |       |                         |                         |
| <b>Financial liabilities</b>   |       |                         |                         |
| Borrowings   | 22(b) | -                       | 3.122                   |
| Lease liabilities  | 4(b)  | 769                     | 706                     |
| Trade payables   |       |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises                      | 24    | 6,188                   | 3,822                   |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 24    | 16,853                  | 14,246                  |
| Other financial liabilities  | 25(b) | 13,014                  | 46,413                  |
| Other current liabilities  | 26    | 1,753                   | 1,560                   |
| Provisions   | 27(b) | 1,905                   | 2,437                   |
| Current tax liabilities (net)  | 28    | 476                     | -                       |
|  |       | <b>40,958</b>           | <b>72,306</b>           |
| <b>Total liabilities</b>   |       | <b>56,529</b>           | <b>85,960</b>           |
| <b>Total equity and liabilities</b>  |       | <b>337,287</b>          | <b>310,235</b>          |

Summary of material 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  
**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
 CIN: U15136KA1996PTC021007

Atle Vidar Nagel Johansen Sanjay Sharma  
 Chairman Director & Chief Executive Officer  
 DIN: 01361367 DIN: 02581107

Suniana Calapa  
 Chief Financial Officer

Ragee Raju  
 Company Secretary  
 Membership no: F11322

Place: Bengaluru  
 Date: September 10, 2024

Place: Kochi  
 Date: September 10, 2024

Orkla India Private Limited (formerly MTR Foods Private Limited)  
 Standalone Statement of Profit and Loss for the year ended March 31, 2024  
 (All amounts are in Indian Rupees Lakhs except share data and per share data, unless stated otherwise)  
 CIN: U15136KA1996PTC021007

|   | Notes   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|---------|--------------------------------------|--------------------------------------|
| <b>Income</b>   |         |                                      |                                      |
| Revenue from operations   | 29      | 234,233                              | 215,403                              |
| Other income  | 30      | 3,253                                | 2,912                                |
| <b>Total income</b>   |         | <b>237,486</b>                       | <b>218,315</b>                       |
| <b>Expenses</b>   |         |                                      |                                      |
| Cost of raw materials and packing materials consumed  | 31      | 130,197                              | 118,668                              |
| Purchase of stock-in-trade  | 32      | 7,149                                | 5,625                                |
| (Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade         | 33      | (1,453)                              | 1,439                                |
| Employee benefits expense   | 34      | 22,933                               | 22,105                               |
| Depreciation and amortisation expense   | 35      | 6,170                                | 5,495                                |
| Finance costs   | 36      | 657                                  | 2,700                                |
| Other expenses  | 37      | 41,504                               | 36,652                               |
| <b>Total expenses</b>   |         | <b>207,157</b>                       | <b>192,684</b>                       |
| <b>Profit before tax</b>  |         | <b>30,329</b>                        | <b>25,631</b>                        |
| <b>Tax expense:</b>   |         |                                      |                                      |
| - Current tax   | 38      | 6,287                                | 593                                  |
| - Adjustment of tax relating to earlier periods   | 38      | 82                                   | 39                                   |
| - Deferred tax charge/(credit)  | 38 & 52 | 1,567                                | (8,797)                              |
| <b>Total tax expense</b>  |         | <b>7,936</b>                         | <b>(8,165)</b>                       |
| <b>Profit for the year</b>  |         | <b>22,393</b>                        | <b>33,796</b>                        |
| <b>Other comprehensive income (OCI)</b>   |         |                                      |                                      |
| <b>Items that will not be reclassified to statement of profit or loss in subsequent periods :</b> |         |                                      |                                      |
| (a) Re-measurement gains/(losses) on defined benefit plans  | 39      | 871                                  | (266)                                |
| Income tax effect on above  | 38      | (219)                                | 67                                   |
| <b>Total other comprehensive income/(loss) for the year (net of tax)</b>                          |         | <b>652</b>                           | <b>(199)</b>                         |
| <b>Total comprehensive income for the year (net of tax)</b>                                       |         | <b>23,045</b>                        | <b>33,597</b>                        |
| Earnings per equity share [nominal value of shares: Rs. 10 (March 31, 2023: Rs. 10)]              | 51      |                                      |                                      |
| Basic   |         | 167                                  | 261                                  |
| Diluted   |         | 167                                  | 261                                  |
| Summary of material 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  
 Orkla India Private Limited (formerly MTR Foods Private Limited)  
 CIN: U15136KA1996PTC021007

Atle Vidar Nagel Johansen  
 Chairman  
 DIN: 01361367

Suniana Calapa  
 Chief Financial Officer

Sanjay Sharma  
 Director & Chief Executive Officer  
 DIN: 02581107

Ragee Raju  
 Company Secretary  
 Membership no: F11322

Place: Bengaluru  
 Date: September 10, 2024

Place: Kochi  
 Date: September 10, 2024

Orkla India Private Limited (formerly MTR Foods Private Limited)  
 Standalone Statement of Changes in Equity for the year ended March 31, 2024  
 (All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)  
 CIN: U15136KA1996PTC021007

Equity share capital

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

|  | Nos.       | Amount |
|--|------------|--------|
| As at April 1, 2022  | 12,330,269 | 1,233  |
| Shares issued during the year  | -          | -      |
| As at March 31, 2023   | 12,330,269 | 1,233  |
| Shares issued during the year (refer note 52)  | 757,526    | 76     |
| Redeemable Optionally Convertible Preference Shares (ROCPS) converted to equity shares (refer note 52) | 305,564    | 31     |
| As at March 31, 2024   | 13,393,359 | 1,340  |

Instruments entirely equity in nature

Redeemable Optionally Convertible Preference Shares (ROCPS) of Rs.10 each, issued, subscribed and fully paid up

|   |           |      |
|---|-----------|------|
| As at April 1, 2023                           | -         | -    |
| Shares issued during the year (refer note 52) | 611,128   | 61   |
| Converted to equity shares (refer note 52)    | (305,564) | (31) |
| As at March 31, 2024                          | 305,564   | 30   |

For movement in share capital, refer note 18.

Other equity

|   | Reserve and surplus |                            |                 |                   |                                  | Shares pending issuance (refer note 52) | Other comprehensive income<br>Fair value gains/(losses) on equity instruments | Total    |
|---|---------------------|----------------------------|-----------------|-------------------|----------------------------------|---|---|----------|
|   | Securities premium  | Capital redemption reserve | Capital reserve | Retained earnings | Other equity-share based payment |   |   |          |
| As at April 1, 2022   | 111,014             | 337                        | -               | 50,790            | 144                              | 27,000                                  | 112   | 189,397  |
| Profit for the year   | -                   | -                          | -               | 33,796            | -                                | -                                       | -   | 33,796   |
| Other comprehensive loss (net of tax)   | -                   | -                          | -               | (199)             | -                                | -                                       | -   | (199)    |
| <b>Total Comprehensive income for the year</b>                                    | -                   | -                          | -               | 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  |
| Profit for the year   | -                   | -                          | -               | 22,393            | -                                | -                                       | -   | 22,393   |
| Other comprehensive income (net of tax)   | -                   | -                          | -               | 652               | -                                | -                                       | -   | 652      |
| <b>Total Comprehensive income for the year</b>                                    | -                   | -                          | -               | 23,045            | -                                | -                                       | -   | 23,045   |
| Capital reserve arising on account of merger (refer note 52)                      | -                   | -                          | 60,306          | -                 | -                                | -                                       | -   | 60,306   |
| Shares issued on account of merger (refer note 52)                                | -                   | -                          | -               | -                 | -                                | (27,000)                                | -   | (27,000) |
| Share issue expenses  | (64)                | -                          | -               | -                 | -                                | -                                       | -   | (64)     |
| Compensation cost related to employee share based payment plans (refer note 43)   | -                   | -                          | -               | -                 | 68                               | -                                       | -   | 68       |
| Cross charge from ultimate holding company for employee share based payment plans | -                   | -                          | -               | -                 | (9)                              | -                                       | -   | (9)      |
| As at March 31, 2024  | 110,950             | 337                        | 60,306          | 107,432           | 251                              | -                                       | 112   | 279,388  |

Summary of material 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  
 Orkla India Private Limited (formerly MTR Foods Private Limited)  
 CIN: U15136KA1996PTC021007

Atle Vidar Nagel Johansen  
 Chairman  
 DIN: 01361367

Suniana Calapa  
 Chief Financial Officer

Sunil Kumar  
 Director & Chief Executive Officer  
 DIN: 02581107

Ragee Raju  
 Company Secretary  
 Membership no: F11322

Place: Bengaluru  
 Date: September 10, 2024

Place: Kochi  
 Date: September 10, 2024

**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Standalone Cash Flow Statement for the year ended March 31, 2024**  
**(All amounts are in Indian Rupees Lakhs, unless stated otherwise)**  
**CIN: U15136KA1996PTC021007**

|   | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------|-------------------------|-------------------------|
| <b>A. Cash flows from operating activities</b>  |       |                         |                         |
| Profit before tax   |       | 30,329                  | 25,631                  |
| <b>Adjustments to reconcile profit before tax to net cash flows:</b>  |       |                         |                         |
| Share based payment expenses (refer note 43)  |       | 59                      | 48                      |
| Depreciation of property, plant and equipment   |       | 4,214                   | 3,695                   |
| Amortisation of intangible assets   |       | 1,144                   | 1,037                   |
| Depreciation on right-of-use assets   |       | 812                     | 763                     |
| Interest expense - others   |       | 26                      | 2,043                   |
| Interest expense - lease liabilities  |       | 551                     | 549                     |
| Provision for doubtful debts and advances   |       | (117)                   | 165                     |
| Interest on government grants   |       | 19                      | 19                      |
| Advance written off   |       | -                       | 5                       |
| Expense settled through transfer of assets  |       | -                       | 15                      |
| Unwinding of security deposit   |       | (29)                    | (27)                    |
| Gain on termination/modification of right-of-use assets   |       | -                       | (10)                    |
| Rental income   |       | (2)                     | (3)                     |
| Profit on sale of current investments (net)   |       | (1,048)                 | (1,325)                 |
| Fair value gain on financial instruments at fair value through profit and loss (net)                                      |       | (441)                   | (412)                   |
| Liabilities no longer required written back   |       | (15)                    | (27)                    |
| Loss on sale of property plant and equipment  |       | 5                       | 32                      |
| Write back of advance from customers  |       | -                       | (12)                    |
| Interest income   |       | (890)                   | (100)                   |
| Unrealised foreign exchange gain (net)  |       | (163)                   | (60)                    |
| <b>Operating profit before working capital changes</b>  |       | <b>34,454</b>           | <b>32,026</b>           |
| <b>Movements in working capital:</b>  |       |                         |                         |
| (Increase) in trade receivables   |       | (5,032)                 | (1,773)                 |
| Decrease/(increase) in inventories  |       | 5,284                   | (4,034)                 |
| (Increase) in financial assets and other assets   |       | (4,152)                 | (3,126)                 |
| Increase/(decrease) in trade payable  |       | 4,998                   | (3,145)                 |
| Increase in financial liabilities and other liabilities   |       | 1,572                   | 7,453                   |
| Increase/(decrease) in provisions   |       | 316                     | (1,060)                 |
| <b>Cash generated from operations</b>   |       | <b>37,440</b>           | <b>26,341</b>           |
| Direct tax paid (net)   |       | (8,061)                 | (7,576)                 |
| <b>Net cash from operating activities (A)</b>   |       | <b>29,379</b>           | <b>18,765</b>           |
| <b>B. Cash flows from investing activities</b>  |       |                         |                         |
| Purchase of property, plant and equipment and intangible assets (including capital work in progress and capital advances) |       | (3,912)                 | (7,930)                 |
| Proceeds from sale of property, plant and equipment   |       | 98                      | 151                     |
| Purchase of units of mutual funds   |       | (76,599)                | (61,354)                |
| Proceeds from sale of units of mutual funds   |       | 71,866                  | 57,811                  |
| Repayment of loan by subsidiary company   |       | 240                     | 180                     |
| Investment in deposits with bank and margin money deposits with original maturity more than 3 months (net)                |       | (12,400)                | (5,027)                 |
| Investment in deposits with financial institutions  |       | (2,500)                 | -                       |
| Investment in shares of associates  |       | (504)                   | (199)                   |
| Interest received   |       | 315                     | 67                      |
| Rent received   |       | 2                       | 3                       |
| <b>Net cash used in investing activities (B)</b>  |       | <b>(23,394)</b>         | <b>(16,298)</b>         |



**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Standalone Cash Flow Statement for the year ended March 31, 2024**  
 (All amounts are in Indian Rupees Lakhs, unless stated otherwise)  
 CIN: U15136KA1996PTC021007

|  | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| <b>C. Cash flows from financing activities</b>           |       |                         |                         |
| Proceeds from short term borrowings                      |       | -                       | 3,100                   |
| Repayment of short term borrowings                       |       | (3,100)                 | (2,500)                 |
| Interest paid  |       | (40)                    | (326)                   |
| Payment of principal portion of lease liabilities        |       | (677)                   | (568)                   |
| Interest on lease liabilities paid                       |       | (551)                   | (549)                   |
| Repayment of long-term borrowings                        |       | (22)                    | (637)                   |
| Share issue expenses                                     |       | (64)                    | -                       |
| <b>Net cash used in financing activities (C)</b>         |       | <b>(4,454)</b>          | <b>(1,480)</b>          |
| <b>Net increase in cash and cash equivalents (A+B+C)</b> |       | <b>1,531</b>            | <b>987</b>              |
| Cash and cash equivalents at the beginning of the year   |       | 2,399                   | 1,412                   |
| <b>Cash and cash equivalents at the end of the year</b>  |       | <b>3,930</b>            | <b>2,399</b>            |
| <b>Components of cash and cash equivalents</b>           |       |                         |                         |
| Balances with banks:                                     |       |                         |                         |
| On current accounts                                      |       | 3,924                   | 2,393                   |
| Cash on hand   |       | 6                       | 6                       |
| <b>Total cash and cash equivalents (refer note 14)</b>   |       | <b>3,930</b>            | <b>2,399</b>            |

Summary of material 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**

**Orkla India Private Limited (formerly MTR Foods Private Limited)**

CIN: U15136KA1996PTC021007

\*

  
 Atle Vidar Nagel Johansen  
 Chairman  
 DIN: 01361367

  
 Sanjay Sharma  
 Director & Chief Executive Officer  
 DIN: 02581107

  
 Suniana Calapa  
 Chief Financial Officer

  
 Ragee Raju  
 Company Secretary  
 Membership no: F11322

Place: Bengaluru

Date: September 10, 2024

Place: Kochi

Date: September 10, 2024

## 1. Corporate Information

Orkla India Private Limited [formerly MTR Foods Private Limited] (“the Company”) [CIN No. U15136KA1996PTC021007] was incorporated at Bangalore in 1996 under the Companies Act, 1956, and is engaged in the manufacture and sale of instant food mixes, spices, masalas and blended curry powders made of spices, ready-to-eat food products, vermicelli, confectionery, beverages, coffee and 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 registered office of the Company is No. 1, 2<sup>nd</sup> and 3<sup>rd</sup> Floor, 100 Feet inner ring road, Ashwini layout, Ejipura, Bengaluru – 560047, Karnataka.

