

INDEPENDENT AUDITOR'S REPORT

To the Members of Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2026, 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, 2026, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

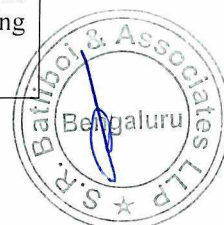
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

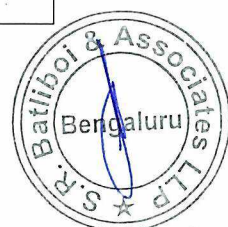
Key audit matters	How our audit addressed the key audit matter
Revenue from contract with customers (as described in note 2.2(d) and note 25 of the standalone financial statements)	
Revenue from sale of products for the year ended March 31, 2026 aggregated Rs. 24,477.7 million in the standalone financial statements.	Our audit procedures included the following: We assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and performed testing thereof;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the revenue, the Company considers the effects of rebates and discounts (variable consideration) given to the customers. At year-end, amounts for variable consideration that have been incurred and not yet provided to the customers are estimated and accrued. The terms of sales arrangements in case of export sales, including the timing of transfer of control, and estimate of discounts and rebate arrangements/ schemes at the year-end require judgment in determining revenue. Accordingly, we have determined this area to be key audit matters in our audit of the standalone financial statements.	• We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the revenue recognition process; • We assessed the Management's computations for accrual of discounts and rebates and on a sample basis compared the accruals made with the approved schemes and underlying documents; • We performed testing on a sample basis, the subsequent claims accounted by the Company, to assess the adequacy of accruals outstanding as at year-end; • We performed an analysis between historical accrual and actual expenses incurred for the previous years; • We obtained reasons from Management to ascertain reasonableness in relation to ageing of outstanding accruals and verified subsequent settlement of provisions; • On a sample basis, we tested the supporting documents for sales transactions recorded near to the year end; and • We assessed the disclosures in standalone financial statements in respect of revenue, as specified in Ind AS 115.
Impairment assessment of goodwill and intangible assets with an indefinite life (as described in note 2.2(g), 2.2(h) and note 5 of the standalone financial statements)	
The Company's balance sheet includes Rs. 10,115.5 million of goodwill and Rs. 5,730.0 million of other intangible assets with an indefinite life. These are allocated to Cash Generating Units (CGUs) and are tested annually for impairment. The determination of value in use is based on Management's assumptions of variables and market conditions such as sales growth rates, future operating expenditure, discount rates and long-term growth rates. The annual impairment testing is considered a significant accounting estimate as the assumptions on which such estimates are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain. Accordingly, we have determined this area to be key audit matters in our audit of the standalone financial statements.	Our audit procedures included the following: • We understood, evaluated and tested Management's key controls over the impairment assessment process; • We assessed the Company methodology applied in determining the CGUs recoverable value. In making this assessment, we also evaluated the objectivity and independence of Company's experts involved in the process; • We evaluated the basis of Management assumptions in respect of future sales growth rate, future operating expenditure, discount rate and long-term growth rate used to determine the recoverable value; • We have engaged valuation expert to review the assumptions used by the Management specialist to determine the recoverable amount; • We tested the arithmetical accuracy of the impairment testing models; and • We assessed the disclosure in the standalone financial statements as per the relevant accounting standards.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this report.

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. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the applicable laws and regulations.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

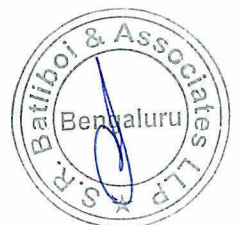
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



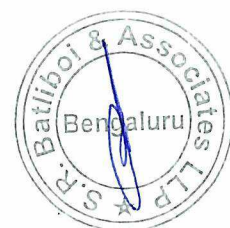
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;
 - (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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

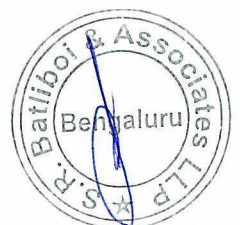


- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (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 38 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a) The Management has represented that, to the best of its knowledge and belief as disclosed in the note 53(iv) to the standalone financial statements, no funds have been advanced or 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 53(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. Based on our examination which included test checks, the Company has used four 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 that, audit trail feature is not enabled at the database level to log any direct data changes for three accounting software throughout the year, as stated in note 50 to the standalone financial statements.

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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the prior years, as stated in note 50 to the standalone financial statements

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 26104315SQBQZR3881



Place: Bengaluru

Date: May 19, 2026

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure 1 referred to in our report to the members of Orkla India Limited [formerly known as Orkla India Private Limited and MTR Foods Private Limited] ("the Company") for the year ended March 31, 2026

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.

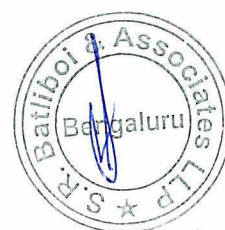
(b) All property, plant and equipment have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed 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 million)	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	1,146.6	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	1,042.6	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, 2025. 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, 2026.

(e) As disclosed in note 53(i) 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (ii) (a) The inventory has been physically verified by the Management during the year except for inventories lying with third parties. 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, 2026 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 interest free loans to employees as follows:

Particulars	Loans (Rs. in million)
Aggregate amount granted/ provided during the year	
- Others	
To employees	44.7
Balance outstanding as at balance sheet date in respect of above cases	
- Others	
To employees	35.6

(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 interest free loans to employees during the year are not prejudicial to the Company's interest.

(c) In respect of interest free loans granted to employees, the schedule of repayment of principal has been stipulated and the receipts are regular.

(d) There are no amounts of loan granted to employees 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) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, guarantees, and security given in respect of which provisions of Section 185 of the Companies Act, 2013 are applicable. Further, according to the information and explanations given to us, provisions of Section 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (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 a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, there are no undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-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.

(b) According to the information and explanation given to us, there are no dues of provident fund, employees' state insurance, income-tax, duty of custom and cess on account of any dispute. The disputed dues on account of sales-tax, service tax, goods and services tax, value added tax and excise duty are as follows:

Name of the statute	Nature of dues	Amount of dispute (Rs. in million)	Payment under protest (Rs in million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise and Customs Act, 1944	Excise duty	0.8	-	March 2006 to May 2007	Commissioner of Central Excise & Customs (Appeals)
The Central Excise and Customs Act, 1944	Excise duty	7.0	-	November 2004 to February 2006	Honourable Supreme Court of India
The Central Excise and Customs Act, 1944	Excise duty	-*	-*	January 2014 to December 2015	Commissioner of Central Excise & Customs (Appeals)
Karnataka Value Added Tax Act (VAT), 2003	VAT/CST	29.3	4.2	December 2006 to September 2007	Honourable Supreme Court of India
Tamil Nadu Value Added Tax (VAT)	VAT	100.0	-	2009-10 to 2015-16	Honourable Madras High Court
Finance Act, 1994	Service Tax	81.6	4.8	2010-11 to June 2017	Customs Excise and Service Tax Appellate Tribunal
Goods and Services Tax (GST), 2017	GST	1,019.0	49.0	July 2017 to March 2022	Appellate authorities (Commissioner)
Goods and Services Tax (GST), 2017	GST	6.3	0.3	FY 2020-21 to FY 2022-23	GST Appellate Tribunal

*Rounded off to nearest million

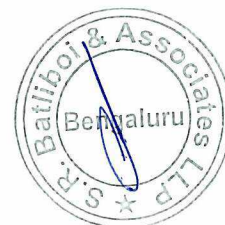
- (viii) As disclosed in note 53(vi) to the standalone financial statements, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) As disclosed in note 53(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) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to 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 subsidiary, associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, associate or joint venture. 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), however, there was an offer for sale for the existing shareholders, as described in note 51 of the standalone financial statements.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section (12) of Section 143 of the 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 Sections 177 and 188 of 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.
- (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)(c) of the Order is not applicable to the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (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 43 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.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to Sub-section 5 of Section 135 of the Companies Act, 2013. This matter has been disclosed in note 36 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 36 to the standalone financial statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 26104315HNVZMU2553



Place: Bengaluru

Date: May 19, 2026

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Orkla India Limited (formerly known as Orkla India Private Limited and 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 Limited [formerly known as Orkla India Private Limited and MTR Foods Private Limited] ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

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

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in 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.

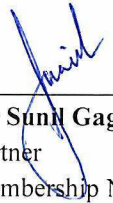
Opinion

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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per  **Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 26104315SQBQZR3881



Place: Bengaluru

Date: May 19, 2026

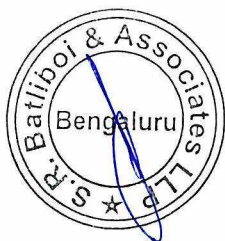
Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Standalone Balance Sheet as at March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	3(a)	3,300.6	3,485.0
Capital work-in-progress	3(b)	36.7	77.8
Right-of-use assets	4(a)	469.0	394.5
Goodwill	5	10,115.5	10,115.5
Other intangible assets	5	5,784.4	5,805.6
Financial assets			
Investments	6(a)	287.3	287.3
Loans	7	7.0	4.6
Other financial assets	8	85.1	76.7
Other non-current assets	9	77.1	35.8
Income tax assets (net)	10	1,248.5	1,148.8
		21,411.2	21,431.6
Current assets			
Inventories	11	2,946.4	3,051.9
Financial assets			
Investments	6(b)	5,445.0	1,474.3
Trade receivables	12	1,702.9	1,591.9
Cash and cash equivalents	13	162.2	773.7
Bank balances other than cash and cash equivalents	14	0.0	1,094.3
Loans	15	28.6	24.4
Other financial assets	16	864.2	1,003.9
Other current assets	17	977.1	869.9
		12,126.4	9,884.3
Assets held for sale	17(a)	290.6	290.6
		12,417.0	10,174.9
Total assets		33,828.2	31,606.5
Equity and liabilities			
Equity			
Equity share capital	18	137.0	137.0
Other equity	19	27,280.7	24,434.0
Total equity		27,417.7	24,571.0
Non-current liabilities			
Financial liabilities			
Lease liabilities	4(b)	537.1	452.2
Other financial liabilities	22(a)	104.5	138.3
Deferred tax liabilities (net)	20	1,148.9	1,030.4
		1,790.5	1,620.9



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Standalone Balance Sheet as at March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

	Notes	As at March 31, 2026	As at March 31, 2025
Current liabilities			
Financial liabilities			
Lease liabilities	4(b)	91.0	91.8
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	371.9	651.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	2,081.3	1,981.7
Other financial liabilities	22(b)	1,433.9	1,654.0
Other current liabilities	23	174.4	759.0
Provisions	24	467.5	276.7
		4,620.0	5,414.6
Total liabilities		6,410.5	7,035.5
Total equity and liabilities		33,828.2	31,606.5
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 attached herein

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants

per **Sunil Gaggar**
Partner
Membership no.: 104315



Place: Bengaluru
Date: May 19, 2026

For and on behalf of the Board of Directors of

Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Atle Vidar Nagel Johansen
Chairman & Director
DIN: 01361367

Place: Oslo, Norway
Date: May 19, 2026

Sanjay Sharma
Managing Director & Chief Executive Officer
DIN: 02581107

Place: Oslo, Norway
Date: May 19, 2026

Suniana Calapa
Chief Financial Officer

Place: Bengaluru
Date: May 19, 2026

Kaushik Seshadri
Company Secretary
Membership no: A41800

Place: Bengaluru
Date: May 19, 2026

Rashmi Satish Joshi
Independent Director
DIN: 06641898

Place: Mumbai
Date: May 19, 2026



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Standalone Statement of Profit and Loss for the year ended March 31, 2026

(All amounts are in Rs. million except share data and per share data, unless stated otherwise)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	25	24,638.9	23,701.2
Other income	26	412.6	606.9
Total income		25,051.5	24,308.1
Expenses			
Cost of raw materials and packing materials consumed	27	11,090.9	11,741.3
Purchase of stock-in-trade	28	2,516.7	1,215.0
(Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade	29	(60.3)	63.0
Employee benefits expense	30	2,419.6	2,390.5
Finance costs	31	65.3	64.5
Depreciation and amortisation expense	32	538.3	615.9
Other expenses	33	4,532.8	4,352.2
Total expenses		21,103.3	20,442.4
Profit before exceptional items and tax		3,948.2	3,865.7
Exceptional items (net)	49	(166.6)	(336.4)
Profit before tax		3,781.6	3,529.3
Tax expense:			
- Current tax	34	839.4	868.9
- Adjustment of tax relating to earlier years	34	-	(13.4)
- Deferred tax charge	34	124.6	134.4
Total tax expense		964.0	989.9
Profit for the year		2,817.6	2,539.4
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit or loss in subsequent periods :			
(a) Re-measurement loss on defined benefit plans	35	(24.3)	(19.6)
Income tax effect on above	34	6.1	4.9
(b) Fair value losses on equity instruments	6(a)	-	(24.6)
Income tax effect on above		-	-
Total other comprehensive loss for the period (net of tax)		(18.2)	(39.3)
Total comprehensive income for the period (net of tax)		2,799.4	2,500.1
Earnings per equity share	47		
Basic		20.6	18.5
Diluted		20.6	18.5
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 attached herein

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants

per Sunil Gaggar

Partner

Membership no.: 104315

Place: Bengaluru

Date: May 19, 2026



For and on behalf of the Board of Directors of

Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Atle Vidar Nagel Johansen

Chairman & Director

DIN: 01361367

Place: Oslo, Norway

Date: May 19, 2026

Suniana Calapa

Chief Financial Officer

Place: Bengaluru

Date: May 19, 2026

Rashmi Satish Joshi

Independent Director

DIN: 06641898

Place: Mumbai

Date: May 19, 2026

Sanjay Sharma

Managing Director & Chief Executive Officer

DIN: 02581107

Place: Oslo, Norway

Date: May 19, 2026

Kaushik Seshadri

Company Secretary

Membership no: A41800

Place: Bengaluru

Date: May 19, 2026



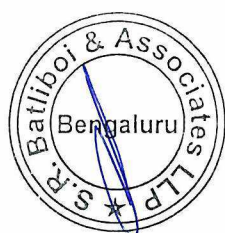
Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Standalone Cash Flow Statement for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities			
Profit before tax		3,781.6	3,529.3
Adjustments to reconcile profit before tax to net cash flows:			
Exceptional items (net) [refer note 49 (i) to (iii)]	49	-	336.4
Share based payment	30	47.3	3.3
Depreciation of property, plant and equipment	32	422.2	410.7
Amortisation of intangible assets	32	29.3	122.8
Depreciation of right-of-use assets	32	86.8	82.4
Interest expense - others	31	-	0.6
Interest expense on lease liabilities	31	57.4	54.4
Impairment loss/(reversal of impairment loss) on trade receivables	33	0.4	(49.6)
Property, plant and equipment/capital work-in-progress written off		3.2	8.1
Unwinding of security deposit	26	(3.0)	(3.2)
Gain on termination/modification of right-of-use assets	26	(1.5)	(1.4)
Dividend income		(0.0)	(0.0)
Profit on sale of investments in units of mutual funds	26	(80.0)	(300.4)
Fair value gain on financial instruments at fair value through profit or loss	26	(123.2)	(55.7)
Liabilities written back	26	(8.2)	(50.8)
Bad debts/advance written off	33	13.0	61.7
Provision for doubtful advances		(1.3)	-
(Gain)/loss on sale of property, plant and equipment (net)	33	(2.8)	(2.1)
Fair value loss on financial instruments at fair value through profit or loss (net)	33	56.0	-
Interest income	26	(49.6)	(140.1)
Unrealised foreign exchange (gain)/loss (net)		(63.0)	4.6
Operating profit before working capital changes		4,164.6	4,011.0
Movements in working capital:			
(Increase)/decrease in trade receivables		(57.8)	120.8
Decrease/(increase) in inventories		105.5	(82.5)
Decrease/(Increase) in financial assets and other assets		190.1	(247.3)
(Decrease)/increase in trade payable		(171.7)	330.0
(Decrease)/increase in financial liabilities and other liabilities		(870.3)	715.8
Increase in provisions		166.4	64.1
Cash generated from operations		3,526.8	4,911.9
Income tax paid (net of refunds)		(939.1)	(1,029.3)
Net cash flow generated from operating activities (A)		2,587.7	3,882.6
B. Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets (including capital work- in-progress and capital advances)		(218.1)	(201.8)
Proceeds from sale of property, plant and equipment		8.2	13.9
Purchase of units of mutual funds		(10,775.0)	(12,615.2)
Proceeds from sale of units of mutual funds		7,007.5	14,452.0
Repayment of loan by associate		-	50.0
Proceeds from the settlement of indemnity as per share purchase agreement		-	124.3
Proceeds from deposits with bank and margin money deposits with original maturity more than 3 months (net)		1,093.9	700.1
Proceeds from maturity of deposits with financial institutions		250.0	-
Investment in deposits with financial institutions		(500.0)	-
Investment in shares of subsidiary		-	(11.4)
Dividend received		0.0	0.0
Purchase of other non-current investments		-	(24.6)
Interest received		59.6	137.1
Net cash flow (used in)/generated from investing activities (B)		(3,073.9)	2,624.4



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Standalone Cash Flow Statement for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
C. Cash flows from financing activities			
Payment of principal portion of lease liabilities		(70.3)	(74.6)
Interest on lease liabilities paid		(57.4)	(54.4)
Dividend paid		-	(6,000.1)
Net cash flow (used in) financing activities (C)		(127.7)	(6,129.1)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(613.9)	377.9
Effect of exchange differences on cash and cash equivalents held in foreign currency		2.4	-
Cash and cash equivalents at the beginning of the period	13	773.7	395.8
Cash and cash equivalents at the end of the period	13	162.2	773.7
Components of cash and cash equivalents			
Cash on hand	13	0.2	0.5
Balances with banks:			
On current accounts	13	162.0	773.2
Total cash and cash equivalents		162.2	773.7

Notes:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
- Refer note 14 for change in liabilities arising from financing activities and for non-cash financing and investing activities.