The Company is headquartered in Bengaluru and has its manufacturing facilities in Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Rajasthan, and warehouses 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 10, 2024.

## 2. Material 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 standalone financial statements are presented in Indian Rupees lakhs and all values are rounded to the nearest lakhs (Rs. 00,000), except when otherwise indicated. Certain numbers in the notes and disclosures in the standalone financial statements have been presented as zero (“0”), where the absolute amount is below Rs. 50,000 (“fifty thousand”).

### 2.2 Summary of material 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.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 standalone financial statements are presented in Indian Rupees lakhs ('Rs. 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.

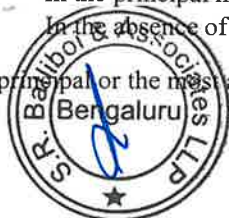
#### **(c) Fair value measurement**

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.



**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Notes to standalone financial statements for the year ended March 31, 2024**  
**(All amounts are in Indian Rupees Lakhs unless otherwise stated)**  
**CIN No: U15136KA1996PTC021007**

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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.

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 2.3, 5, 48 and 49.
- (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), 4(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.

- **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 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).

**(ii) 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.

**(iii) 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.



**(iv) 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.

**(v) 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.

**(vi) 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.

**(vii) Dividend Income**

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

**(viii) 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.

**(ix) 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.



**(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 (GST) 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.



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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.

| <b>Particulars</b>          | <b>Useful life used by the management (in years)</b> |
|-----------------------------|--|
| 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**

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.



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

| <b>Assets</b>        | <b>Useful life (in years)</b> |
|----------------------|-------------------------------|
| 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 standalone 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 standalone 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 group 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.

**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:

| <b>Category of assets</b> | <b>Estimated useful life</b> |
|---------------------------|------------------------------|
| 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.

**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.

**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.

**(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 stock-in-trade 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 stock-in-trade 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 post-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.



For assets excluding goodwill, 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. An impairment loss recognised for goodwill is not reversed in subsequent periods.

#### **(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.



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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, associate and joint venture 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:

| <b>Original classification</b> | <b>Revised classification</b> | <b>Accounting treatment</b>   |
|--------------------------------|-------------------------------|---|
| 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. |



| <b>Original classification</b> | <b>Revised classification</b> | <b>Accounting treatment</b>   |
|--------------------------------|-------------------------------|---|
| 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.

#### **(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, associate and joint venture**

A subsidiary is an entity that is controlled by another entity.

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 control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in subsidiary, associate and joint venture 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 Executive Officer (CEO) is the Chief Operating Decision Maker (CODM) who 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 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) Impairment of non-financial assets**

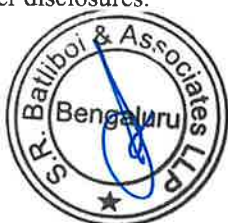
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in note 5.

**(f) Share based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black and Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 43.

**(g) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 48 for further disclosures.



**(h) 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.

**(i) 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.

**(j) 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**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

**(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 had no impact on the Company's standalone 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 have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

**(iii) Deferred tax related to assets and liabilities arising from a single transaction - Amendments to Ind AS**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

**2.5 Standards notified but not effective**

There are no standards that are notified and not yet effective as on the date.



3(a) Property, plant and equipment

|   | Land   | Buildings<br>[on freehold land] | Buildings<br>[on leasehold land] | Leasehold<br>Improvements | Plant and<br>Machinery | Office Equipment | Electrical Fittings | Furniture and<br>Fixtures | Vehicles | Windmill | Total  |
|---|--------|---------------------------------|----------------------------------|---------------------------|------------------------|------------------|---------------------|---------------------------|----------|----------|--------|
| <b>Gross block</b>                        |        |                                 |                                  |                           |                        |                  |                     |                           |          |          |        |
| As at April 1, 2022                       | 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 |
| Additions                                 | -      | -                               | 56                               | 266                       | 7,796                  | 384              | 44                  | 78                        | 46       | -        | 8,741  |
| Disposals                                 | -      | -                               | (2)                              | -                         | (58)                   | (11)             | -                   | (1)                       | (217)    | -        | (289)  |
| Transfer to asset held for sale           | -      | -                               | -                                | -                         | (1)                    | -                | -                   | -                         | -        | -        | (1)    |
| At March 31, 2024                         | 12,281 | 12,413                          | 613                              | 363                       | 26,814                 | 1,510            | 815                 | 854                       | 840      | 635      | 57,138 |
| <b>Depreciation and impairment</b>        |        |                                 |                                  |                           |                        |                  |                     |                           |          |          |        |
| As at April 1, 2022                       | -      | 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)                      | -        | -        | (148)  |
| At March 31, 2023                         | -      | 1,842                           | 92                               | 41                        | 8,853                  | 578              | 381                 | 334                       | 256      | 174      | 12,551 |
| Depreciation for the year (refer note 35) | -      | 635                             | 46                               | 26                        | 2,786                  | 273              | 89                  | 109                       | 160      | 90       | 4,214  |
| Disposals                                 | -      | (0)                             | -                                | -                         | (38)                   | (10)             | -                   | (1)                       | (152)    | -        | (201)  |
| Transfer to asset held for sale           | -      | -                               | -                                | -                         | (1)                    | -                | -                   | -                         | -        | -        | (1)    |
| At March 31, 2024                         | -      | 2,477                           | 138                              | 67                        | 11,600                 | 841              | 470                 | 442                       | 264      | 264      | 16,563 |
| <b>Net carrying value as at:</b>          |        |                                 |                                  |                           |                        |                  |                     |                           |          |          |        |
| At March 31, 2023                         | 12,281 | 10,502                          | 465                              | 56                        | 10,224                 | 559              | 390                 | 443                       | 755      | 461      | 36,136 |
| At March 31, 2024                         | 12,281 | 9,936                           | 475                              | 296                       | 15,214                 | 669              | 345                 | 412                       | 576      | 371      | 40,575 |

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, 2024

| 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 | 14,947               | Eastern Conditms Private limited (ECPPL) [Erstwhile Subsidiary] | No  | September 01, 2023             | 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. |
| Property, plant & equipment             | Land (freehold) and buildings               | 10,360               | MTR Foods Private Limited [Erstwhile name of the Company]       | No  | January 04, 2024               | The legal name of the Company has been changed during the year ended March 31, 2024. The land and building are held in the erstwhile name of the Company.                                   |

(iii) The Company purchased a land situated at Edepally from a bank through auction during the year ended March 31, 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 of a plot of area of 10.360 acres of land. The purchase price of Rs:377. Mr. Navas M. Meeran (CEO and Director of ECPPL, 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 for the purchase of the land is subject to the condition that the entire fee 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, 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

|                     |         |
|---------------------|---------|
| As at April 1, 2022 | 308     |
| Additions           | 7,313   |
| Capitalised         | (232)   |
| At March 31, 2023   | 7,389   |
| Additions           | 1,129   |
| Capitalised         | (8,091) |
| Disposal            | (65)    |
| At March 31, 2024   | 362     |

Capital work in progress (CWIP) ageing schedule

| Particulars                    | As at March 31, 2024           |           |           |                   | Total      |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|------------|
|                                | Amount in CWIP for a period of |           |           |                   |            |
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |            |
| Projects in progress           | 276                            | 42        | -         | -                 | 318        |
| Projects temporarily suspended | -                              | 27        | -         | 17                | 44         |
| <b>Total</b>                   | <b>276</b>                     | <b>69</b> | <b>-</b>  | <b>17</b>         | <b>362</b> |

| Particulars                    | As at March 31, 2023           |            |           |                   | Total        |
|--------------------------------|--------------------------------|------------|-----------|-------------------|--------------|
|                                | Amount in CWIP for a period of |            |           |                   |              |
|                                | 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          |
| <b>Total</b>                   | <b>7,267</b>                   | <b>100</b> | <b>4</b>  | <b>18</b>         | <b>7,389</b> |

Details of projects overdue to its original plan:

| Particulars            | As at March 31, 2024 |           |           |                   | Total      |
|------------------------|----------------------|-----------|-----------|-------------------|------------|
|                        | To be completed in   |           |           |                   |            |
|                        | Less than 1 year     | 1-2 years | 2-3 years | More than 3 years |            |
| Factory, Bengaluru     | 182                  | 30        | -         | -                 | 212        |
| Factory, Kittur        | -                    | 5         | -         | -                 | 5          |
| Factory, Guntur        | 5                    | -         | -         | -                 | 5          |
| Factory, Kothamangalam | -                    | 10        | -         | -                 | 10         |
| <b>Total</b>           | <b>187</b>           | <b>45</b> | <b>-</b>  | <b>-</b>          | <b>232</b> |

| Particulars                 | As at March 31, 2023 |           |           |                   | Total        |
|-----------------------------|----------------------|-----------|-----------|-------------------|--------------|
|                             | To be completed in   |           |           |                   |              |
|                             | 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, Kothamangalam      | 2                    | -         | -         | -                 | 2            |
| <b>Total</b>                | <b>2,166</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>2,166</b> |

As at March 31, 2024 and March 31, 2023, 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<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| At the beginning of the year                           | 4,556                   | 4,544                   |
| Additions  | 718                     | 773                     |
| Depreciation (refer note 35)                           | (812)                   | (763)                   |
| Deletions  | -                       | (45)                    |
| Adjustments due to modification [refer note (i) below] | -                       | 47                      |
| <b>At the end of the year</b>                          | <b>4,462</b>            | <b>4,556</b>            |

4(b) Lease liabilities

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| At the beginning of the year                          | 5,921                   | 5,756                   |
| Additions   | 666                     | 741                     |
| Retirements   | -                       | (55)                    |
| Interest expense on lease liabilities (refer note 36) | 551                     | 549                     |
| Payments  | (1,228)                 | (1,117)                 |
| Adjustment due to modification [refer note (i) below] | -                       | 47                      |
| <b>At the end of the year</b>                         | <b>5,910</b>            | <b>5,921</b>            |

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<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------|-------------------------|-------------------------|
| Non-current | 5,141                   | 5,215                   |
| Current     | 769                     | 706                     |

The following are the amounts recognised in profit and loss :

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Gain on termination/modification of right-of-use assets (refer note 30)            | -                                    | 10                                   |
| Depreciation expense of right-of-use assets (refer note 35)                        | 812                                  | 763                                  |
| Interest expense on lease liabilities (refer note 36)                              | 551                                  | 549                                  |
| Expense relating to short-term leases (included in other expenses & staff welfare) | 1,013                                | 854                                  |
| Expense relating to leases of low value assets (included in other expenses)        | 33                                   | 108                                  |

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

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5 Intangible assets

|   | Goodwill<br>[refer note (i)] | Trademarks and<br>Brands<br>[refer note (i)] | Distribution<br>Network | Recipes | Computer<br>Software | Total  |
|---|------------------------------|--|-------------------------|---------|----------------------|--------|
| <b>Gross block</b>                        |                              |  |                         |         |                      |        |
| As at April 1, 2022                       | 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 |
| Additions                                 | -                            | -  | -                       | -       | 1,057                | 1,057  |
| Disposals                                 | -                            | -  | -                       | -       | -                    | -      |
| At March 31, 2024                         | 98,636                       | 57,311                                       | 3,680                   | 5       | 1,925                | 62,921 |
| <b>Amortisation</b>                       |                              |  |                         |         |                      |        |
| As at April 1, 2022                       | -                            | 9  | 920                     | 3       | 600                  | 1,532  |
| Amortisation for the year (refer note 35) | -                            | 0  | 920                     | 0       | 117                  | 1,037  |
| Disposals                                 | -                            | -  | -                       | -       | -                    | -      |
| At March 31, 2023                         | -                            | 9  | 1,840                   | 3       | 717                  | 2,569  |
| Amortisation for the year (refer note 35) | -                            | 0  | 920                     | 0       | 224                  | 1,144  |
| Disposals                                 | -                            | -  | -                       | -       | -                    | -      |
| At March 31, 2024                         | -                            | 9  | 2,760                   | 3       | 941                  | 3,713  |
| <b>Net carrying value as at:</b>          |                              |  |                         |         |                      |        |
| At March 31, 2023                         | 98,636                       | 57,302                                       | 1,840                   | 2       | 151                  | 59,295 |
| At March 31, 2024                         | 98,636                       | 57,302                                       | 920                     | 2       | 984                  | 59,208 |

**Note:**

(i) The Company has recognised goodwill of Rs. 98,636 and Trademarks & Brands amounting to Rs. 57,300 on acquisition of ECPL. 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.

For impairment testing, goodwill and brands and trade marks with indefinite life acquired through business combinations has been allocated to Eastern CGU.