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 attached herein

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants

per 
Sunil Gaggar
 Partner
 Membership no.: 104315

Place: Bengaluru
 Date: May 19, 2026



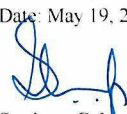
For and on behalf of the Board of Directors of

Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

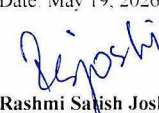
CIN: L15136KA1996PLC021007


Atle Vidar Nagel Johansen
 Chairman & Director
 DIN: 01361367

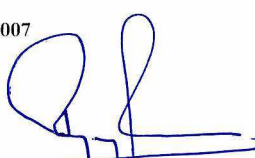
Place: Oslo, Norway
 Date: May 19, 2026


Suniana Calapa
 Chief Financial Officer

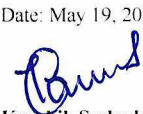
Place: Bengaluru
 Date: May 19, 2026


Rashmi Satish Joshi
 Independent Director
 DIN: 06641898

Place: Mumbai
 Date: May 19, 2026


Sanjay Sharma
 Managing Director & Chief Executive Officer
 DIN: 02581107

Place: Oslo, Norway
 Date: May 19, 2026


Kaushik Seshadri
 Company Secretary
 Membership no: A41800

Place: Bengaluru
 Date: May 19, 2026



a) Equity share capital

Equity shares, issued, subscribed and fully paid

As at April 1, 2025 (face value of Rs. 10 each)

Shares extinguished on splitting*

Issue of equity shares by sub-division of face value from Rs. 10 to Re. 1*

As at March 31, 2026 (face value of Re. 1 each)

As at April 1, 2024 (face value of Rs. 10 each)

Redeemable Optionally Convertible Preference Shares (ROCPS) converted to equity shares (refer note 48)

As at March 31, 2025 (face value of Rs. 10 each)

Nos.	Amount
1,36,98,923	137.0
(1,36,98,923)	-
13,69,89,230	-
13,69,89,230	137.0
1,33,93,359	134.0
3,05,564	3.0
1,36,98,923	137.0

* During the year ended March 31, 2026, one equity share of face value of Rs. 10 each was split into 10 equity shares of face value of Re. 1 each fully paid up

b) Instruments entirely equity in nature

Redeemable Optionally Convertible Preference Shares (ROCPS) issued, subscribed and fully paid up

As at April 1, 2025 (face value of Rs. 10 each)

Shares issued during the year

As at March 31, 2026 (face value of Rs. 10 each)

As at April 1, 2024 (face value of Rs. 10 each)

Shares issued during the year

Converted to equity shares (refer note 48)

As at March 31, 2025 (face value of Rs. 10 each)

-	-
-	-
-	-
3,05,564	3.0
-	-
(3,05,564)	(3.0)
-	-

For movement in share capital, refer note 18

c) Other equity

	Reserve and surplus						Other comprehensive income	Total
	Securities premium	Capital redemption reserve	Capital reserve	Retained earnings	Contribution from parent	Share options outstanding account	Fair value gain/ (loss) on equity instruments	
As at April 1, 2025	11,095.0	33.7	6,030.6	7,259.7	28.4	-	(13.4)	24,434.0
Profit for the year	-	-	-	2,817.6	-	-	-	2,817.6
Other comprehensive income (net of tax)	-	-	-	(18.2)	-	-	-	(18.2)
Total comprehensive income for the year	-	-	-	2,799.4	-	-	-	2,799.4
Compensation cost related to employee share based payment plans (refer note 39)	-	-	-	-	1.6	45.7	-	47.3
As at March 31, 2026	11,095.0	33.7	6,030.6	10,059.1	30.0	45.7	(13.4)	27,280.7
As at April 1, 2024	11,095.0	33.7	6,030.6	10,735.1	25.1	-	11.2	27,930.7
Profit for the year	-	-	-	2,539.4	-	-	-	2,539.4
Dividend	-	-	-	(6,000.1)	-	-	-	(6,000.1)
Other comprehensive income (net of tax)	-	-	-	(14.7)	-	-	(24.6)	(39.3)
Total comprehensive income for the year	-	-	-	(3,475.4)	-	-	(24.6)	(3,500.0)
Compensation cost related to employee share based payment plans (refer note 39)	-	-	-	-	3.3	-	-	3.3
Cross charge from ultimate holding company for employee share based payment plans	-	-	-	-	-	-	-	-
As at March 31, 2025	11,095.0	33.7	6,030.6	7,259.7	28.4	-	(13.4)	24,434.0

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 attached herein

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants

per Shail Gaggar

Partner

Membership no. 104315

Place: Bengaluru

Date: May 19, 2026



For and on behalf of the Board of Directors of

Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Atle Vidar Nagel Johansen

Chairman & Director

DIN: 01361369

Place: Oslo, Norway

Date: May 19, 2026

Suniana Calappa

Chief Financial Officer

Place: Bengaluru

Date: May 19, 2026

Rashmi Satish Joshi

Independent Director

DIN: 06641898

Place: Mumbai

Date: May 19, 2026

Sanjay Sharma
Managing Director & Chief Executive Officer
DIN: 02581107

Place: Oslo, Norway

Date: May 19, 2026

Kaushik Seshadri
Company Secretary
Membership no. A41800

Place: Bengaluru

Date: May 19, 2026



1. Corporate Information

Orkla India Limited [formerly Orkla India Private Limited and MTR Foods Private Limited] ("the Company") [CIN No. L15136KA1996PLC021007] 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, 2nd and 3rd 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, Andhra Pradesh, Rajasthan, and warehouses and an extensive distribution network in India, Middle East countries and other overseas markets.

The Company has been converted from Private Limited Company to Public Limited Company, through a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on March 13, 2025. Consequently, the name of the Company has been changed to Orkla India Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies dated April 25, 2025.

The standalone financial statements were approved for issue by the Company's Board of Directors on May 19, 2026.

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:

- a) Certain financial assets and liabilities measured at fair value; and
- b) Derivative financial instruments.

The standalone financial statements are presented in Rs. million and all values are rounded to the nearest million (Rs. 000,000), except when otherwise indicated. Certain numbers in the notes and disclosures in the standalone financial statements have been presented as zero with one decimal ("0.0"), where the absolute amount is below Rs. 50,000 ("fifty thousand").

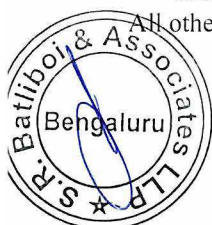
2.2 Summary of material accounting policies:

(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 are classified 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 Rs. million ('Rs. 000,000'), which is the functional currency of the Company.

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

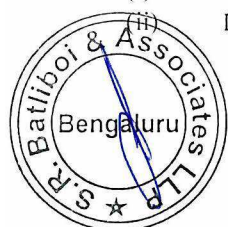
In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially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

(c) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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



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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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, 44 and 45.
- (ii) Financial instruments (including those carried at amortised cost) - note 4(b), 6(a), 6(b), 7, 8, 12, 13, 14, 15, 16, 21, 22(a), and 22(b).

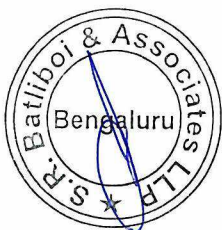
(d) Revenue recognition

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.

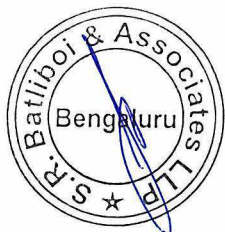
(iii) Contract balances

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.

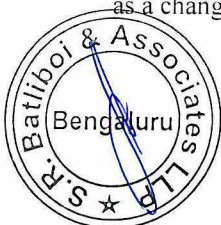
(ix) Government grant

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; and
- (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:

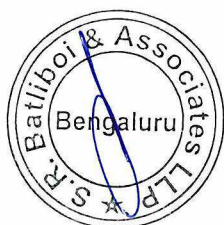
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or taxable profit or loss.
- In respect of taxable temporary differences 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.

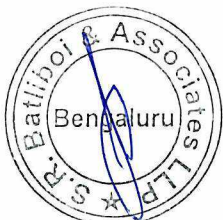
Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses 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.



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.

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

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

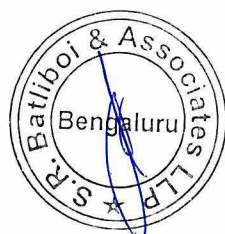
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and 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:

Asset category	Useful life by management (in years)
Software	3 years
Trademarks	Indefinite
Distribution network	4 years
Recipes	10 years

(h) Business combination and goodwill

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the Company's 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.

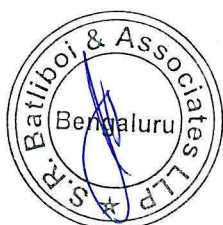
Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

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:

Asset category	Estimated useful life
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.

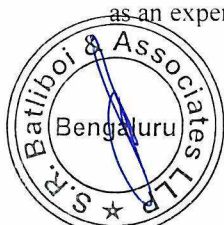
Lease liabilities

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; and
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(j) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

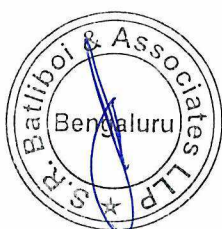
- The appropriate level of management is committed to a plan to sell the asset;
- An active programme to locate a buyer and complete the plan has been initiated (if applicable);
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value;
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets are not depreciated, or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

(k) Inventories

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.
--	---

Inventories are valued as follows:

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.

(l) 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.

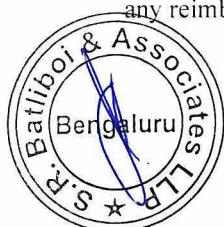
In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions 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.

(m) 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.

(n) Retirement and other employee benefits

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan:

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

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

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

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

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

Leave encashment / Compensated absences:

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



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

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

(o) 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.

(p) 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

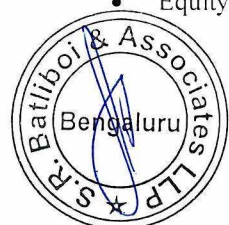
Initial recognition and measurement

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.

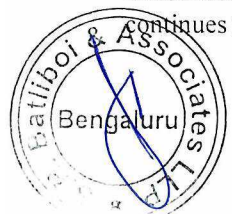
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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

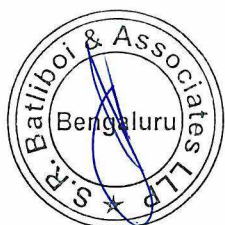
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

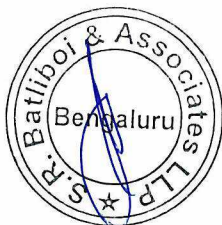
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is 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:

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



(q) Supplier financing arrangements

The Company has established supplier finance arrangements. The Company evaluates whether financial liabilities covered by such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Company derecognises its original liability toward the supplier and recognises a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

For the purposes of cash flow presentation, the economic substance of these transactions are determined to be operating in nature, and accordingly settlement of the liability by the Company is treated as cash flows from operating activities.

(r) 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.

(s) Investment in subsidiary, associate and joint venture

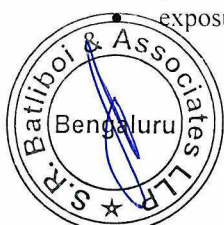
A subsidiary is an entity that is controlled by another entity.

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.

(t) 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.

(u) 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.

(v) 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

(w) Cash dividend

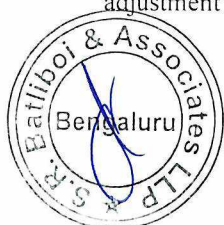
The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding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

(x) 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 35.

(b) Leases

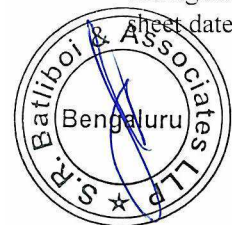
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds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

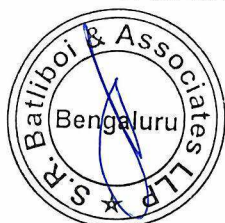
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, 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 39.

(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 44 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 45.

2.4 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation of amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

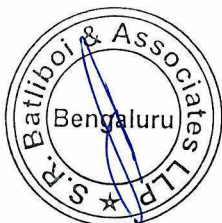
The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's standalone financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification



In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025 retrospectively in accordance with Ind AS 8. The amendments do not have a material impact on the Company's standalone financial statements.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement. Please refer to note 22b.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 1, 2025, but not for any interim periods ending on or before March 31, 2026.

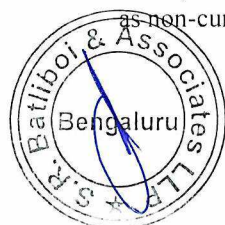
The amendments had no impact on the Company's standalone financial statements as the Company is not in scope of the Pillar Two model rules.

2.5 Standards notified but not effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these new and amended standards, when they become effective.

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.



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

CIN: L15136KA1996PLC021007

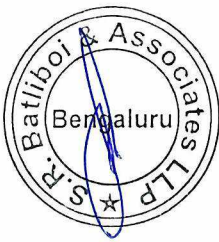
Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million unless otherwise stated)

In accordance with changes to Ind AS I already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its standalone financial statements



3(a) Property, plant and equipment

	Land [refer notes (i) & (ii)]	Buildings [on freehold land]	Buildings [on leasehold land]	Leasehold Improvements	Plant and Machinery	Office Equipment	Electrical Fittings	Furniture and Fixtures	Vehicles	Windmill	Total
Gross block											
As at April 1, 2024	1,228.1	1,241.3	61.3	36.3	2,690.0	152.8	81.5	86.0	84.0	63.5	5,724.8
Additions	-	7.3	4.6	1.3	92.4	30.2	0.4	5.4	-	-	141.6
Disposals	-	(0.5)	-	(0.8)	(38.6)	(3.2)	-	(0.3)	(14.7)	-	(58.1)
Transfer to assets held for sale [refer note 17(a)]	(163.9)	(159.6)	-	-	-	-	-	-	-	-	(323.5)
As at March 31, 2025	1,064.2	1,088.5	65.9	36.8	2,743.8	179.8	81.9	91.1	69.3	63.5	5,484.8
Additions	-	16.5	2.7	1.6	178.6	33.1	5.4	8.5	0.0	-	246.4
Disposals	-	(0.6)	(2.2)	0.0	(96.7)	(2.3)	(0.0)	(1.4)	(3.1)	-	(106.3)
As at March 31, 2026	1,064.2	1,104.4	66.4	38.4	2,825.7	210.6	87.3	98.2	66.2	63.5	5,624.9
Accumulated depreciation and impairment											
As at April 1, 2024	-	247.7	13.8	6.7	1,165.5	85.8	47.0	44.6	26.4	26.4	1,663.9
Depreciation for the year (refer note 32)	-	60.7	5.6	6.7	265.8	33.2	8.7	9.6	11.4	9.0	410.7
Disposals	-	-	-	(0.8)	(29.7)	(3.2)	-	(0.2)	(8.0)	-	(41.9)
Transfer to assets held for sale (refer note 17(a))	-	(32.9)	-	-	-	-	-	-	-	-	(32.9)
As at March 31, 2025	-	275.5	19.4	12.6	1,401.6	115.8	55.7	54.0	29.8	35.4	1,999.8
Depreciation for the year (refer note 32)	-	54.9	6.2	6.4	282.5	33.9	10.5	9.4	9.4	9.0	422.2
Disposals	-	(0.1)	(1.3)	0.0	(90.4)	(2.3)	(0.0)	(1.1)	(2.5)	0.0	(97.7)
As at March 31, 2026	-	330.3	24.3	19.0	1,593.7	147.4	66.2	62.3	36.7	44.4	2,324.3
Net carrying value as at:											
As at March 31, 2025	1,064.2	813.0	46.5	24.2	1,342.2	64.0	26.2	37.1	39.5	28.1	3,485.0
As at March 31, 2026	1,064.2	774.1	42.1	19.4	1,232.0	63.2	21.1	35.9	29.5	19.1	3,300.6

Net carrying value as at:

As at March 31, 2025

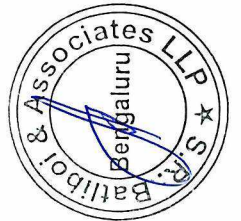
As at March 31, 2026

Note:

(i) Title deeds of immovable properties not held in the name of the Company as at March 31, 2026

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 / Assets held for sale	Land (freehold and leasehold) and buildings	1,146.6	Eastern Condiments Private Limited (ECPL) [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	1,042.6	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, 2025. The land and building are held in the erstwhile name of the Company

<This space is intentionally left blank>



Title deeds of immovable properties not held in the name of the Company as at March 31, 2025
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 employee 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 / Assets held for sale					
Land (freehold and leasehold) and buildings	1,494.7	Eastern Condemns Private limited (ECPL) [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	1,036.0	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.

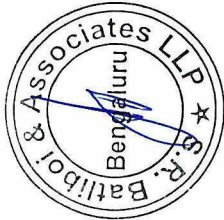
(ii) During the year ended March 31, 2019, ECPL had made advance payment of Rs. 46.5 to a party for purchase of a land situated at Edappally. The concerned land was mortgaged by such party with a bank as security. Further, the land was taken over by the bank as part of its recovery proceedings against the said party in financial year ended March 31, 2019.

During the year ended March 31, 2019, the above-mentioned land was purchased by ECPL through an auction conducted by the bank at a cost of Rs. 37.7. The said amount of Rs. 37.7 was paid by Mr. Navas M. Meeran (promoter of ECPL) to ECPL, as agreed by him to secure the title of the land in the name of ECPL. The amount paid by the promoter of ECPL was disclosed as an interest-free borrowing. Based on the agreement executed between ECPL and Mr. Navas M. Meeran, repayment of borrowings is restricted to the extent of amount recovered from the party. Also, in the event of non-recovery from the aforesaid party, the aforesaid borrowings will be set off against the advance receivable from the party and there would not be any amount payable to Mr. Navas M. Meeran and accordingly, difference of Rs. 8.8 was written off during the year ended March 31, 2019.

Further, as per the agreement executed on October 21, 2024 between the Company and Mr. Navas M. Meeran, the Company has written off advance receivable from the party aggregating to Rs. 37.7 and written back the borrowings amount payable to Mr. Navas M. Meeran aggregating Rs. 37.7 in the year ended March 31, 2025.