The recoverable amount of the Eastern CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management for calendar year 2024 to 2028 covering a five year period. The post-tax discount rate applied to cash flow projections for impairment testing during the current year is 12% (March 31, 2023: 12%) and cash flows beyond the five-year period are extrapolated using a 5.0% growth rate (March 31, 2023: EBITDA multiple - 19) that is the same as the long-term average growth rate for the industry.

**Key assumptions used for value in use calculations and sensitivity to changes in assumptions**

The calculation of value in use is most sensitive to the following assumptions:

- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

**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 the Company is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

**Growth rate** - In assessing the impairment of our Cash Generating Units (CGUs), we have applied a growth rate of 5% to extrapolate the cash flows. This rate reflects both the segment's historical performance and our expectations for sustainable future growth in a competitive market. The growth rate is integral to the discounted cash flow models, which inform the recoverable amount of the CGUs against their carrying values.

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6 Investments

6(a) Non-current investments

Investment in subsidiaries, associate and joint venture

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>In subsidiaries (at cost unless stated otherwise):</b>   |                         |                         |
| <b>Unquoted equity shares:</b>  |                         |                         |
| 50,000 (March 31, 2023: 50,000) Equity shares of Rs. 10 each fully paid-up in Rasoi Magic Foods (India) Private Limited                       | 2,707                   | 2,707                   |
| 20,00,000 (March 31, 2023: 20,00,000) Equity shares of Rs. 10 each fully paid-up in BAM'S Condiments Impex Private Limited                    | 200                     | 200                     |
| Less: Provision for impairment  | (200)                   | (200)                   |
| 1,00,000 (March 31, 2023: 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)                    |
| <b>(A)</b>  | <b>2,707</b>            | <b>2,707</b>            |
| <b>In associate (at cost unless stated otherwise):</b>  |                         |                         |
| <b>Unquoted equity shares:</b>  |                         |                         |
| 4,271 (March 31, 2023: 3,732) Equity shares of Rs. 10 each fully paid-up in Pot Ful India Private Limited [refer note (i) below]              | 2,020                   | 1,516                   |
| <b>(B)</b>  | <b>2,020</b>            | <b>1,516</b>            |
| <b>In joint venture (at cost unless stated otherwise):</b>  |                         |                         |
| <b>Unquoted equity shares:</b>  |                         |                         |
| 2,500 (March 31, 2023: 2,500) equity shares of UAE Dirhams 1,000 each fully paid-up in Eastern Condiments Middle East & North Africa FZC, UAE | 739                     | 739                     |
| <b>(C)</b>  | <b>739</b>              | <b>739</b>              |
| <b>Total</b>  | <b>(A+B+C)</b>          | <b>5,466</b>            |
|   | <b>5,466</b>            | <b>4,962</b>            |

6(b) Other investments (at fair value through other comprehensive income):

Unquoted equity instruments:

|   |          |          |
|---|----------|----------|
| 1,403 (March 31, 2023: 1,403) Equity shares of Rs. 10 each fully paid-up in Firmroots Private Limited [refer note (ii) below] | -        | -        |
| <b>Total</b>  | <b>-</b> | <b>-</b> |

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

Quoted mutual funds:

|  |               |               |
|--|---------------|---------------|
| Aditya Birla Sun Life Liquid Fund<br>3,828,858 units (March 31, 2023: 2,795,729 units)                                       | 14,914        | 10,152        |
| ICICI Prudential Liquid Fund<br>4,142,242 units (March 31, 2023: 3,041,612 units)  | 14,801        | 10,135        |
| Aditya Birla Sun Life Liquid Fund - Growth direct plan<br>Nil units (March 31, 2023: 231,745 units) [refer note (iii) below] | -             | 1,590         |
| ICICI Prudential Ultra Short Term Fund - Growth<br>Nil units (March 31, 2023: 249,545 units) [refer note (iii) below]        | -             | 1,581         |
| <b>Total</b>   | <b>29,715</b> | <b>23,458</b> |

Note:

|  |        |        |
|--|--------|--------|
| Aggregate book value of quoted investments             | 29,715 | 23,458 |
| Aggregate book value of unquoted investments           | 5,466  | 4,962  |
| Aggregate amount of impairment in value of investments | 210    | 210    |

Note:

- i) 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. Further, during the year ended March 31, 2024, the Company additionally subscribed to 539 equity shares resulting in 30.47% shareholding in Pot Ful.
- ii) 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. The balance shareholding in FPL after the sale was 5.54% resulting into FPL ceasing to be an associate of the Company w.e.f. December 24, 2020. Accordingly, investments in FPL was 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, 2024 to be Rs. Nil (March 31, 2023: Rs. Nil).
- iii) Units amounting to Rs. 1,500 (750 relating to each fund) are not allotted as at March 31, 2023 (March 31, 2024: Nil)

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**7 Non current - loans**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>At amortised cost</b>  |                         |                         |
| Loans to employees  | 61                      | 67                      |
| Loans to related parties (refer note (i) below)                   | -                       | 500                     |
|   | <b>61</b>               | <b>567</b>              |
| <b>Sub-classification of loans:</b>                               |                         |                         |
| Loan receivables considered good - secured                        | -                       | -                       |
| Loan receivables considered good - unsecured                      | 61                      | 567                     |
| Loan receivables - which have significant increase in credit risk | -                       | -                       |
| Loan receivables - credit impaired                                | -                       | -                       |
|   | <b>61</b>               | <b>567</b>              |
| <b>Note:</b>  |                         |                         |
| i) Loans to related parties comprise of the following             |                         |                         |
| Potful India Private Limited (Associate)                          | -                       | 500                     |

(i) The Company has given a loan to Potful 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. Subsequent to March 31, 2024, in the board meeting held on June 11, 2024, the Company has passed resolution to extend the period of loan till March 2025. Refer note 13.

**8 Other non-current financial assets**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>At amortised cost</b>                               |                         |                         |
| <b>Unsecured - considered good</b>                     |                         |                         |
| Security deposits for leased premises                  | 368                     | 383                     |
| Other deposits   | 327                     | 322                     |
| Margin money deposits with bank [refer note (i) below] | 1                       | 132                     |
|  | <b>696</b>              | <b>837</b>              |

**Note:**

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

**9 Other non-current assets**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Unsecured - considered good</b>             |                         |                         |
| Capital advances                               | 520                     | 499                     |
| Prepaid expenses                               | 57                      | 23                      |
| Balances with statutory/government authorities | 355                     | 207                     |
|  | <b>932</b>              | <b>729</b>              |

**10 Income tax assets**

|                                 | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Advance tax (net of provisions) | 10,235                  | 8,072                   |
|                                 | <b>10,235</b>           | <b>8,072</b>            |

**11 Inventories**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>At lower of cost and net realisable value</b>                             |                         |                         |
| Raw materials  | 15,161                  | 21,818                  |
| Packing materials  | 1,579                   | 1,838                   |
| Work-in-progress   | 4,040                   | 3,380                   |
| Finished goods [includes goods-in-transit Rs. 335 (March 31, 2023: Rs. 235)] | 7,025                   | 6,455                   |
| Traded goods   | 839                     | 616                     |
| Stores, spares and consumables   | 867                     | 689                     |
|  | <b>29,511</b>           | <b>34,796</b>           |

As at March 31, 2024 Rs. 879 (March 31, 2023 Rs. 725) was recognised as provision towards slow moving inventories.

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12 Trade receivables

Trade receivables include:

Receivable from related parties (refer note 46)  
Receivable from others

Break-up for security details:

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

Less: Allowance for expected credit loss

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Receivable from related parties (refer note 46)                    | -                       | 50                      |
| Receivable from others   | 16,852                  | 11,499                  |
| <b>Total</b>   | <b>16,852</b>           | <b>11,549</b>           |
| Trade receivables considered good - secured                        | -                       | -                       |
| Trade receivables considered good - unsecured                      | 16,852                  | 11,549                  |
| Trade receivables - which have significant increase in credit risk | -                       | -                       |
| Trade receivables - credit impaired                                | 690                     | 807                     |
|  | 17,542                  | 12,356                  |
| Less: Allowance for expected credit loss                           | (690)                   | (807)                   |
| <b>Total</b>   | <b>16,852</b>           | <b>11,549</b>           |

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 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, 2024  | 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                                | 6,152               | 9,921  | 642               | 74         | 63        | -                 | 16,852        |
| Undisputed trade receivables - which have significant increase in credit risk | -                   | -  | -                 | -          | -         | -                 | -             |
| Undisputed trade receivable - credit impaired                                 | -                   | 99   | 377               | 45         | 23        | 99                | 643           |
| Disputed trade receivables - considered good                                  | -                   | -  | -                 | -          | -         | -                 | -             |
| Disputed trade receivables - which have significant increase in credit risk   | -                   | -  | -                 | -          | -         | -                 | -             |
| Disputed trade receivables - credit impaired                                  | -                   | -  | -                 | -          | -         | 47                | 47            |
| <b>Total</b>  | <b>6,152</b>        | <b>10,020</b>  | <b>1,019</b>      | <b>119</b> | <b>86</b> | <b>146</b>        | <b>17,542</b> |

| 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            |
| <b>Total</b>  | <b>7,388</b>        | <b>4,055</b>   | <b>249</b>        | <b>120</b> | <b>52</b> | <b>492</b>        | <b>12,356</b> |

13 Current financial assets- loans

At amortised cost

Loans to employees  
Loans to related parties [refer note (i) below and note 7(i)]

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

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Loans to employees  | 275                     | 223                     |
| Loans to related parties [refer note (i) below and note 7(i)]     | 630                     | 370                     |
| <b>Total</b>  | <b>905</b>              | <b>593</b>              |
| Loan receivables considered good - secured                        | -                       | -                       |
| Loan receivables considered good - unsecured                      | 905                     | 593                     |
| Loan receivables - which have significant increase in credit risk | -                       | -                       |
| Loan receivables - credit impaired                                | -                       | -                       |
| <b>Total</b>  | <b>905</b>              | <b>593</b>              |

i) Loans to related parties comprise of the following:

- Rasoi Magic Foods (India) Private Limited (Subsidiary)
- PotFul India Private Limited (Associate)

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, 2024  |   | As at March 31, 2023  |   |
|---|---|---|---|---|
|   | 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) | 130   | 13%   | 370   | 32%   |
| <b>Total</b>                                | <b>130</b>  | <b>13%</b>  | <b>370</b>  | <b>32%</b>  |



#### 14 Cash and cash equivalents

|                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----------------------|-------------------------|-------------------------|
| Balances with banks: |                         |                         |
| On current accounts* | 3,924                   | 2,393                   |
| Cash on hand         | 6                       | 6                       |
|                      | <b>3,930</b>            | <b>2,399</b>            |

\*Includes Rs. 135 as at March 31, 2024 (March 31, 2023: 125) earmarked towards CSR. Refer note 40.

As at March 31, 2024, the Company had undrawn borrowing facilities of Rs.10,414 (March 31, 2023: Rs. 10,155).

#### 15 Bank balances other than above

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Bank deposits (with original maturity of more than 3 months and less than 12 months) | 7,500                   | 5,000                   |
|  | <b>7,500</b>            | <b>5,000</b>            |

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

|                             | As at<br>April 1, 2023 | Cash flows (net) | Non-cash changes          |            | As at<br>March 31, 2024 |
|-----------------------------|------------------------|------------------|---------------------------|------------|-------------------------|
|                             |                        |                  | Fair Value<br>adjustments | Others     |                         |
| <b>Investing activities</b> |                        |                  |                           |            |                         |
| Right-of-use assets         | 4,556                  | -                | -                         | (94)       | 4,462                   |
| Non-current investments     | 4,962                  | 504              | -                         | -          | 5,466                   |
| Current investments         | 23,458                 | 4,733            | 476                       | 1,048      | 29,715                  |
| <b>Total</b>                | <b>32,976</b>          | <b>5,237</b>     | <b>476</b>                | <b>954</b> | <b>39,643</b>           |

|   | As at<br>April 1, 2022 | Cash flows (net) | Non-cash changes          |                 | As at<br>March 31, 2023 |
|---|------------------------|------------------|---------------------------|-----------------|-------------------------|
|   |                        |                  | Fair Value<br>adjustments | Others          |                         |
| <b>Financing activities</b>   |                        |                  |                           |                 |                         |
| Non-current borrowings (including current maturities of long-term borrowings shown under current borrowing) | 399                    | (22)             | -                         | -               | 377                     |
| Current borrowings  | 3,100                  | (3,100)          | -                         | -               | -                       |
| Lease liabilities   | 5,921                  | (1,228)          | -                         | 1,217           | 5,910                   |
| Liability on account of forward commitment (refer note 52)  | 33,802                 | -                | -                         | (33,442)        | 360                     |
| <b>Total</b>  | <b>43,222</b>          | <b>(4,350)</b>   | <b>-</b>                  | <b>(32,225)</b> | <b>6,647</b>            |

|                             | As at<br>April 1, 2022 | Cash flows (net) | Non-cash changes          |              | As at<br>March 31, 2023 |
|-----------------------------|------------------------|------------------|---------------------------|--------------|-------------------------|
|                             |                        |                  | Fair Value<br>adjustments | Others       |                         |
| <b>Investing activities</b> |                        |                  |                           |              |                         |
| Right-of-use assets         | 4,544                  | -                | -                         | 12           | 4,556                   |
| Non-current investments     | 4,763                  | 199              | -                         | -            | 4,962                   |
| Current investments         | 18,189                 | 3,543            | 401                       | 1,325        | 23,458                  |
| <b>Total</b>                | <b>27,496</b>          | <b>3,742</b>     | <b>401</b>                | <b>1,337</b> | <b>32,976</b>           |

|   | As at<br>April 1, 2022 | Cash flows (net) | Non-cash changes          |              | As at<br>March 31, 2023 |
|---|------------------------|------------------|---------------------------|--------------|-------------------------|
|   |                        |                  | Fair Value<br>adjustments | Others       |                         |
| <b>Financing activities</b>   |                        |                  |                           |              |                         |
| 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                   |
| Liability on account of forward commitment (refer note 52)  | 32,106                 | -                | -                         | 1,696        | 33,802                  |
| <b>Total</b>  | <b>41,398</b>          | <b>(1,154)</b>   | <b>-</b>                  | <b>2,978</b> | <b>43,222</b>           |

#### 16 Other financial assets - current

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>At amortised cost</b>   |                         |                         |
| <b>Unsecured - considered good</b>   |                         |                         |
| Security deposits for leased premises  | 193                     | 119                     |
| Bank deposits (with original maturity of more than 12 months and having remaining maturity of less than 12 months) | 10,000                  | -                       |
| Deposit with financial institutions  | 2,500                   | -                       |
| Margin money deposits (refer note (i) below)   | 31                      | -                       |
| Other deposits   | -                       | 40                      |
| Interest accrued on loans & deposits   | 618                     | 43                      |
| Advance to employees   | 4                       | 16                      |
| Receivable from spices board [refer note (ii) below]   | 358                     | 358                     |
| Insurance claim receivable [refer note (iii) below]  | 2,032                   | 2,032                   |
| Incentive receivable   | 3,998                   | 2,319                   |
| Other receivables  | 174                     | 343                     |
| <b>At fair value through profit and loss</b>   |                         |                         |
| Derivative asset (mark-to-market gains on derivative contracts)  | -                       | 25                      |
|  | <b>19,908</b>           | <b>5,295</b>            |

#### Note:

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

(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).