3(b) Capital work-in-progress

As at April 1, 2024	36.2
Additions	90.0
Capitalised	(42.5)
Disposal	(5.9)
As at March 31, 2025	77.8
As at April 1, 2025	77.8
Additions	128.7
Capitalised	(169.0)
Disposal	(0.8)
As at March 31, 2026	36.7



<This space is intentionally left blank>



Capital work-in-progress (CWIP) ageing schedule

Particulars	As at March 31, 2026				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	36.7	-	-	-	36.7
Projects temporarily suspended	-	-	-	-	-
Total	36.7	-	-	-	36.7

Particulars	As at March 31, 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	77.8	-	-	-	77.8
Projects temporarily suspended	-	-	-	-	-
Total	77.8	-	-	-	77.8

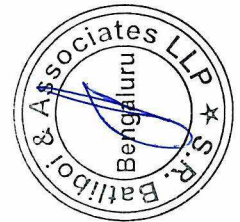
Details of projects overdue to its original plan:

Particulars	As at March 31, 2026				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Factory, Bengaluru	10.7	-	-	-	10.7
Corporate Office, Bengaluru	8.0	-	-	-	8.0
Factory, Adimali	0.6	-	-	-	0.6
Factory, Kodumangalam	2.9	-	-	-	2.9
Factory, Guntur	13.4	-	-	-	13.4
Factory, Rapashan	0.6	-	-	-	0.6
Fresh Factory, Jigani	0.5	-	-	-	0.5
Total	36.7	-	-	-	36.7

Particulars	As at March 31, 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Factory, Bengaluru	45.1	-	-	-	45.1
Corporate office, Bengaluru	1.0	-	-	-	1.0
Factory, Kodumangalam	14.8	-	-	-	14.8
Factory, Guntur	4.1	-	-	-	4.1
Factory, Adimali	0.8	-	-	-	0.8
Factory, Kota	0.1	-	-	-	0.1
Total	65.9	-	-	-	65.9

As at March 31, 2026 and March 31, 2025 the Company has no projects whose cost has exceeded compared to its original plan

<This space is intentionally left blank>



4 Right-of-use assets and lease liabilities

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

	As at March 31, 2026	As at March 31, 2025
At the beginning of the year	394.5	449.6
Additions	32.4	34.9
Depreciation of right-of-use assets (refer note 32)	(86.8)	(82.4)
Deletions	(4.0)	(6.6)
Adjustment due to modification [refer note (i) below]	132.9	(1.0)
At the end of the year	469.0	394.5

4(b) Lease liabilities

	As at March 31, 2026	As at March 31, 2025
At the beginning of the year	544.0	594.8
Additions	22.0	32.7
Retirements	(0.5)	(7.7)
Interest expense on lease liabilities (refer note 31)	57.4	54.4
Payments	(127.7)	(129.0)
Adjustment due to modification [refer note (i) below]	132.9	(1.2)
At the end of the year	628.1	544.0

Note :

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

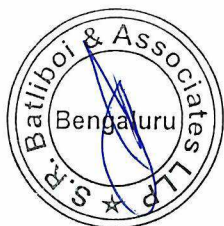
	As at March 31, 2026	As at March 31, 2025
Non-current	537.1	452.2
Current	91.0	91.8

The following are the amounts recognised in profit and loss :

	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on termination/modification of right-of-use assets (refer note 26)	1.5	1.4
Depreciation expense of right-of-use assets (refer note 32)	86.8	82.4
Interest expense on lease liabilities (refer note 31)	57.4	54.4
Expense relating to short-term leases (included in other expenses and staff welfare)	147.5	83.4
Expense relating to leases of low value assets (included in other expenses)	0.1	0.3

Also refer note 37(a) for other disclosures in respect of leases.

<This space is intentionally left blank>



5 Intangible assets

	Goodwill [refer note (i)]	Other intangible assets				Total
		Trademarks and Brands [refer note (i)]	Distribution network	Recipes	Computer software	
As at April 1, 2024	10,115.5	5,731.1	368.0	0.5	192.6	6,292.2
Additions	-	-	-	-	7.6	7.6
Disposals	-	-	-	-	-	-
As at March 31, 2025	10,115.5	5,731.1	368.0	0.5	200.2	6,299.8
Additions	-	-	-	-	8.1	8.1
Disposals	-	-	-	-	-	-
As at March 31, 2026	10,115.5	5,731.1	368.0	0.5	208.3	6,307.9
As at April 1, 2024	-	0.9	276.0	0.3	94.2	371.4
Amortisation for the year (refer note 32)	-	0.0	92.0	0.0	30.8	122.8
Disposals	-	-	-	-	-	-
As at March 31, 2025	-	0.9	368.0	0.3	125.0	494.2
Amortisation for the year (refer note 32)	-	0.0	-	0.0	29.3	29.3
Disposals	-	-	-	-	-	-
As at March 31, 2026	-	0.9	368.0	0.3	154.3	523.5
Net carrying value as at:						
As at March 31, 2025	10,115.5	5,730.2	0.0	0.2	75.2	5,805.6
As at March 31, 2026	10,115.5	5,730.2	0.0	0.2	54.0	5,784.4

Note:

Goodwill primarily includes Rs. 9,857.3 and Rs. 251.9 on acquisition of ECPL (Eastern) and Rasoi respectively. Further, the Company has recognised Trademarks and Brands aggregating Rs. 5,730.0 on acquisition of ECPL. Trademarks and Brands are not amortised and are considered to have indefinite life, on account of the history of operations in ECPL and their established brands in the market. These intangible assets and goodwill are tested for impairment on an annual basis in accordance with the applicable accounting standards. For the purposes of impairment, Goodwill and Trademarks & Brands recognised on acquisition of ECPL has been allocated to Eastern CGU and further, Goodwill on acquisition of Rasoi has been allocated to Rasoi CGU.

(i) Eastern CGU

The recoverable amount of Eastern CGU has been determined based on a value in use calculation considering the cash flow projections from financial budgets approved by the Management for the financial years ending March 31, 2027 to March 31, 2031 which covers a five-year period. For the purposes of impairment testing, the post-tax discount rate applied to cash flow projections for the current financial year is 12.0% (March 31, 2025: 12.0%) and cash flows beyond the five-year period are extrapolated considering a growth rate of 5.0% (March 31, 2025: 5.0%), which is similar to the long-term average growth rate for the industry.

Rasoi CGU

The recoverable amount of the Rasoi CGU has been determined based on a value in use calculation considering the cash flow projections from financial budgets approved by the Management for the financial years ending March 31, 2027 to March 31, 2031 which covers a five-year period. For the purposes of impairment testing, the post-tax discount rate applied to cash flow projections for the period is 23.0% (March 31, 2025: 23.0%) and cash flows beyond the five-year period are extrapolated considering a growth rate of 5.0% (March 31, 2025: 5.0%), which is similar to 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:

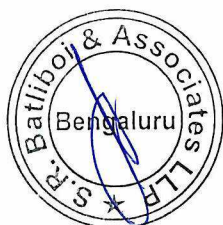
- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

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 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.

The Company assesses goodwill for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. During the year ended March 31, 2026, the Company did not identify any triggering events that would require an interim impairment of goodwill.

Based on the above assessment, no impairment has been recognised during the year ended March 31, 2026 (March 31, 2025 :Rs. Nil). Further, the Company has also performed sensitivity analysis around the key assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of the aforesaid assets to exceed their recoverable values.



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

6 Investments

6(a) Non-current investments

Investment in equity instruments

In subsidiaries (at cost unless stated otherwise):

Unquoted

Nil (March 31, 2025: Nil) equity shares of Rs. 10 (March 31, 2025: Rs. 10) each fully paid-up in Eastern Food Speciality Formulations Private Limited [refer note (i) below]

Less: Provision for impairment

Add: Reversal of provision for impairment on account of strike off

Less: Derecognition of investment on account of strike off

	As at March 31, 2026	As at March 31, 2025
	-	10.0
	-	(10.0)
	-	10.0
	-	(10.0)
(A)	-	-
	11.4	11.4
(B)	11.4	11.4

500 (March 31, 2025: 500) equity shares of UAE Dirhams 1,000 (March 31, 2025: UAE Dirhams 1,000) each fully paid up in Orkla IMEA Trading L.L.C [refer note (ii) below]

In associate (at cost unless stated otherwise):

Unquoted

4,271 (March 31, 2025: 4,271) equity shares of Rs.10 (March 31, 2025: Rs. 10) each fully paid-up in Pot Ful India Private Limited [refer note (iii) below]

	202.0	202.0
(C)	202.0	202.0

In joint venture (at cost unless stated otherwise):

Unquoted

2,500 (March 31, 2025: 2,500) equity shares of UAE Dirhams 1,000 (March 31, 2025: UAE Dirhams 1,000) each fully paid-up in Eastern Condiments Middle East & North Africa FZC, UAE

	73.9	73.9
(D)	73.9	73.9

Total	(A+B+C+D)	287.3	287.3
--------------	------------------	--------------	--------------

In others (at fair value through other comprehensive income):

Unquoted

1,403 (March 31, 2025: 1,403) equity shares of Rs. 10 (March 31, 2025: Rs. 10) each fully paid-up in Firmroots Private Limited [refer note (iv) below]

Less: Provision for impairment

	3.9	3.9
	(3.9)	(3.9)
(A)	-	-

37,748 (March 31, 2025: 37,748) equity shares of Rs.10 (March 31, 2025: Rs. 10) each fully paid in Clean Max Aurora Private Limited [refer note (v) below]

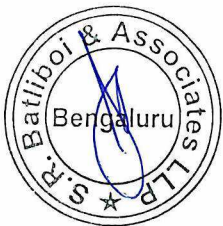
Less: Provision for impairment

	24.6	24.6
	(24.6)	(24.6)
(B)	-	-

750 (March 31, 2025: 750) equity shares of Rs. 10 (March 31, 2025: Rs.10) each fully paid up in Vishweshwar Sahakari Bank Ltd.

(C)	0.0	0.0
+B+C)	0.0	0.0

<This space is intentionally left blank>



6(b) Current investments**Investments in mutual funds (at fair value through profit or loss account)**

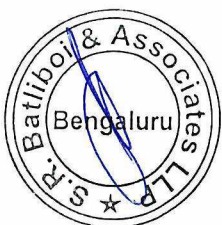
	As at March 31, 2026	As at March 31, 2025
Quoted		
Aditya Birla Sun Life Liquid Fund 2,203,030 units (March 31, 2025: 210,096 units)	980.7	88.1
Aditya Birla Sun Life Savings Fund 1,875,550 units (March 31, 2025: Nil)	1,097.2	-
ICICI Prudential Liquid Fund 237,282 units (March 31, 2025: 77,768 units)	96.7	29.9
Axis Money Market Fund 768,246 units (March 31, 2025: 625,109 units)	1,161.7	885.1
Axis Liquid Fund 321,774 units (March 31, 2025: 43,463 units)	986.1	125.3
Baroda BNP Paribas Liquid Fund 116,567 units (March 31, 2025: 9,609 units)	370.2	28.7
Baroda BNP Paribas Ultra Short Duration Fund 21,717 units (March 31, 2025: 27,539 units)	35.5	42.2
Kotak Liquid Fund 64,956 units (March 31, 2025: 2,472 units)	361.5	13.0
HSBC Liquid Fund 24,749 units (March 31, 2025: 59,225 units)	67.9	153.1
HSBC Ultra Fund 102,271 units (March 31, 2025: Nil)	146.8	-
Franklin Templeton Liquid Fund 33,977 units (March 31, 2025: 27,942 units)	140.7	108.9
Total	5,445.0	1,474.3
Aggregate book value and market value of quoted investments	5,445.0	1,474.3
Aggregate book value of unquoted investments	287.3	287.3
Aggregate amount of impairment in value of investments	28.5	28.5

Note:

- i) During the previous year ended March 31, 2025, Eastern Food Speciality Formulations Private Limited (EFSF), a wholly owned subsidiary of the Company, had applied for strike-off under Section 248 of the Companies Act, 2013. Pursuant to the application, the Registrar of Companies approved the strike-off, and the name of EFSF was published in the Official Gazette dated March 15, 2025, resulting in its dissolution. Accordingly, the Company derecognised its investment in EFSF in the financial statements for the year ended March 31, 2025. In earlier periods, the Company had recognised an impairment loss on the investment in EFSF. The loss arising on account of the strike-off had been adjusted against the impairment allowance recognised in previous years.
- ii) During the previous year ended March 31, 2025, the Company invested in a wholly owned subsidiary incorporated in the United Arab Emirates (UAE).
- iii) On December 1, 2018, the Company acquired 1,112 equity shares in Pot Ful India Private Limited ("Pot Ful"), representing a 10% equity interest. During the year ended March 31, 2020, the Company further acquired 252 equity shares from the promoters of Pot Ful and subscribed to 2,150 equity shares, increasing its shareholding to 26.5%. Accordingly, Pot Ful became an associate of the Company with effect from July 15, 2019. During the years ended March 31, 2023 and March 31, 2024, the Company further subscribed to 218 equity shares and 539 equity shares, respectively, resulting in an increase in shareholding to 30.47% as at March 31, 2024. During the previous year ended March 31, 2025, Pot Ful issued 280 equity shares to other investors, which led to a dilution of the Company's shareholding to 29.87%. The Company continues to account for its investment in Pot Ful as an associate.
- iv) On October 13, 2017, the Company acquired 8,065 equity shares of Firmroots Private Limited ("FPL") at a fair value of Rs. 4,340 per share, representing a 43% equity interest. During the year ended March 31, 2020, FPL converted its Series A compulsorily convertible preference shares into equity shares, resulting in a dilution of the Company's shareholding to 33%. During the same year, the Company recognised an impairment loss of Rs. 1,513 per share on its investment in FPL based on its performance. During the year ended March 31, 2021, the Company sold 6,662 equity shares in FPL at a fair value of Rs. 2,627 per share, resulting in a loss of ₹200 per share. The said loss was adjusted against the impairment allowance recognised in the year ended March 31, 2020. Subsequent to the aforesaid sale, the Company's shareholding in FPL reduced to 5.54%, resulting in FPL ceasing to be an associate with effect from December 24, 2020. Accordingly, the retained investment was remeasured and classified as a financial asset measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109 – Financial Instruments.

The Management has assessed the fair value of the investment in FPL as at March 31, 2026 at Rs. Nil (March 31, 2025: Rs. Nil).

- v) Pursuant to the requirements of the Electricity Act, during the previous year ended March 31, 2025, the Company subscribed to 37,748 equity shares of Rs. 10 each of Clean Max Aurora Private Limited ("Clean Max") for a purchase consideration of Rs. 24.6. Further, in terms of the Energy Supply Agreement entered into with Clean Max, the Company has agreed to procure solar power generated from a solar plant with an installed capacity of 6.6 MWp. As per the Shareholders' Agreement between the Company and Clean Max, the Company has an option to sell back the aforesaid equity shares at fair market value. The Company has irrevocably elected to measure the investment in these equity instruments at fair value through other comprehensive income (FVOCI), in accordance with Ind AS 109 – Financial Instruments. The Management has assessed the fair value of the investment in Clean Max as at March 31, 2026 to be Rs. Nil (March 31, 2025: Rs. Nil).



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

7 Non current - loans

	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Loans to employees	7.0	4.6
	7.0	4.6
Sub-classification of loans:		
Loan receivables considered good - unsecured	7.0	4.6
	7.0	4.6

8 Other non-current financial assets

	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured - considered good		
Security deposits for leased premises	44.3	44.8
Other deposits*	40.7	31.8
Margin money deposits with bank [refer note (i) below]	0.1	0.1
	85.1	76.7

*Primarily includes electricity deposits given by the Company

Note:

(i) Margin money deposits represent amounts placed with banks as security against bank guarantees and letters of credit facilities availed by the Company. These deposits are restricted in nature and can be utilized only in accordance with the terms of the respective banking arrangements.

9 Other non-current assets

	As at March 31, 2026	As at March 31, 2025
Unsecured - considered good		
Capital advances	0.5	9.1
Prepaid expenses	4.4	4.4
Balances with statutory/government authorities	72.2	22.3
	77.1	35.8

10 Income tax assets

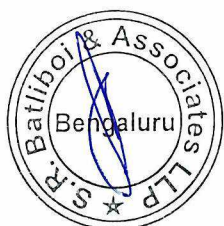
	As at March 31, 2026	As at March 31, 2025
Advance tax (net of provisions)	1,248.5	1,148.8
	1,248.5	1,148.8

11 Inventories

	As at March 31, 2026	As at March 31, 2025
At lower of cost and net realisable value		
Raw materials	1,417.1	1,592.6
Packing materials	214.2	210.3
Work-in-progress	237.8	352.8
Finished goods [includes goods-in-transit for Rs.30.6 (March 31, 2025: Rs. 37.5)]	733.8	652.8
Stock-in-trade	224.4	130.1
Stores, spares and consumables	119.1	113.3
	2,946.4	3,051.9

As at March 31, 2026, the Company has recognised a provision of Rs. 45.3 (March 31, 2025: Rs. 55.2) towards slow-moving and non-moving inventories.

<This space is intentionally left blank>



12 Trade receivables

	As at March 31, 2026	As at March 31, 2025
Trade receivables include:		
Receivable from related parties (refer note 42)	0.0	-
Receivable from others	1,702.9	1,591.9
	1,702.9	1,591.9
Break-up for security details:		
Trade receivables considered good - secured	1,702.9	1,591.9
Trade receivables considered good - unsecured	11.6	12.5
Trade receivables - which have significant increase in credit risk	9.9	8.6
Trade receivables - credit impaired	1,724.4	1,613.0
	(21.5)	(21.1)
	1,702.9	1,591.9

Less: Allowance for expected credit loss

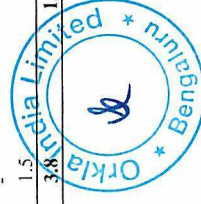
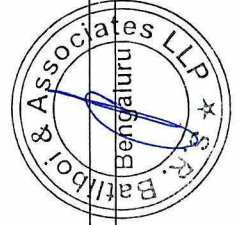
Trade receivables are generally non-interest bearing and have terms ranging from 0 to 60 days, except for export sales where credit terms range from 30 to 120 days. The actual credit period may vary based on the terms agreed with individual customers. For terms and condition relating to receivables from related parties, refer note 42.

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

Trade receivables ageing schedule

As at March 31, 2026	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	1,377.4	312.3	7.9	3.6	1.5	0.2	1,702.9
Undisputed trade receivables - which have significant increase in credit risk	3.5	3.3	4.8	-	-	-	11.6
Undisputed trade receivables - credit impaired	-	-	-	4.3	3.3	0.8	8.4
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	1.5	1.5
Total	1,380.9	315.6	12.7	7.9	4.8	2.5	1,724.4

As at March 31, 2025	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	1,133.0	449.5	3.5	5.4	0.5	-	1,591.9
Undisputed trade receivables - which have significant increase in credit risk	2.1	9.2	1.2	-	-	-	12.5
Undisputed trade receivable - credit impaired	-	-	-	4.6	0.2	2.3	7.1
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	1.5	1.5
Total	1,135.1	458.7	4.7	10.0	0.7	3.8	1,613.0



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

13 Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
On current accounts*	162.0	773.2
Cash on hand	0.2	0.5
	162.2	773.7

*Includes Rs 23.8 as at March 31, 2026 (March 31, 2025: Rs.18.0) earmarked towards Corporate Social Responsibility (CSR) activities. Refer note 36.