(iii) Pursuant to a fire incident on October 14, 2019, certain property, plant & equipment, 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 claim receivable) and the corresponding credit arising from insurance claim receivable has been presented on a net basis in these standalone financial statements. Further, during the previous year ended March 31, 2023, few damaged fixed assets part of the above, was sold by auctioning it. The auction was held under the presence of insurance authorities and the Company realised Rs. 215 from the sale. Accordingly, the current insurance claim receivable is recorded at Rs. 2,032.



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17 Other current assets

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Unsecured, considered good</b>                      |                         |                         |
| Prepaid expenses                                       | 907                     | 497                     |
| Receivables from LIC [refer note (i) below]            | 240                     | 99                      |
| Other receivables                                      | 168                     | -                       |
| <b>Balances with statutory/ government authorities</b> |                         |                         |
| Unsecured, considered good                             | 6,023                   | 4,354                   |
| Unsecured, considered doubtful                         | 150                     | 150                     |
| Less: provision for doubtful balances                  | 6,173                   | 4,504                   |
|  | (150)                   | (150)                   |
|  | 6,023                   | 4,354                   |
| <b>Advances recoverable in kind**</b>                  |                         |                         |
| Unsecured, considered good                             | 472                     | 703                     |
| Unsecured, considered doubtful                         | 18                      | 18                      |
| Less: provision for doubtful advances                  | 490                     | 721                     |
|  | (18)                    | (18)                    |
|  | 472                     | 703                     |
| Export incentive receivables                           | 505                     | 280                     |
| Property, plant and equipment held for sale            | 18                      | 33                      |
|  | <b>8,333</b>            | <b>5,966</b>            |

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

**Note:**

(i) The amount represents receivables from Life Insurance Corporation of India (LIC) towards the payment made by the Company on behalf of LIC to the employees resigned/retired.

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18 Share capital

a) Authorised share capital

Equity shares of Rs. 10 each  
As at the beginning of the year  
Increase during the year\*  
As at the end of the year

| As at March 31, 2024 |              | As at March 31, 2023 |              |
|----------------------|--------------|----------------------|--------------|
| No. of shares        | Amount       | No. of shares        | Amount       |
| 5,00,00,000          | 5,000        | 5,00,00,000          | 5,000        |
| 3,70,00,000          | 3,700        | -                    | -            |
| <b>8,70,00,000</b>   | <b>8,700</b> | <b>5,00,00,000</b>   | <b>5,000</b> |

Preference shares of Rs. 10 each  
As at the beginning of the year  
Increase during the year\*  
As at the end of the year

|                    |              |          |          |
|--------------------|--------------|----------|----------|
| -                  | -            | -        | -        |
| 2,20,00,000        | 2,200        | -        | -        |
| <b>2,20,00,000</b> | <b>2,200</b> | <b>-</b> | <b>-</b> |

\*Increase is on account of merger of Eastern Condiments Private Limited (ECPL) during the year with the Company. Refer note 52.

Issued, subscribed and paid-up equity share capital  
Equity shares of Rs.10 each fully paid up  
Total issued, subscribed and paid-up equity share capital

| As at March 31, 2024 |              | As at March 31, 2023 |              |
|----------------------|--------------|----------------------|--------------|
| No. of shares        | Amount       | No. of shares        | Amount       |
| 1,33,93,359          | 1,340        | 1,23,30,269          | 1,233        |
| <b>1,33,93,359</b>   | <b>1,340</b> | <b>1,23,30,269</b>   | <b>1,233</b> |

Issued, subscribed and paid-up preference share capital  
Redeemable Optionally Convertible Preference Shares (ROCPS) of Rs.10 each fully paid  
Total issued, subscribed and paid-up preference share capital

| As at March 31, 2024 |           | As at March 31, 2023 |          |
|----------------------|-----------|----------------------|----------|
| No. of shares        | Amount    | No. of shares        | Amount   |
| 3,05,564             | 30        | -                    | -        |
| <b>3,05,564</b>      | <b>30</b> | <b>-</b>             | <b>-</b> |

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

Equity shares of Rs.10 each  
As at the beginning of the year  
Add: Issued during the year (refer note 52)  
Add: ROCPS converted to equity shares (refer note 52)  
As at the end of the year

| As at March 31, 2024 |              | As at March 31, 2023 |              |
|----------------------|--------------|----------------------|--------------|
| No. of shares        | Amount       | No. of shares        | Amount       |
| 1,23,30,269          | 1,233        | 1,23,30,269          | 1,233        |
| 7,57,526             | 76           | -                    | -            |
| 3,05,564             | 31           | -                    | -            |
| <b>1,33,93,359</b>   | <b>1,340</b> | <b>1,23,30,269</b>   | <b>1,233</b> |

ROCPS of Rs. 10 each  
As at the beginning of the year  
Add: Issued during the year (refer note 52)  
Less: Converted to equity shares (refer note 52)  
As at the end of the year

| As at March 31, 2024 |           | As at March 31, 2023 |          |
|----------------------|-----------|----------------------|----------|
| No. of shares        | Amount    | Numbers              | Amount   |
| -                    | -         | -                    | -        |
| 6,11,128             | 61        | -                    | -        |
| (3,05,564)           | (31)      | -                    | -        |
| <b>3,05,564</b>      | <b>30</b> | <b>-</b>             | <b>-</b> |

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) Terms/ rights attached to ROCPS

i) The Company has issued 6,11,128 (31 March 2023: Nil) ROCPS. Each ROCPS shall be a redeemable optionally convertible preference share, having a face value of INR 10 (Rupees Ten). Out of the aforesaid ROCPS issued, 50% of the shares have been converted into equity shares in ratio of 1:1 during the month of March 2024.

ii) The holders of ROCPS shall be entitled to attend all general meetings of the Company and will be entitled to voting rights on an as-if converted basis. Each ROCPS will carry 1 (one) vote.

iii) The ROCPS shall carry a preferential right vis-a-vis the equity shares with respect to payment of dividend and the holders of ROCPS shall be paid dividend on a non-cumulative basis @ 0.001% (zero point zero zero one percent) or such other rate as may be approved by the board of the Company, provided if the board of the Company declares dividend on the equity shares, the ROCPS shall be entitled to dividend at the same rate.

iv) The ROCPS shall carry a preferential right with respect to repayment in case of a winding up of the Company, and shall be participating in the surplus funds, assets and profits of the Company, if any, which may remain on winding up after the entire capital has been repaid pari passu with equity shares.

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

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

(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company  
Equity shares of Rs. 10 each fully paid up  
(ii) Orkla Food Ingredients AS, Norway, an associate company  
Equity shares of Rs. 10 each fully paid up  
(iii) Orkla ASA, Norway, the ultimate holding company  
Equity shares of Rs. 10 each fully paid up

| As at March 31, 2024 |        | As at March 31, 2023 |        |
|----------------------|--------|----------------------|--------|
| Numbers              | Amount | Numbers              | Amount |
| 1,23,30,209          | 1,233  | 1,23,30,209          | 1,233  |
| -                    | -      | 60                   | 0      |
| 60                   | 0      | -                    | -      |



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f) Details of shares held by promoters

| As at March 31, 2024   |   |                        |                                     |                   |                          |
|--|---|------------------------|-------------------------------------|-------------------|--------------------------|
| 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<br>Equity shares of Rs. 10 each fully paid up | 1,23,30,209                               | -                      | 1,23,30,209                         | 92.06%            | -                        |
| (ii) Orkla Food Ingredients AS, Norway, an associate company<br>Equity shares of Rs. 10 each fully paid up             | 60  | (60)                   | -                                   | -                 | -100.00%                 |
| (iii) Orkla ASA, Norway, the ultimate holding company<br>Equity shares of Rs. 10 each fully paid up                    | -   | 60                     | 60                                  | 0.00%             | 100.00%                  |
| <b>Total</b>   | <b>1,23,30,269</b>                        | <b>-</b>               | <b>1,23,30,269</b>                  | <b>92.06%</b>     | <b>-</b>                 |

| 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<br>Equity shares of Rs. 10 each fully paid up | 1,23,30,209                               | -                      | 1,23,30,209                         | 100.00%           | -                        |
| (ii) Orkla Food Ingredients AS, Norway, an associate Company<br>Equity shares of Rs. 10 each fully paid up             | 60  | -                      | 60                                  | 0.00%             | -                        |
| <b>Total</b>   | <b>1,23,30,269</b>                        | <b>-</b>               | <b>1,23,30,269</b>                  | <b>100.00%</b>    | <b>-</b>                 |

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

|  | As at March 31, 2024 |           | As at March 31, 2023 |           |
|--|----------------------|-----------|----------------------|-----------|
|  | Numbers              | % holding | Numbers              | % holding |
| Equity shares of Rs.10 each fully paid up<br>Orkla Asia Pacific Pte Ltd, Singapore | 1,23,30,209          | 92.06%    | 1,23,30,209          | 100.00%   |
| ROCPS of Rs.10 each fully paid up<br>Navas Meeran                                  | 1,52,782             | 50.00%    | -                    | -         |
| Feroz Meeran   | 1,52,782             | 50.00%    | -                    | -         |

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.

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

|  | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Equity shares bought back by the Company | -                    | 13,73,731            |

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.

The Company has not bought back any preference shares during the period of five years immediately preceding the reporting date.

i) The company has not issued any bonus shares during the period of five years immediately preceding the reporting date.

j) Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

The Company has issued 757,526 equity shares and 611,128 ROCPS during the year for consideration other than cash on account of merger of ECPL with the Company. Refer note 52.

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19 Other equity

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital redemption reserve  | 337                     | 337                     |
| Retained earnings   | 1,07,432                | 84,387                  |
| Securities premium (Net of stamp duty on issue of shares of Rs.175) | 1,10,950                | 1,11,014                |
| Other equity (Share based payment)                                  | 251                     | 192                     |
| Other comprehensive income (Fair value gain on equity investment)   | 112                     | 112                     |
| Shares pending issuance   | -                       | 27,000                  |
| Capital reserve   | 60,306                  | -                       |
| <b>Total other equity</b>   | <b>2,79,388</b>         | <b>2,23,042</b>         |

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

A. Description, nature and purpose of reserves:

- i. **Capital redemption reserve:** The Company has bought back equity shares and as per the provisions of the Companies Act, 2013, the Company has created 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.
- ii. **Retained earnings:** It comprises of the accumulated profits/(loss) of the Company.
- iii. **Securities premium:** It represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- iv. **Other equity:** It comprises of the fair value of the share options granted to the employees of the Company by the ultimate holding company, Orkla ASA.
- v. **Other comprehensive income:** It represents the net fair value gain recorded on investment in equity instruments carried at fair value through other comprehensive income.
- vi. **Shares pending issuance:** It represents the reserve created towards the value of ROCPS to be issued to the promoters of Eastern Condiments Private Limited (ECPL) as per the scheme of merger.
- vii. **Capital reserve:** Includes Rs. 60,306 reserve created during the F.Y. 2023-24 on account of merger of Eastern Condiments Private Limited (ECPL) with the Company.

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20 Government grants

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Grant received for capital assets under Export Promotion Capital Goods (EPCG) scheme (refer note 45) | 107                     | 107                     |
|  | <u>107</u>              | <u>107</u>              |

Movement in liability is as follows:

|                          | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Opening balance          | 107                     | 107                     |
| Received during the year | -                       | -                       |
| Refunded                 | -                       | -                       |
| Closing balance          | <u>107</u>              | <u>107</u>              |
| Current                  | -                       | -                       |
| Non-current              | 107                     | 107                     |

21 Other non-current liabilities

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Interest on government grants (refer note 45) | 132                     | 112                     |
|   | <u>132</u>              | <u>112</u>              |

22 Borrowings

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>22(a) Non current</b>  |                         |                         |
| <b>From others (unsecured)</b>  |                         |                         |
| Loan from director of ECPL, erstwhile subsidiary [refer note (i) below] | 377                     | 377                     |
| <b>Total non current borrowings</b>                                     | <u>377</u>              | <u>377</u>              |
| <b>22(b) Current</b>  |                         |                         |
| <b>From banks</b>   |                         |                         |
| Short term loan from bank (unsecured) [refer note (ii) below]           | -                       | 3,100                   |
| <b>From financial institutions</b>                                      |                         |                         |
| Vehicle Loan (secured)  |                         |                         |
| Kotak Mahindra Prime Limited [refer note (iii) below]                   | -                       | 22                      |
| <b>Total current borrowings</b>   | <u>-</u>                | <u>3,122</u>            |

Details of security and terms of repayment

- i) **Loan from director of ECPL, erstwhile subsidiary:** Represents interest free unsecured loan from Mr. Navas M. Meeran, (CEO and Director of ECPL, erstwhile subsidiary) amounting to Rs. 377. Also refer note 3(a)(iii)
- ii) **Short term loan from bank:** The Company had availed a a short term loan of Rs. 3,100 during the previous year for a duration of less than 1 year repayable in April 2023 carrying floating interest rate range between 6.86% to 7.53% pa. The same has been repaid during the year.
- iii) **Kotak Mahindra Prime Limited:** Interest rate at 8.50% p.a. to 12.50%p.a. Repayable in Equated Monthly Instalments (EMI) 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, 2024.

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23 Deferred tax liability [net]

|                              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Deferred tax liability [net] | 9,024                   | 7,238                   |
|                              | <b>9,024</b>            | <b>7,238</b>            |

Deferred tax relates to the following

|   | Standalone balance sheet |                         | Standalone statement of profit and loss and OCI |                              |
|---|--------------------------|-------------------------|---|------------------------------|
|   | As at<br>March 31, 2024  | As at<br>March 31, 2023 | Year ended<br>March 31, 2024                    | Year ended<br>March 31, 2023 |
| 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 | (10,686)                 | (8,836)                 | (1,850)   | (9,060)                      |
| Employee retirement benefit expenditure and bonus payable charged to the statement of profit and loss account but allowed for tax purposes on payment basis             | 667                      | 769                     | (102)   | 164                          |
| Impact of Ind AS-116 ROU assets   | (1,123)                  | (1,146)                 | 23  | 8                            |
| Impact of Ind AS-116 lease liabilities  | 1,487                    | 1,490                   | (3)   | (44)                         |
| Other timing differences  | 631                      | 485                     | 146   | 68                           |
| <b>Net deferred tax liabilities</b>   | <b>(9,024)</b>           | <b>(7,238)</b>          | <b>(1,786)</b>                                  | <b>(8,864)</b>               |

Reconciliation of deferred tax liabilities (net)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year                              | (7,238)                 | (16,102)                |
| Tax income/(expense) during the year recognised in profit or loss | (1,567)                 | 8,797                   |
| Tax income/(expense) during the year recognised in OCI            | (219)                   | 67                      |
| <b>Balance at the end of the year</b>                             | <b>(9,024)</b>          | <b>(7,238)</b>          |

24 Trade payables

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Total outstanding dues of micro and small enterprises                       | 6,188                   | 3,822                   |
| Total outstanding dues of creditors other than micro and small enterprises* | 16,853                  | 14,246                  |
|   | <b>23,041</b>           | <b>18,068</b>           |

\* Includes payable to related parties (refer note 46)

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

Trade payable ageing schedule

As at March 31, 2024

|  | 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                      | 2,147         | 3,728               | 312  | -         | -         | 1                 | 6,188         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 12,045        | 3,106               | 1,652  | 21        | 5         | 19                | 16,848        |
| Disputed dues of micro enterprises and small enterprises                               | -             | -                   | -  | -         | -         | -                 | -             |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -             | -                   | -  | 2         | -         | 4                 | 6             |
| <b>Total</b>   | <b>14,192</b> | <b>6,834</b>        | <b>1,964</b>   | <b>23</b> | <b>5</b>  | <b>24</b>         | <b>23,042</b> |



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               | 272  | 3         | 8         | 5                 | 3,822         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,457        | 5,098               | 627  | 12        | 9         | 43                | 14,246        |
| Disputed dues of micro enterprises and small enterprises                               | -            | -                   | -  | -         | -         | -                 | -             |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -            | -                   | -  | -         | -         | -                 | -             |
| <b>Total</b>   | <b>8,566</b> | <b>8,523</b>        | <b>899</b>   | <b>15</b> | <b>17</b> | <b>48</b>         | <b>18,068</b> |

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

|   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| (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**   | 6,266                | 4,020                |
| Interest due on above   | 9                    | 9                    |
| (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   | 1,331                | 689                  |
| Interest  | 5                    | 2                    |
| (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                   |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.  | 9                    | 24                   |
| (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. | 153                  | 144                  |

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, 2024 to the extent of Rs. 78 (March 31, 2023: Rs.198)

25 Other financial liabilities

|   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>25(a) Other non current financial liabilities</b>                        |                      |                      |
| <b>At amortised cost</b>  |                      |                      |
| Payable to employees  | 790                  | 582                  |
|   | <b>790</b>           | <b>582</b>           |
| <b>25(b) Other current financial liabilities</b>                            |                      |                      |
| <b>At amortised cost</b>  |                      |                      |
| Interest accrued and due on borrowings                                      | -                    | 18                   |
| Payable to employees  | 4,177                | 3,577                |
| Payable for purchase of capital goods*                                      | 210                  | 1,330                |
| Deposits from suppliers   | 117                  | 120                  |
| Refund liabilities [refer note 29(d)]                                       | 804                  | 818                  |
| Liability on account of supplier finance arrangement [refer note (i) below] | 7,335                | 6,748                |
| <b>At fair value through profit and loss</b>                                |                      |                      |
| Liability on account of forward commitment [refer note 52]                  | 360                  | 33,802               |
| Derivative liability (mark-to-market losses on derivative contracts)        | 11                   | -                    |
|   | <b>13,014</b>        | <b>46,413</b>        |

\*Includes outstanding dues to micro & small enterprises of Rs.78 (March 31, 2023: Rs. 198)

Note

(i) It represents the payables to authorised institutions operating the Trade Receivables Discounting Systems (TReDS), where MSME parties have discounted their receivables due from the Company.



26 Other current liabilities

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Statutory dues payable*                       | 705                     | 640                     |
| Payable towards CSR expenditure               | 589                     | 346                     |
| Contract liabilities (advance from customers) | 459                     | 574                     |
|   | <b>1,753</b>            | <b>1,560</b>            |

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

27 Provisions

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(a) Non current</b>                 |                         |                         |
| <b>Employee benefit obligation</b>     |                         |                         |
| Provision for gratuity (refer note 39) | -                       | 23                      |
|  | -                       | 23                      |
| <b>(b) Current</b>                     |                         |                         |
| <b>Employee benefit obligation</b>     |                         |                         |
| Provision for gratuity (refer note 39) | 19                      | 498                     |
| Provision for compensated absences     | 744                     | 797                     |
| <b>Others</b>                          |                         |                         |
| Other provisions [refer note 42(a)]    | 1,142                   | 1,142                   |
| <b>Total</b>                           | <b>1,905</b>            | <b>2,437</b>            |

28 Current tax liabilities (net)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Income tax liabilities (net of advance tax) | 476                     | -                       |
|   | 476                     | -                       |

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29 Revenue from operations

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Finished goods                                 | 2,19,956                             | 2,02,273                             |
| Stock-in-trade                                 | 10,913                               | 9,660                                |
| <b>Sale of products</b>                        | <b>(A) 2,30,869</b>                  | <b>2,11,933</b>                      |
| <b>Other operating revenue:</b>                |                                      |                                      |
| Scrap sales                                    | 469                                  | 548                                  |
| Export incentives                              | 469                                  | 377                                  |
| Sale of energy from windmills                  | 250                                  | 224                                  |
| Government grant (production linked incentive) | 2,173                                | 2,319                                |
| Others   | 3                                    | 2                                    |
|  | <b>(B) 3,364</b>                     | <b>3,470</b>                         |
| <b>Total revenue from operations</b>           | <b>(A+B) 2,34,233</b>                | <b>2,15,403</b>                      |

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

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Revenue from customers within India                               | 1,86,680                             | 1,75,688                             |
| Revenue from customers outside India                              | 44,189                               | 36,245                               |
| <b>Revenue as per the standalone statement of profit and loss</b> | <b>2,30,869</b>                      | <b>2,11,933</b>                      |

(b) Timing of revenue recognition\*

|                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Goods transferred at a point in time | 2,30,869                             | 2,11,933                             |
| Goods transferred over time          | -                                    | -                                    |
|                                      | <b>2,30,869</b>                      | <b>2,11,933</b>                      |

(c) Contract balances

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Contract assets - Trade receivables (refer note 12)           | 16,852                  | 11,549                  |
| Contract liabilities - Advance from customers (refer note 26) | 459                     | 574                     |

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 represents the transaction price on initial recognition. As at March 31, 2024 Rs. 690 (March 31, 2023: 807) has been recognised as provision towards expected credit loss on the trade receivables.

Advances from customers represent amounts received by the Company from customers prior to the delivery of goods and are recorded as liabilities in the financial statements until the goods are delivered. During the year ended March 31, 2024, the Company recognised revenue of Rs. 574 arising from advance from customers as at March 31, 2023. During the year ended March 31, 2023 the Company recognised revenue of Rs. 719 arising from advance from customers as at March 31, 2022.

(d) Refund liabilities:

|                                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Refund liabilities [Refer note 25(b)] | 804                     | 818                     |

Refund liabilities represent the Company's obligation to refund amounts to customers due to returns of goods. The liability is measured at the value of goods expected to be refunded, based on historical trends and customer agreements. Refund liabilities are recognized as a liability in the financial statements when it is probable that a refund will be made, and the amount can be reliably estimated. Changes in the refund liability are adjusted in the period in which the adjustment becomes known.

\*The amount of Rs. 3,364 (March 31, 2023: 3,470) pertaining to other operating revenue has not been considered in the above revenue disclosure.



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

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Revenue as per contracted price                            | 2,49,405                             | 2,27,322                             |
| Less:  |                                      |                                      |
| Sales returns  | (3,017)                              | (3,080)                              |
| Discounts and volume rebates                               | (15,519)                             | (12,309)                             |
| Revenue as per the standalone statement of profit and loss | <u>2,30,869</u>                      | <u>2,11,933</u>                      |

\*The amount of Rs. 3,364 (March 31, 2023: 3,470) pertaining to other operating revenue has not been considered in the above revenue disclosure.

**Performance obligation**

**Sale of goods**

The performance obligation in the case of domestic sales is satisfied upon delivery of the goods to the customers and are generally non-interest bearing and are on terms of 0 to 60 days. In the case of export sales, the performance obligation is satisfied upon shipping of the goods on board and are generally on terms of 30-120 days, however the same vary from for each customer on basis of agreed terms.

**30 Other income**

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest income   |                                      |                                      |
| Loan to subsidiary company                              | 19                                   | 21                                   |
| Loan to associates                                      | 35                                   | 35                                   |
| Bank deposit  | 836                                  | 44                                   |
| Others  | 37                                   | 5                                    |
| Unwinding of security deposit                           | 29                                   | 27                                   |
| Gain on termination/modification of right-of-use assets | -                                    | 10                                   |
| Profit on sale of investments in units of mutual funds  | 1,048                                | 1,325                                |
| Fair value gain on financial instruments at FVTPL       | 441                                  | 412                                  |
| Gain on foreign exchange fluctuations                   | 690                                  | 793                                  |
| Liabilities no longer required written back             | 15                                   | 27                                   |
| Rental income *   | 2                                    | 3                                    |
| Other non-operating income                              | 101                                  | 210                                  |
|   | <u>3,253</u>                         | <u>2,912</u>                         |

\* All leases are on cancellable terms

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|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>31 Cost of raw material and packing materials consumed</b>                           |                                      |                                      |
| <b>a) Raw materials</b>   |                                      |                                      |
| Inventory at the beginning of the year (refer note 11)                                  | 21,818                               | 16,349                               |
| Add: Purchases (net)  | <u>1,15,947</u>                      | <u>1,12,274</u>                      |
|   | 1,37,765                             | 1,28,623                             |
| Less: Inventory at the end of the year (refer note 11)                                  | <u>15,161</u>                        | <u>21,818</u>                        |
|   | <u>1,22,604</u>                      | <u>1,06,805</u>                      |
| <b>b) Packing materials</b>   |                                      |                                      |
| Inventory at the beginning of the year (refer note 11)                                  | 1,838                                | 1,798                                |
| Add: Purchases (net)  | <u>7,334</u>                         | <u>11,903</u>                        |
|   | 9,172                                | 13,701                               |
| Less: Inventory at the end of the year (refer note 11)                                  | <u>1,579</u>                         | <u>1,838</u>                         |
|   | <u>7,593</u>                         | <u>11,863</u>                        |
| <b>Total (a+b)</b>  | <u><u>1,30,197</u></u>               | <u><u>1,18,668</u></u>               |
| <b>32 Purchase of stock-in-trade</b>  |                                      |                                      |
| Purchase of stock-in-trade  | <u>7,149</u>                         | <u>5,625</u>                         |
|   | <u>7,149</u>                         | <u>5,625</u>                         |
| <b>33 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b> |                                      |                                      |
|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Inventories at the beginning of the year (refer note 11)</b>                         |                                      |                                      |
| Stock-in-trade  | 616                                  | 1,225                                |
| Work in progress  | 3,380                                | 3,484                                |
| Finished goods  | <u>6,455</u>                         | <u>7,181</u>                         |
|   | <u>10,451</u>                        | <u>11,890</u>                        |
| <b>Inventories at the end of the year (refer note 11)</b>                               |                                      |                                      |
| Stock-in-trade  | 839                                  | 616                                  |
| Work in progress  | 4,040                                | 3,380                                |
| Finished goods  | <u>7,025</u>                         | <u>6,455</u>                         |
|   | <u>11,904</u>                        | <u>10,451</u>                        |
| <b>Decrease/ (increase) in inventories</b>  | <u>(1,453)</u>                       | <u>1,439</u>                         |
| <b>34 Employee benefits expense</b>   |                                      |                                      |
|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Salaries, wages and bonus   | 19,428                               | 18,825                               |
| Contribution to provident and other funds (refer note 39)                               | 1,105                                | 1,134                                |
| Gratuity expense (refer note 39)  | 463                                  | 547                                  |
| Staff welfare expenses  | 1,869                                | 1,530                                |
| Share based payment (refer note 43)   | 68                                   | 69                                   |
|   | <u>22,933</u>                        | <u>22,105</u>                        |
| <b>35 Depreciation and amortisation expense</b>   |                                      |                                      |
|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Depreciation of property, plant and equipment [refer note 3(a)]                         | 4,214                                | 3,695                                |
| Amortisation of intangible assets (refer note 5)  | 1,144                                | 1,037                                |
| Depreciation of right-of-use assets [refer note 4(a)]                                   | <u>812</u>                           | <u>763</u>                           |
|   | <u>6,170</u>                         | <u>5,495</u>                         |
| <b>36 Finance costs</b>   |                                      |                                      |
|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest expense on borrowings  | 22                                   | 344                                  |
| Interest expense on lease liabilities [refer note 4(b)]                                 | 551                                  | 549                                  |
| Unwinding of discount   | -                                    | 1,696                                |
|   | <u>573</u>                           | <u>2,589</u>                         |
| Bank charges  | 80                                   | 108                                  |
| Interest on income tax  | <u>4</u>                             | <u>3</u>                             |
|   | <u>84</u>                            | <u>111</u>                           |
|   | <u>657</u>                           | <u>2,700</u>                         |