As at March 31, 2026, the Company had undrawn borrowing facilities aggregating Rs. 965.3 (March 31, 2025: Rs. 1,415.6). These facilities are unsecured and represent sanctioned limits available to the Company for meeting its working capital requirements and are subject to compliance with applicable terms and covenants.

14 Bank balances other than cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and less than 12 months)	0.0	1,094.3
	0.0	1,094.3

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

	As at April 1, 2025	Cash flows (net)	Non-cash changes Fair Value adjustments	Others*	As at March 31, 2026
Investing activities					
Right-of-use assets	394.5	-	-	74.5	469.0
Non-current investments	287.3	-	-	-	287.3
Total	681.8	-	-	74.5	756.3

Financing activities

Lease liabilities	544.0	(127.7)	-	211.8	628.1
Liability on account of forward commitment (refer note 48)	36.0	-	-	-	36.0
	580.0	(127.7)	-	211.8	664.1

	As at April 1, 2024	Cash flows (net)	Non-cash changes Fair Value adjustments	Others*	As at March 31, 2025
Investing activities					
Right-of-use assets	449.6	-	-	(55.1)	394.5
Non-current investments	275.9	36.0	(24.6)	-	287.3
Total	725.5	36.0	-	55.1	681.8

Financing activities

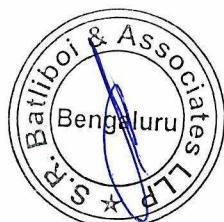
Non-current borrowings (including current maturities of long-term borrowings shown under current borrowing)	37.7	-	-	(37.7)	-
Lease liabilities	594.8	(129.0)	-	78.2	544.0
Liability on account of forward commitment (refer note 48)	36.0	-	-	-	36.0
	668.5	(129.0)	-	40.5	580.0

* Represents movements in right-of-use assets and lease liabilities and write back off borrowings.

15 Current financial assets- loans

	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Loans to employees	28.6	24.4
	28.6	24.4
Sub-classification of loans:		
Loan receivables considered good - unsecured	28.6	24.4
	28.6	24.4

<This space is intentionally left blank>



16 Other financial assets - current

	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured - considered good		
Security deposits for leased premises	20.8	16.5
Fixed deposit with financial institutions (with original and remaining maturity of less than 12 months)	508.5	268.4
Margin money deposits (refer note (i) below)	5.0	4.9
Receivable from Spices Board [refer note (ii) below]	-	35.8
Insurance claim receivable [refer note (iii) below]	0.1	0.0
Incentive receivable	214.3	605.7
Other receivables*	115.5	57.2
At fair value through profit and loss		
Derivative asset (mark-to-market gains on derivative contracts)	-	15.4
	864.2	1,003.9

*Includes mainly receivables from contract manufacturers, receivables from promoters of ECPL towards indemnities and expenses incurred by the Company in connection with its initial public offer (IPO) of equity shares and recoverable from the selling shareholders.

Note:

(i) Margin money deposits represent amounts placed with banks as security against bank guarantees and letters of credit facilities availed by the Company. These deposits are restricted in nature and can be utilized only in accordance with the terms of the respective banking arrangements.

(ii) During the year ended March 31, 2025, the Company had a receivable from the Spices Board of India towards construction of a factory building at Kota, Rajasthan, undertaken on behalf of the Spices Board of India. The said building has been leased to the Company for a period of 15 years commencing from July 2017. As per the terms of the agreement, the construction cost incurred by the Company is reimbursable by the Spices Board of India.

Out of the total receivable, Rs. 54.2 had been received in prior years, while the balance amount of Rs. 35.8 remained outstanding as at March 31, 2025, pending final clearance upon inspection. The Company has received the outstanding balance in full during the year ended March 31, 2026.

(iii) Pursuant to a fire incident on October 14, 2019, certain property, plant and equipment, inventory and other assets of the cold storage facility at the Theni manufacturing plant of ECPL was damaged. The total loss aggregating Rs. 289.6 was lodged with the insurance company. ECPL had recognised a minimum insurance claim receivable of Rs. 224.8, and the loss (to the extent of the insurance receivable) was presented on a net basis in the financial statements. During the year ended March 31, 2023, certain damaged items were disposed of through an auction conducted in the presence of insurance authorities, resulting in proceeds of Rs. 21.5. Accordingly, the insurance claim receivable was reduced to Rs. 203.2. Post merger of ECPL with the Company, the said insurance claim receivable was carried forward in the books of the Company. During the year ended March 31, 2025, the Company has written off the insurance claim receivable. Further, in accordance with the Share Purchase Agreement entered into at the time of acquisition of ECPL, the promoters of ECPL have compensated the Company to the extent of the insurance claim receivable [refer note 50(i)].

17 Other current assets

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Prepaid expenses	71.1	98.8
Receivable from LIC [refer note (i) below]	6.2	3.7
Other receivables*	3.0	2.7
Balances with statutory/ government authorities		
Unsecured, considered good	850.0	657.5
Unsecured, considered doubtful	15.0	15.0
	865.0	672.5
Less: provision for doubtful balances	(15.0)	(15.0)
	850.0	657.5
Advances recoverable in kind**		
Unsecured, considered good	18.6	53.7
Unsecured, considered doubtful	0.5	1.8
	19.1	55.5
Less: Provision for doubtful advances	(0.5)	(1.8)
	18.6	53.7
Export incentive receivables	28.2	53.5
	977.1	869.9

* Includes receivables from contract manufacturers etc.

**Includes advances given to suppliers towards procurement of raw materials.

Note:

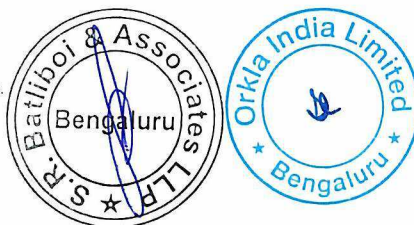
(i) It represents receivables from Life Insurance Corporation of India (LIC) towards payment made by the Company on the behalf of LIC to employees who have resigned or retired.

17(a) Assets held for sale

Pursuant to approval of the Board of Directors in the financial year ended March 31, 2025, the Group transferred the operations from the plant located at Theni, Tamil Nadu to other facilities in order to optimise its manufacturing activities. In this regard, the Group has transferred all movable assets to other manufacturing facilities and further decided to sell the immovable assets including land and building. The Management is committed to sell the aforesaid land and building within one year from the balance sheet date and accordingly, the carrying value of such land and building has been classified under asset held for sale as at March 31, 2026 and March 31, 2025.

	As at March 31, 2026	As at March 31, 2025
Group of assets held for sale		
Land	163.9	163.9
Building	126.7	126.7
	290.6	290.6

There are no liabilities associated with the assets classified as held for sale.



18 Share capital

a) Authorised share capital

Equity shares

As at the beginning of the year (face value of Rs. 10 each)

Add: Increase during the year (refer note (i) below)

Add: Reclassification of ROCPS to equity shares (refer note (ii) below)

Add: Effect of share split*

As at the end of the year (face value of Rs. 10 each)

As at the end of the year (face value of Re. 1 each)

As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
8,93,00,000	893.0	8,70,00,000	870.0
-	-	23,00,000	23.0
2,20,00,000	220.0	-	-
1,00,17,00,000	-	-	-
-	-	8,93,00,000	893.0
1,11,30,00,000	1,113.0	-	-

Preference shares

As at the beginning of the year (face value of Rs. 10 each)

Less: Conversion of ROCPS to equity shares (refer note (ii) below)

As at the end of the year (face value of Rs. 10 each)

2,20,00,000	220.0	2,20,00,000	220.0
(2,20,00,000)	(220.0)	-	-
-	-	2,20,00,000	220.0

(i) During the year ended March 31, 2025, the authorised share capital of the Company was increased pursuant to the merger of Rasoi Magic Foods (India) Private Limited and BAMS Condiments Impex Private Limited with the Group (refer note 48).

(ii) During the year ended March 31, 2026, pursuant to approvals of the Board of Directors and the shareholders in accordance with the provisions of the Companies Act, 2013, the Company has converted its entire outstanding Redeemable Optionally Convertible Preference Shares (ROCPS) having a face value of Rs.10 into equity shares of face value of Re. 1 each.

Issued, subscribed and paid-up equity share capital

Equity shares of Rs.10 each fully paid up

Equity shares of Re.1 each fully paid up*

Total issued, subscribed and paid-up equity share capital

As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
-	-	1,36,98,923	137.0
13,69,89,230	137.0	-	-
13,69,89,230	137.0	1,36,98,923	137.0

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

Equity shares

As at the beginning of the year (face value of Rs. 10 each)

Shares extinguished on splitting*

Add: Issue of equity shares by sub-division of face value from Rs. 10 to Re. 1*

Add: ROCPS converted to equity shares (refer note 48)

As at the end of the year (face value of Rs. 10 each)

As at the end of the year (face value of Re. 1 each)

As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
1,36,98,923	137.0	1,33,93,359	134.0
(1,36,98,923)	(137.0)	-	-
13,69,89,230	137.0	-	-
-	-	3,05,564	3.0
-	-	1,36,98,923	137.0
13,69,89,230	137.0	-	-

ROCPS

As at the beginning of the year (face value of Rs. 10 each)

Less: Converted to equity shares (refer note 48)

As at the end of the year (face value of Rs. 10 each)

As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
-	-	3,05,564	3.0
-	-	(3,05,564)	(3.0)
-	-	-	-

* During the year ended March 31, 2026, one equity share of face value of Rs. 10 each was split into 10 equity shares of face value of Re. 1 each fully paid up.

c) Terms/ rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

(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.