37 Other expenses

|   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Consumption of stores and spares                    | 501                                  | 637                                  |
| Power and fuel                                      | 2,541                                | 2,448                                |
| Processing & water charges                          | 514                                  | 503                                  |
| Repairs and maintenance                             |                                      |                                      |
| Plant and machinery                                 | 752                                  | 900                                  |
| Buildings   | 145                                  | 288                                  |
| Others  | 2,837                                | 2,359                                |
| Rent  | 718                                  | 601                                  |
| Rates and taxes                                     | 1,099                                | 458                                  |
| Insurance   | 440                                  | 371                                  |
| Communication costs                                 | 89                                   | 96                                   |
| Travelling and conveyance                           | 1,779                                | 1,743                                |
| Legal and professional fees                         | 3,461                                | 2,830                                |
| Payments to auditors [refer note (i) below]         | 264                                  | 221                                  |
| Advertising and sales promotion                     | 13,343                               | 11,563                               |
| Freight and forwarding charges                      | 4,708                                | 5,995                                |
| Provision for doubtful debts and advances           | (117)                                | 165                                  |
| Loss on sale of property, plant and equipment (net) | 5                                    | 32                                   |
| Advance written off                                 | 0                                    | 5                                    |
| CSR expenses (refer note 40)                        | 541                                  | 397                                  |
| Vehicle fuel expenses                               | 497                                  | 486                                  |
| Printing and stationery                             | 41                                   | 63                                   |
| Manpower supply                                     | 4,710                                | 2,310                                |
| Recruitment expenses                                | 260                                  | 164                                  |
| Security charges                                    | 337                                  | 277                                  |
| Miscellaneous expenses                              | 2,039                                | 1,740                                |
|   | <b>41,504</b>                        | <b>36,652</b>                        |

Note (i): Payment to auditors :

As auditor:

Audit fee

160

134

In other capacity:

Other services

99

83

Reimbursement of expenses

5

4

264

221

38 Income tax expense

|                                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Current income tax charge             | 6,287                                | 593                                  |
| Tax expense relating to earlier years | 82                                   | 39                                   |
| Deferred tax                          | 1,567                                | (8,797)                              |
| <b>Total</b>                          | <b>7,936</b>                         | <b>(8,165)</b>                       |

Deferred tax related to items recognised in OCI during the year

Re-measurement gains/ (losses) on defined benefit plans

219

(67)

**Total**

**219**

**(67)**

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

|  |              |                |
|--|--------------|----------------|
| Accounting profit/ (loss) before income tax  | 30,329       | 25,631         |
| Tax expense/(credit) at India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%) | 7,633        | 6,451          |
| Tax effect of:   |              |                |
| Current tax of earlier years [refer note (i) below and note 52]                                | -            | (3,836)        |
| Reversal of deferred tax [refer note (i) below and note 52]                                    | -            | (11,511)       |
| Non-deductible expenses for tax purposes   | 191          | 620            |
| Adjustment of tax relating to earlier years  | 82           | 39             |
| Others   | 30           | 72             |
| <b>Income tax expense/(credit)</b>   | <b>7,936</b> | <b>(8,165)</b> |

Note:

(i) Consequent to the merger of Eastern Condiments Private Limited (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.



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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.1,105 (March 31, 2023: Rs. 1,134).

| Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds" | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| Contribution to government provident fund  | 1,002                        | 1,013                        |
| Contribution to Employee State Insurance (ESI)   | 92                           | 106                          |
| Contribution to other funds  | 11                           | 15                           |
| <b>Total</b>   | <b>1,105</b>                 | <b>1,134</b>                 |

#### B. Defined benefit plans

##### I. 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

##### Net Defined Benefit Obligation (DBO)

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Present value of defined benefit obligation | (4,442)                 | (4,728)                 |
| Fair value of plan assets                   | 4,423                   | 4,207                   |
|   | <b>(19)</b>             | <b>(521)</b>            |

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

##### (i) Reconciliation of present value of defined benefit obligation

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Opening defined benefit obligation</b>                         | 4,728                   | 3,976                   |
| Current service cost  | 424                     | 390                     |
| Interest expense  | 347                     | 268                     |
| Benefits paid   | (168)                   | (258)                   |
| Actuarial (gain)/ losses recognised in other comprehensive income |                         |                         |
| - changes in demographic assumptions                              | (31)                    | -                       |
| - changes in financial assumptions                                | (384)                   | 412                     |
| - experience adjustments  | (474)                   | (166)                   |
| Past service cost   | -                       | 106                     |
| <b>Closing defined benefit obligation</b>                         | <b>4,442</b>            | <b>4,728</b>            |

##### (ii) Reconciliation of fair value of plan assets

|  |              |              |
|--|--------------|--------------|
| <b>Balance at the beginning of the year</b>                                | 4,207        | 2,460        |
| Employer's contribution  | 94           | 1,808        |
| Benefits paid  | (168)        | (258)        |
| Interest income  | 308          | 217          |
| Return on plan assets, excluding amount recognised in net interest expense | (18)         | (20)         |
| <b>Balance at the end of the year</b>                                      | <b>4,423</b> | <b>4,207</b> |

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| b. Net benefit expense   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| <b>(i) Recognised in profit or loss</b>                                    |                              |                              |
| Current service cost   | 424                          | 390                          |
| Past service cost  | -                            | 106                          |
| Interest expense (net)   | 39                           | 51                           |
|  | <b>463</b>                   | <b>547</b>                   |
| <b>(ii) Remeasurement recognised in other comprehensive income</b>         |                              |                              |
| Actuarial loss/(gain) on defined benefit obligation                        |                              |                              |
| - changes in demographic assumptions                                       | (31)                         | -                            |
| - changes in financial assumptions   | (384)                        | 412                          |
| - experience adjustments   | (474)                        | (166)                        |
| Return on plan assets, excluding amount recognised in net interest expense | 18                           | 20                           |
|  | <b>(871)</b>                 | <b>266</b>                   |

### C. Plan assets

Plan assets comprise of the following:

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Investments with insurer Life Insurance Corporation of India (LIC) | 100%                    | 100%                    |

The Company expects to contribute Rs. 410 (March 31, 2023: Rs.498) to gratuity fund in the ensuing year.

### D. i. Actuarial assumptions

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

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Discount rate                                   | 7.15%                   | 7.10% - 7.45%           |
| Salary escalation rate                          | 9.00%                   | 9.00% - 11.00%          |
| Attrition (based on age)                        |                         |                         |
| Upto 45 years                                   | NA                      | 7.00% - 10.00%          |
| Above 45 years                                  | NA                      | 5.00% - 10.00%          |
| Attrition (based on completed years of service) |                         |                         |
| Upto 4 years                                    | 15%                     | NA                      |
| Above 4 years                                   | 8.00% - 9.00%           | NA                      |
| Retirement age                                  | 58-60 years             | 58-60 years             |

As at March 31, 2024, the weighted average duration of the defined benefit obligation was 7 years (March 31, 2023: 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, 2024 |          | March 31, 2023 |          |
|--|----------------|----------|----------------|----------|
|  | Increase       | Decrease | Increase       | Decrease |
| Discount rate (+1/-1% movement)        |                |          |                |          |
| Increase/(decrease) in DBO             | (305)          | 345      | (365)          | 416      |
| Future salary growth (+1/-1% movement) |                |          |                |          |
| Increase/(decrease) in DBO             | 331            | (300)    | 397            | (355)    |
| Attrition rate (+50/-50% movement)     |                |          |                |          |
| Increase/(decrease) in DBO             | (133)          | 198      | (153)          | 205      |

The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

### iii. Maturity profile of defined benefit obligation

| Expected cash flows over the next (valued on undiscounted basis): | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| 1 year  | 467                     | 369                     |
| 2 to 5 years  | 1,862                   | 1,924                   |
| Beyond 5 years  | 6,005                   | 7,095                   |
| <b>Total expected payments</b>                                    | <b>8,334</b>            | <b>9,388</b>            |



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<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| a) Gross amount to be required to be spent by the Company during the year | 456                                  | 397                                  |
| b) Amount approved by the board to be spent during the year               | 456                                  | 397                                  |

| c) March 31, 2024                        |         |                        |       |
|--|---------|------------------------|-------|
|  | In cash | Yet to be paid in cash | Total |
| i) Construction/acquisition of any asset | -       | -                      | -     |
| ii) On purpose other than (i) above      | 2       | -                      | 2     |

| d) 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    |

e) Details of related party transactions

| f) Details related to spent/ unspent obligations: |  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--|--------------------------------------|--------------------------------------|
| i) Contribution to public trust                   |  | -                                    | -                                    |
| ii) Contribution to charitable trust              |  | -                                    | 37                                   |
| iii) Directly spent by the Company                |  | 2                                    | 31                                   |
| iv) Unspent amount in relation to                 |  |                                      |                                      |
| - Ongoing project                                 |  | 382                                  | 329                                  |
| - Other than ongoing project                      |  | 72                                   | -                                    |
| <b>Total</b>                                      |  | <b>456</b>                           | <b>397</b>                           |

**In case of Section 135(6) ongoing project**

| Opening balance as on April 01, 2023 |                             | Amount required to be spent during the year | Amount spent during the year |                               | Closing balance as on March 31, 2024 |                             |
|--------------------------------------|-----------------------------|---|------------------------------|-------------------------------|--------------------------------------|-----------------------------|
| 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 |
| 329                                  | 125                         | 384   | 2                            | 319                           | 382                                  | 135                         |

**In case of Section 135(5) other than ongoing project**

| Opening balance as on April 01, 2023 | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing balance as on March 31, 2024 |
|--------------------------------------|--|---|------------------------------|--------------------------------------|
| -                                    | -  | 72  | -                            | 72                                   |

**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(5) other than ongoing project**

| Opening balance as on April 01, 2022 | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing balance as on March 31, 2023 |
|--------------------------------------|--|---|------------------------------|--------------------------------------|
| -                                    | -  | -   | -                            | -                                    |

As per Sec 135(6) of Companies Act, 2013, for the year ended March 31, 2024, the Company has transferred unspent CSR amount of Rs. 382 relating to ongoing projects to a separate unspent CSR account within 30 days from the end of the financial year. The remaining CSR unspent amount of Rs. 72 relating to other than ongoing projects will be transferred to fund specified under Schedule VII within six months from the end of the financial year.

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 within 30 days from the end of the financial year.



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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<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis : |                         |                         |
| Within one year  | 1,272                   | 1,084                   |
| After one year but not more than five year   | 4,278                   | 3,178                   |
| More than five years   | 3,911                   | 4,813                   |
| <b>Total</b>   | <b>9,461</b>            | <b>9,075</b>            |

Total cash outflow for leases for the year ended March 31, 2024 is Rs. 2,274 (March 31, 2023: Rs. 2,079).

The effective interest rate for lease liabilities is between 7% to 12.5% per annum (31 March 2023 is between 7% to 12.5% per annum), with maturity between 2024 to 2046 for leasehold properties.

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

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Lease commitment for short-term leases          | 275                     | 211                     |
| Lease commitment for leases of low value assets | 28                      | 48                      |
| <b>Total</b>                                    | <b>303</b>              | <b>259</b>              |

**b) Other commitments**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances. | 260                     | 1,697                   |

(i) 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, 2024 Rs. 542 (March 31, 2023: Rs. 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 Rs. 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). As at March 31, 2024, the Company has achieved the investment criteria as mentioned above and updated the same to Spice Board subsequent to year ended March 31, 2024 and awaits clearance of receivable.

Also, refer note 45.

**42 Contingent liabilities**

|   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| (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) & (v) below] | 6,109                   | 5,553                   |
| (ii) Other litigations [refer note (vi) below]  | 260                     | -                       |

**Notes :**

(i) In the prior years, the Company had received claims from the Value Added Tax (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, 2024 and March 31, 2023, 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 VAT 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.

(ii) In the prior years, the Company had received demand order amounting to Rs.843 (March 31, 2023; Rs. 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.188 (March 31, 2023: Rs.4,431). These mainly include disputes on account of levy of purchase tax, denial of concessional rate of tax etc. Subsequent to the year end in July 2024, before the approval of financial statements, the company received a revised assessment order in one case where the demand amount is reduced to Rs. 132 from Rs. 4,375. During the year ended March 31, 2024, the Company received a revised assessment order in one case where the demand amount is reduced to Rs. 132 from Rs. 4,375. In the case of others, the management has filed or in is in the process of filing appeals before the appellate authorities. Based on the advice from the Company's tax consultants, management is of the view that such claims are not tenable.

(iv) The Company has ongoing cases amounting to Rs. 4,987 (March 31, 2023: 64) under the Goods and Services Tax (GST). During the year ended March 31, 2024, the authorities conducted audit under GST Act for the period July 2017 to March 2022 for the state of Karnataka. Based on the audit conducted, the authorities issued a notice with demand amounting to Rs. 4,946. The Company has provided for Rs. 23 and is contesting for the balance amount demanded. Based on the advice from the Company's tax consultants, management is of the view that such claims are not tenable.

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- (v) Others indirect tax matters of Rs. 91 (March 31, 2023: 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 has received favourable orders in the case of tax matters amounting to Rs. 124 disclosed as contingent liability as at March 31, 2023. In the case of others, 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.
- (vi) Other litigations include Rs. 260 (March 31, 2023: Rs.Nil) being the amount the amount payable to workmen terminated by the Company in prior years on account of professional misconduct. The workmen has filed the case in the labour court and the Company is contesting the case at labour court. Based on advice from the Company's consultants, management is of the view that such claims are not tenable.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in all the above cases.

(b) Bank guarantees

|  | <u>As at</u><br><u>March 31, 2024</u> | <u>As at</u><br><u>March 31, 2023</u> |
|--|---------------------------------------|---------------------------------------|
| Guarantees given by banks on behalf of the Company for contractual obligations of the Company. | 723                                   | 719                                   |

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#### 43 Share based payments

The ultimate holding company ("Orkla ASA") of the Company operates equity incentive compensation programs which include Long Term Incentive (LTI) plan for executive management and the Employee Stock Purchase Plan (the "ESPP") for employees.

Under these plans, Orkla ASA, the ultimate holding company of the Company has granted equity shares which are settled in cash for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operation. All awards granted to employees (including directors) are subject to approval in advance by the board of directors of Orkla ASA. Share-based payments are considered as equity settled transactions as the Company has no obligation to settle the share based payment transaction.

In 2020, Orkla introduced a long-term incentive programme (LTI programme) based on share options, as a replacement for the previous cash-based LTI programme. Options will be granted under this programme once a year, and the first grant was made in June 2021.

##### Employee Stock Purchase Plan (ESPP)

The ESPP permits eligible employees to acquire shares of the Orkla common stock at a 25% discount (as determined in the ESPP) through periodic payroll deductions over 12 months. The purchase price for the ultimate Company's common stock under the ESPP is 75% of the fair market value of the shares on the date defined in the scheme document during the offer period. The ESPP will be in force only during the offer period mentioned in the scheme document. Eligible employees can place orders for shares in one of the three lots as defined by the scheme. The lock-in period for the shares purchased through ESPP is 3 years. The lock-in will apply even if an employee resigns before the lock-in expires. Considering the number of employees participating in the scheme and the amount involved is not material, no further disclosure is made.

The expense recognised for employee services received during the year is shown in the following table

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Expense arising from share-based payment transactions<br>(includes Rs. 9 (March 31, 2023: 21) cross charge from ultimate holding company) | 68                           | 69                           |
| <b>Total</b>  | <b>68</b>                    | <b>69</b>                    |

There were no cancellations or modifications to the awards during the year ended March 31, 2024 and March 31, 2023.

##### Long Term Incentive (LTI) Scheme - Cash settled

Certain employees of the Company are granted LTI. Participants in the LTI programme are nominated on a yearly basis and awards are made for one year at a time subject to the approval of the President and CEO of Orkla ASA. The LTI vests over a period of four years from the date of grant, and the vesting generally occurs at a rate of 34% after 24 months, 33% after 36 months and 33% after 48 months from the date of grant.

Orkla ASA determines the fair value of LTI based on the closing market price of the common stock on the date of grant. The amount awarded is adjusted in accordance with the Orkla ASA share price performance until it is paid out. The exercise price for LTI is Nil.

The following LTIs as granted to the Company's employees, were outstanding during the year:

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
|  | Number of Shares        |                         |
| Outstanding at the beginning of the year                   | 1,13,976                | 1,13,976                |
| LTIs granted during the year                               | -                       | -                       |
| LTIs exercised during the year                             | (1,13,976)              | -                       |
| LTIs forfeited during the year                             | -                       | -                       |
| LTIs transferred during the year (net)                     | -                       | -                       |
| Outstanding at the ending of the year                      | -                       | 1,13,976                |
| The weighted average fair value of LTI at grant date (Rs.) | 95                      | 95                      |

##### Long Term Incentive (LTI) Scheme - Share option

The yearly grant will be based on the share price on the day after the Annual General Meeting. Of the total options granted for the year, 20% may be exercised after one year (tranche 1), another 20% after two years (tranche 2) and the remaining 60% after three years (tranche 3). The last date on which they may be exercised is five years after the grant date. The exercise price will be set at the market price at the grant date with an increase of 3% per year in the vesting period. The exercise price will be adjusted for dividends. In the event of the employee's resignation, all options that have not been exercised will expire.

| Particulars   | March 31, 2024   |            | March 31, 2023   |            |
|---|------------------|------------|------------------|------------|
|   | Number of Shares | WAEP       | Number of Shares | WAEP       |
| Outstanding option at the beginning of the year     | 1,35,211         | 607        | 74,429           | 662        |
| Granted during the year                             | 70,643           | 516        | 60,782           | 590        |
| Exercised during the year                           | -                | -          | -                | -          |
| Expired during the year                             | -                | -          | -                | -          |
| Forfeited during the year                           | -                | -          | -                | -          |
| <b>Outstanding option at the ending of the year</b> | <b>2,05,854</b>  | <b>557</b> | <b>1,35,211</b>  | <b>607</b> |
| <b>Exercisable at the end of the year</b>           | <b>41,926</b>    | <b>574</b> | <b>14,885</b>    | <b>609</b> |

The weighted average remaining contractual life for the share options outstanding as at March 31, 2024 was 3.02 years (March 31, 2023: 3.55).

The weighted average fair value of options granted during the year was Rs. 86.01 (March 31, 2023: Rs. 97.07)

The range of exercise prices for options outstanding at the end of the year was Rs. 509 to Rs. 667 (March 31, 2023: Rs. 581 to Rs. 667).

The option value is calculated using the Black-Scholes model. The table below shows the assumptions on which the calculation is based. The exercise price at the exercise date must be adjusted for dividends paid out up to the exercise date.

|  | March 31, 2024 |           |           |
|--|----------------|-----------|-----------|
|  | Tranche 1      | Tranche 2 | Tranche 3 |
| Number of Options                                | 14,129         | 14,129    | 42,385    |
| Weighted average fair values at measurement date | 81             | 88        | 87        |
| Dividend yield (%)                               | 4.10%          | 4.10%     | 4.10%     |
| Expected volatility (%)                          | 18.88%         | 21.17%    | 20.91%    |
| Risk-free interest rate (%)                      | 3.21%          | 3.18%     | 3.16%     |
| Expected life of share options (years)           | 3.0            | 3.5       | 4.0       |
| Exercise price at grant date                     | 561            | 561       | 561       |
| Exercise price at first possible exercise date   | 509            | 514       | 519       |



|  | March 31, 2023 |           |           |
|--|----------------|-----------|-----------|
|  | Tranche 1      | Tranche 2 | Tranche 3 |
| Number of Options                                | 12,156         | 12,156    | 36,470    |
| Weighted average fair values at measurement date | 97             | 96        | 98        |
| Dividend yield (%)                               | 3.81%          | 3.81%     | 3.81%     |
| Expected volatility (%)                          | 21.59%         | 21.37%    | 21.64%    |
| Risk-free interest rate (%)                      | 2.55%          | 2.59%     | 2.64%     |
| Expected life of share options (years)           | 3.0            | 3.5       | 4.0       |
| Exercise price at grant date                     | 634            | 634       | 634       |
| Exercise price at first possible exercise date   | 581            | 588       | 594       |

#### 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 previous year ended March 31, 2023, the Company has received extension for fulfilling the export obligation till May 2025. Accordingly, the liability and interest are 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  | Ultimate holding company                         |
|   | Orkla Asia Pacific Pte Ltd, Singapore                                | Holding company                                  |
| (b) Entities over which the Company has control               | Rasoi Magic Foods (India) Private Limited                            | Subsidiary                                       |
|   | BAMS Condiments Impex Private Limited                                | Subsidiary                                       |
|   | Eastern Food Speciality Formulations Private Limited                 | Subsidiary                                       |
| (c) Entities over which the Company has significant influence | Pot Ful India Private Limited  | Associate  |
| (d) Joint venture   | Eastern Condiments Middle East & North Africa FZC, Joint venture UAE |  |
| (e) Key managerial personnel (KMP):                           | Mr. Sanjay Sharma  | Director & Chief Executive Officer               |
|   | Mr. Atle Vidar Nagel Johansen  | Non-executive director                           |
|   | Ms. Else Helena Margareta  | Non-executive director                           |
|   | Mr. Claes Johan Wilhelmsson  | Non-executive director                           |
|   | Mr. Per Havard Skiaker Maelen  | Non-executive director (w.e.f May 11, 2023)      |
|   | Ms. Maria Syse-nybraaten   | Non-executive director (w.e.f May 11, 2023)      |
|   | Mr. Paul Jordahl   | Non-executive director (w.e.f December 05, 2023) |
|   | Mr. Ganesh Shenoy  | Chief Financial Officer (upto December 31, 2023) |
|   | Ms. Suniana Calapa   | Chief Financial Officer (w.e.f January 01, 2024) |
| Ms. Ragee Raju  | Company Secretary (w.e.f July 20, 2023)                              |  |

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

|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| i) Transactions during the year :  |                                      |                                      |
| <b>Holding and ultimate holding companies:</b>                             |                                      |                                      |
| <b>Orkla ASA</b>   |                                      |                                      |
| Receipt of services  | 306                                  | 317                                  |
| Management services provided (cross charges)                               | -                                    | 40                                   |
| Reimbursement of expenses to related parties                               | 280                                  | 624                                  |
| Reimbursement of expenses from related parties                             | 163                                  | 78                                   |
| Share based payments   | 59                                   | 48                                   |
| <b>Fellow subsidiaries:</b>  |                                      |                                      |
| <b>Orkla IT AS</b>   |                                      |                                      |
| Reimbursement of expenses to related parties                               | 59                                   | 46                                   |
| Receipt of services  | 5                                    | -                                    |
| <b>Orkla Procurement AS</b>  |                                      |                                      |
| Receipt of services  | 102                                  | 12                                   |
| <b>Orkla Asia Pacific SDN BHD (formerly "Jordan Asia Pacific SDN BHD")</b> |                                      |                                      |
| Purchase of stock-in-trade   | -                                    | 44                                   |
| <b>Orkla Financial Services AS</b>   |                                      |                                      |
| Receipt of services  | 2                                    | -                                    |
| <b>Subsidiaries:</b>   |                                      |                                      |
| <b>Rasoi Magic Foods (India) Private Limited</b>                           |                                      |                                      |
| Other income   | 38                                   | 38                                   |
| Purchase of stock-in-trade   | 526                                  | 74                                   |
| Sale of goods  | 47                                   | -                                    |
| Receipt of services  | 45                                   | 37                                   |
| Reimbursement of expenses from related parties                             | 10                                   | 9                                    |
| Patent fees  | 3                                    | 2                                    |
| Interest on loan   | 19                                   | 21                                   |
| <b>BAMS Condiments Impex Private Limited</b>                               |                                      |                                      |
| Purchase of goods  | 1                                    | 11                                   |
| Expenses recovered   | 0                                    | -                                    |
| Rendering of service (rent received)                                       | 0                                    | 1                                    |
| <b>Associate:</b>  |                                      |                                      |
| <b>Pot Ful India Private Limited</b>                                       |                                      |                                      |
| Sale of goods  | 1                                    | -                                    |
| Interest on loan   | 35                                   | 35                                   |
| <b>Joint venture</b>   |                                      |                                      |
| <b>Eastern Condiments Middle East &amp; North Africa FZC, UAE</b>          |                                      |                                      |
| Reimbursement of expenses  | 6,019                                | 4,871                                |
| Agency commission  | 320                                  | 280                                  |



**ii) Balances outstanding as at year end :**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Amounts receivable from :</b>   |                         |                         |
| Orkla ASA  | 0                       | 47                      |
| Rasoi Magic Foods (India) Private Limited  | 29                      | 19                      |
| Pot Ful India Private Limited  | 0                       | -                       |
| BAMS Condiments Impex Private Limited [including provision of Nil (March 31, 2023: 100)]               | -                       | 150                     |
| Eastern Food Speciality Formulations Private Limited [including provision of Nil (March 31, 2023: 24)] | -                       | 24                      |
| <b>Amounts payable to :</b>  |                         |                         |
| Orkla ASA  | 151                     | 191                     |
| Orkla IT AS  | 23                      | 0                       |
| Orkla Procurement AS   | -                       | 11                      |
| Orkla Asia Pacific SDN BHD (formerly "Jordan Asia Pacific SDN BHD")                                    | -                       | -                       |
| Orkla Financial Services AS  | 2                       | -                       |
| Rasoi Magic Foods (India) Private Limited  | 23                      | 14                      |
| Eastern Condiments Middle East & North Africa FZC, UAE   | 479                     | 286                     |

**b. Loans given and repayment thereof**

| Particulars                                      | Opening balance | Loans given during the year | Repayment during the year | Closing balance | Interest receivable |
|--|-----------------|-----------------------------|---------------------------|-----------------|---------------------|
| <b>i) Wholly owned subsidiary</b>                |                 |                             |                           |                 |                     |
| <b>Rasoi Magic Foods (India) Private Limited</b> |                 |                             |                           |                 |                     |
| March 31, 2024                                   | 370             | -                           | (240)                     | 130             | 3                   |
| March 31, 2023                                   | 550             | -                           | (180)                     | 370             | 0                   |
| <b>ii) Associate</b>                             |                 |                             |                           |                 |                     |
| <b>Pot Ful India Private Limited</b>             |                 |                             |                           |                 |                     |
| March 31, 2024                                   | 500             | -                           | -                         | 500             | 8                   |
| March 31, 2023                                   | 500             | -                           | -                         | 500             | 8                   |

**c. Compensation to key managerial personnel**

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Short-term employee benefits*                                 | 1,064                        | 835                          |
| Post-employment benefits                                      | 5                            | 0                            |
| <b>Total compensation paid to key managerial personnel **</b> | <b>1,069</b>                 | <b>835</b>                   |

\* The amounts disclosed above does not include the share based payment and 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 said loan is repayable on demand.

(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 was repayable by September 2024 with quarterly interest rests. Subsequent to March 31, 2024, in the board meeting held on June 11, 2024, the Company has passed resolution to extend the period of loan till March 2025.

(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, 2024, the Company has recorded impairment of Rs. Nil towards receivables from related parties (March 31, 2023: Rs. 124). 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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47 Ratio analysis and its elements

| S. No | Ratio                           | Numerator  | Denominator   | March 31, 2024 | March 31, 2023 | % Change | Reason for variance  |
|-------|---------------------------------|--|---|----------------|----------------|----------|--|
| 1     | Current ratio                   | Current assets   | Current liabilities   | 2.85           | 1.23           | 131%     | Increase is on account of increase in current assets on account of investment in deposits with bank and financial institutions and conversion of liability on forward commitment into equity pursuant to merger resulting in decrease in current liabilities.                    |
| 2     | Debt-equity ratio               | Total debt   | Equity  | 0.02           | 0.04           | -47%     | Reduction is on account of increase in equity upon conversion of liability on forward commitment into equity pursuant to merger.   |
| 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             | 7.91           | 6.94           | 14%      | -  |
| 4     | Return on equity ratio          | Net profits after taxes - preference dividend  | Average shareholder's equity  | 0.09           | 0.16           | -46%     | Reduction is due to reduction in net profit after tax and increase in the shareholder's equity upon conversion of liability on forward commitment into equity pursuant to merger.  |
| 5     | Inventory turnover ratio        | Cost of goods sold   | Average inventory   | 4.23           | 3.84           | 10%      | -  |
| 6     | Trade receivable turnover ratio | Net sales = Gross sales - sales return   | Average trade receivable  | 15.49          | 18.88          | -18%     | -  |
| 7     | Trade payables turnover ratio   | Net purchases = Gross purchases - purchase returns   | Average trade payables  | 6.18           | 7.18           | -14%     | -  |
| 8     | Net capital turnover ratio      | Net sales = Total sales - sales return   | Working capital = Current assets - current liabilities                      | 3.09           | 12.86          | -76%     | Decrease is on account of increase in working capital on account of current assets (increase in investment in deposits with bank and financial institutions) and decrease in current liabilities (conversion of liability on forward commitment into equity pursuant to merger). |
| 9     | Net profit ratio                | Net profit   | Net sales = Total sales - sales return                                      | 0.10           | 0.16           | -39%     | Decrease is on account of decrease in net profit for the year.   |
| 10    | Return on capital employed      | Earnings before interest and taxes   | Capital employed = Tangible net worth + total debt + deferred tax liability | 0.22           | 0.34           | -34%     | Decrease is on account of increase in capital employed on account of conversion of liability on forward commitment into equity pursuant to merger.   |
| 11    | Return on investment            | Interest (Finance income)  | Investment  | 0.07           | 0.08           | -6%      | -  |

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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<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Financial assets measured at fair value</b>                            |                         |                         |
| Investments in units of mutual funds (measured through profit and loss) # | 29,715                  | 23,458                  |
| Derivative assets ##  | -                       | 25                      |
| <b>Total (A)</b>  | <b>29,715</b>           | <b>23,483</b>           |
| <b>Financial assets carried at amortised cost</b>                         |                         |                         |
| Loans ^   | 966                     | 1,160                   |
| Trade receivables*  | 16,852                  | 11,549                  |
| Cash and cash equivalents*  | 3,930                   | 2,399                   |
| Bank balances other than cash and cash equivalents*                       | 7,500                   | 5,000                   |
| Other financial assets*   | 20,604                  | 6,107                   |
| <b>Total (B)</b>  | <b>49,852</b>           | <b>26,215</b>           |
| <b>Total financial assets (A+B)</b>                                       | <b>79,567</b>           | <b>49,698</b>           |
| <b>Financial liabilities measured at fair value</b>                       |                         |                         |
| Derivative liabilities ##   | 11                      | -                       |
| Liability on account of forward commitment [refer note 52]^               | 360                     | 33,802                  |
| <b>Total (C)</b>  | <b>371</b>              | <b>33,802</b>           |
| <b>Financial liabilities carried at amortised cost</b>                    |                         |                         |
| Lease liabilities ^   | 5,910                   | 5,921                   |
| Borrowings*   | 377                     | 3,499                   |
| Trade payables*   | 23,041                  | 18,068                  |
| Other financial liabilities *   | 13,433                  | 13,193                  |
| <b>Total (D)</b>  | <b>42,761</b>           | <b>40,681</b>           |
| <b>Total financial liabilities (C+D)</b>                                  | <b>43,132</b>           | <b>74,483</b>           |

\*The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, trade payables, borrowings and other financial assets and liabilities approximate their carrying amounts since the Group 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 and Derivative liabilities (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, 2024 and March 31, 2023.

#### 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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*[Handwritten signature]*

**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, 2024 and March 31, 2023 are as follows:

**Ageing**

|              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------|-------------------------|-------------------------|
| 0-90 days    | 0% - 1.87%              | 0% - 2.45%              |
| 91-180 Days  | 1.87% - 25%             | 2.45% - 25%             |
| 181-365 Days | 41.48% - 50%            | 44.65% - 50%            |
| > 1 years    | 100%                    | 100%                    |

**Movement in the expected credit loss allowance**

|  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>As at the beginning of the year</b>   | 807                     | 665                     |
| Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses | (117)                   | 142                     |
| <b>As at the end of the year</b>   | <b>690</b>              | <b>807</b>              |

**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, 2024:**

|                             | Less than 1 year | 1-5 years    | More than 5 years | Total         |
|-----------------------------|------------------|--------------|-------------------|---------------|
| Lease liabilities           | 1,272            | 4,278        | 3,911             | 9,461         |
| Borrowings                  | -                | 377          | -                 | 377           |
| Trade payables              | 23,041           | -            | -                 | 23,041        |
| Other financial liabilities | 13,003           | 790          | -                 | 13,793        |
| Derivatives                 | 11               | -            | -                 | 11            |
| <b>Total</b>                | <b>37,327</b>    | <b>5,445</b> | <b>3,911</b>      | <b>46,683</b> |

**As at March 31, 2023:**

|                             | Less than 1 year | 1-5 years    | More than 5 years | Total         |
|-----------------------------|------------------|--------------|-------------------|---------------|
| Lease liabilities           | 1,084            | 3,178        | 4,813             | 9,075         |
| Borrowings                  | 3,122            | 377          | -                 | 3,499         |
| Trade payables              | 18,068           | -            | -                 | 18,068        |
| Other financial liabilities | 12,611           | 582          | -                 | 13,193        |
| <b>Total</b>                | <b>34,885</b>    | <b>4,137</b> | <b>4,813</b>      | <b>43,835</b> |



**C. Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while 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 (Rs.) 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, NOK, AUD and SGD.

The Company has entered into following outstanding forward exchange contracts as on March 31, 2024 and March 31, 2023 in respect of highly probable exports:

| Currency             | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----------------------|-------------------------|-------------------------|
| US Dollar (in Lakhs) | 86                      | 25                      |
| INR (in Lakhs)       | 7,147                   | 2,088                   |

**Exposure to currency risk**

The currency profile of financial & other assets and financial & other liabilities as at March 31, 2024 and March 31, 2023 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<br>March 31, 2024               | As at<br>March 31, 2023 | As at<br>March 31, 2024     | As at<br>March 31, 2023 |
| Bank balances  | USD  | 3                                     | 1                       | 265                         | 102                     |
| Receivables  | GBP  | 0                                     | 0                       | 24                          | 31                      |
|  | NOK  | -                                     | 6                       | -                           | 47                      |
|  | USD  | 134                                   | 96                      | 11,160                      | 7,815                   |
| Customer advances  | USD  | 0                                     | 0                       | 15                          | 28                      |
| Advance recoverable (including capital advance)                          | USD  | 0                                     | -                       | 2                           | -                       |
|  | EURO | -                                     | 0                       | -                           | 4                       |
|  | GBP  | 0                                     | 0                       | 19                          | 20                      |
| Trade and other payables   | USD  | 8                                     | 7                       | 644                         | 593                     |
|  | NOK  | 23                                    | 25                      | 180                         | 202                     |
|  | AUD  | 1                                     | -                       | 40                          | -                       |
|  | SGD  | 0                                     | -                       | 1                           | -                       |
|  | EURO | -                                     | 0                       | -                           | 2                       |

**Sensitivity analysis\***

For the year ended March 31, 2024 and March 31, 2023, every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by Rs. 34 / (34) and Rs. 51 / (Rs. 51) respectively.

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

**(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.

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## 50 Capital management

For the purpose of Company's capital management, capital includes issued capital, securities 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<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Net debt (total borrowings, net of cash and cash equivalents)* | -                       | 1,100                   |
| Total equity   | 2,80,758                | 2,24,275                |
| <b>Net debt to equity ratio</b>                                | <b>0.00%</b>            | <b>0.49%</b>            |

\*As at March 31, 2024, the Company's net debt is less than zero.

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, 2024 and March 31 2023.

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**Orkla India Private Limited (formerly MTR Foods Private Limited)****Notes to standalone financial statements for the year ended March 31, 2024****(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)****CIN: U15136KA1996PTC021007****51 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**

|  | As at<br>March 31, 2024                      | As at<br>March 31, 2023                      |
|--|--|--|
| Number of equity shares at the beginning of the year                                   | 1,29,41,397                                  | 1,23,30,269                                  |
| Equity shares issued during the year   | 4,33,761                                     | -  |
| ROCPS  | -  | 6,11,128                                     |
| <b>Weighted average number of equity shares outstanding at the end of the year (A)</b> | <b>1,33,75,158</b>                           | <b>1,29,41,397</b>                           |
|  | <b>For the year ended<br/>March 31, 2024</b> | <b>For the year ended<br/>March 31, 2023</b> |
| <b>Profit attributable to the equity shareholders (B)</b>                              | <b>22,393</b>                                | <b>33,796</b>                                |
| Basic earnings per share (B/A)   | 167  | 261  |
| Diluted earnings per share (B/A)   | 167  | 261  |

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of the standalone financial statements.

**52 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 the Company 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, the fair value of consideration payable in cash amounting to Rs. 33,442 (on an amortised basis) and Rs. 360 payable for the final adjustment to working capital was disclosed as financial liability and the balance amount of Rs. 27,000 was disclosed in Standalone Statement of changes in equity as "Shares pending issuance" for the year ended March 31, 2023.

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 was treated as adjusting event in accordance with the guidance in ITFG 14 and the effect of the merger of ECPL with the Company was 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.

In accordance with the above scheme of merger, during the year ended March 31, 2024, the Company has issued 7,57,526 equity shares and 6,11,128 Redeemable Optionally Convertible Preference Shares (ROCPS) to the promoters of ECPL for acquiring the remaining 32.18%. Accordingly, the Company has de-recognised the acquisition liability of Rs. 33,442 and shares pending issuance of Rs. 27,000 accounted during acquisition and recorded a capital reserve of Rs. 60,306 for the difference between the face value of the shares issued of Rs. 136 and the acquisition liability of Rs. 33,442 and shares pending issuance of Rs. 27,000 as per the merger scheme and Ind AS 103 (Appendix C). Out of the aforesaid ROCPS issued, 50% of the shares have been converted into equity shares in ratio of 1:1 during the month of March 2024.

Further, the authorised share capital of ECPL was included in the authorised share capital of the Company as per the scheme of merger.



**Orkla India Private Limited (formerly MTR Foods Private Limited)**

**Notes to standalone financial statements for the year ended March 31, 2024**

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

**CIN: U15136KA1996PTC021007**

- 53 (i) The Company maintains proper books of account as required by law. The books of account are electronically maintained by the Company and are accessible in India at all times. However, the daily back-up schedule for the period April 1, 2023 to March 31, 2024 is not available in respect of one software and information of server location is not available for one software.
- (ii) The Company has used six accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except:
- (a) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of account relating to two accounting softwares.
- (b) The feature of recording audit trail (edit log) facility was not enabled at the application level for five accounting software and certain tables used for maintaining general ledger for one accounting software.

Further, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled.

**54 Transfer pricing**

Transfer Pricing regulations for computing the taxable income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within due date of filing the Return of Income. The Company is in the process of updating the Transfer Pricing documentation for the financial year ended March 31, 2024 following a detailed transfer pricing study conducted for the financial year ended March 31, 2023. In the opinion of the management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.

**55 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, 2024.
- (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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**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
**Notes to standalone financial statements for the year ended March 31, 2024**  
**(All amounts are in Indian Rupees Lakhs, unless stated otherwise)**  
**CIN: U15136KA1996PTC021007**

56 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.

**57 Events after the reporting period**

There are no events or transactions which have occurred since the balance sheet date which would have a material effect and require adjustments in the standalone financial statements.

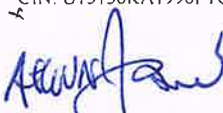
As per our report of even date

**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**  
**Orkla India Private Limited (formerly MTR Foods Private Limited)**  
CIN: U15136KA1996PTC021007

  
Atle Vidar Nagel Johansen  
Chairman  
DIN: 01361367

  
Suniana Calapa  
Chief Financial Officer

Place: Kochi  
Date: September 10, 2024

  
Sanjay Sharma  
Director & Chief Executive Officer  
DIN: 02581107

  
Ragee Raju  
Company Secretary  
Membership no: F11322

Place: Bengaluru  
Date: September 10, 2024