* During the year ended March 31, 2026, one equity share of face value of Rs. 10 each was split into 10 equity shares of face value of Re. 1 each fully paid up.

d) 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:

Equity shares of Rs.10 each fully paid up

(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company

(ii) Orkla ASA, Norway, the ultimate holding company

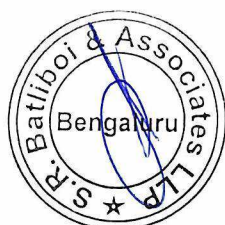
As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
-	-	1,23,30,209	123.3
-	-	60	0.0

Equity shares of Re.1 each fully paid up

(i) Orkla Asia Pacific Pte Ltd, Singapore, the immediate holding company

(ii) Orkla ASA, Norway, the ultimate holding company

10,27,41,322	102.7	-	-
600	0.0	-	-



e) Details of shares held by promoters

As at March 31, 2026

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 Equity shares of Re. 1 each fully paid up	1,23,30,209	9,04,11,113	10,27,41,322	75.00%	15.01%
(ii) Orkla ASA, Norway, the ultimate holding company Equity shares of Re. 1 each fully paid up	60	540	600	0.00%	0.00%
Total	1,23,30,269	9,04,11,653	10,27,41,922	75.00%	15.01%

As at March 31, 2025

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 Equity shares of Rs. 10 each fully paid up	1,23,30,209	-	1,23,30,209	90.01%	-
(ii) Orkla ASA, Norway, the ultimate holding company Equity shares of Rs. 10 each fully paid up	60	-	60	0.00%	-
Total	1,23,30,269	-	1,23,30,269	90.01%	-

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

	As at March 31, 2026		As at March 31, 2025	
	Numbers	% holding	Numbers	% holding
Equity shares of Rs.10 each fully paid up Orkla Asia Pacific Pte Ltd, Singapore	-	-	1,23,30,209	90.01%
Equity shares of Re.1 each fully paid up Orkla Asia Pacific Pte Ltd, Singapore	10,27,41,322	75.00%	-	0.00%
Equity shares of Re.1 each fully paid up Nippon Life India Trustee Ltd	83,82,402	6.12%	-	0.00%

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.

** The change during the year is due to split of one equity share having face Rs. 10 to Re. 1 each fully paid up and sale of 20,560,768 equity shares of face value Re. 1 each fully paid

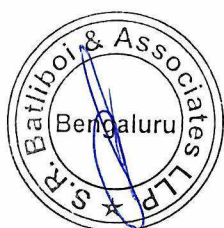
g) The Company has not bought back any shares during the period of five years immediately preceding the reporting date.

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

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

During the year ended March 31, 2024, the Company issued 757,526 equity shares and 611,128 ROCPS for consideration other than cash, pursuant to the merger of ECPL with the Company (refer note 48).

<This space is intentionally left blank>



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million except share data and per share data, unless stated otherwise)

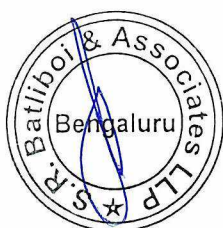
19 Other equity

	As at March 31, 2026	As at March 31, 2025
Capital redemption reserve	33.7	33.7
Retained earnings	10,059.2	7,259.7
Securities premium (net of stamp duty on issue of shares of Rs. 17.5)	11,095.0	11,095.0
Contribution from Parent	30.0	28.4
Share options outstanding account	45.7	-
Other comprehensive income (fair value gain/(loss) on equity instruments)	(13.4)	(13.4)
Capital reserve	6,030.6	6,030.6
Total other equity	27,280.7	24,434.0

Movement of other equity:

	As at March 31, 2026	As at March 31, 2025
Capital redemption reserve		
As at the beginning of the year	33.7	33.7
Add: Addition during the year	-	-
Less: Utilisation during the year	-	-
	33.7	33.7
Retained earnings		
As at the beginning of the year	7,259.7	10,735.1
Add: Profit for the year	2,817.6	2,539.4
Less: Dividend	-	(6,000.1)
Add: Other comprehensive income (net of tax)	(18.2)	(14.7)
	10,059.1	7,259.7
Securities premium		
As at the beginning of the year	11,095.0	11,095.0
	11,095.0	11,095.0
Contribution from parent		
As at the beginning of the year	28.4	25.1
Add: Share based expense for the year (refer note 39)	1.6	3.3
	30.0	28.4
Share options outstanding account		
As at the beginning of the year	-	-
Add: Share based expense for the year (refer note 39)	45.7	-
	45.7	-
Other comprehensive income (fair value gains/(losses) on equity instruments)		
As at the beginning of the year	(13.4)	11.2
Less: Fair value loss during the year	-	(24.6)
	(13.4)	(13.4)
Capital reserve		
As at the beginning of the year	6,030.6	6,030.6
	6,030.6	6,030.6

<This space is intentionally left blank>



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million except share data and per share data, unless stated otherwise)

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, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
- 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. **Contribution from parent:** 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. **Share options outstanding account:** This reserve is used to record the fair value of equity-settled share based payment transactions with employees.
- vi. **Other comprehensive income:** It represents the net fair value gain/(losses) recorded on investment in equity instruments carried at fair value through other comprehensive income.
- vii. **Capital reserve:** Includes Rs. 6,030.6 reserve created on account of merger of Eastern Condiments Private Limited (ECPL) with the Company (refer note 48)

B. Dividend distribution made and proposed:

Dividends on equity shares declared and paid:

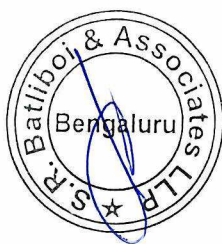
Interim dividend for the year ended on March 31, 2026: Nil (March 31, 2025: Rs. 438.0 per share)

Dividends on ROCPS declared and paid:

Interim dividend for the year ended on March 31, 2026: Nil (March 31, 2025: Rs. 438.0 per share)

For the year ended March 31, 2026	For the year ended March 31, 2025
-	5,866.3
-	133.8
-	6,000.1

<This space is intentionally left blank>



20 Deferred tax liability

Deferred tax liability

As at March 31, 2026	As at March 31, 2025
1,148.9	1,030.4
1,148.9	1,030.4

Movement in deferred tax assets/(liabilities):

Property, plant and equipment and intangibles- difference in written down value as per Companies Act, 2013 and as per Income Tax Act, 1961

Employee retirement benefit expenditure and bonus payable charged to the statement of profit and loss account but allowed for tax purposes on payment basis

Impact of ROU assets

Impact of lease liabilities

Other timing differences*

Net deferred tax liabilities

Standalone balance sheet		Standalone statement of profit and loss and OCI	
As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(1,292.8)	(1,196.4)	96.4	(128.2)
93.1	89.2	(3.9)	21.6
(118.0)	(99.3)	18.7	13.9
158.1	136.9	(21.2)	(12.8)
10.7	39.2	28.5	(24.0)
(1,148.9)	(1,030.4)	118.5	(129.5)

*Majorly includes timing differences due to impairment allowance for expected credit loss, provision for litigation, fair value gain on financial instruments.

Reconciliation of deferred tax liabilities (net)

Balance at the beginning of the period

Tax income/(expense) during the year recognised in profit or loss

Tax income/(expense) during the year recognised in OCI

Balance at the end of the period

As at March 31, 2026	As at March 31, 2025
(1030.4)	(900.9)
(124.6)	(134.4)
6.1	4.9
(1,148.9)	(1,030.4)

21 Trade payables

Total outstanding dues of micro and small enterprises

Total outstanding dues of creditors other than micro and small enterprises*

As at March 31, 2026	As at March 31, 2025
371.9	651.4
2,081.3	1,981.7
2,453.2	2,633.1

* Includes payable to related parties (refer note 42)

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

Trade payable ageing schedule

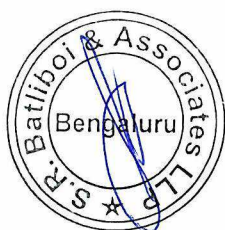
As at March 31, 2026

	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	6.4	359.4	4.5	0.3	0.3	1.0	371.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,153.0	696.9	223.5	3.5	2.0	2.2	2,081.1
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	0.2	0.2
Total	1,159.4	1,056.3	228.0	3.8	2.3	3.4	2,453.2

As at March 31, 2025

	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	126.8	498.2	25.9	0.1	0.0	0.1	651.1
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,345.5	501.9	128.3	2.1	1.6	2.3	1,981.7
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	0.3	0.3
Total	1,472.3	1,000.1	154.2	2.2	1.6	2.7	2,633.1

<This space is intentionally left blank>



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

	As at March 31, 2026	As at March 31, 2025
(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**	374.2	658.4
Interest due on above	0.0	0.3
(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	46.1	112.3
Interest	0.3	0.7
(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 period/ year) but without adding the interest specified under the MSMED Act, 2006.	-	0.2
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.0	0.5
(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.	15.2	15.4

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 amount payable to capital creditors as on March 31, 2026 aggregating to Rs. 2.3 (March 31, 2025: Rs. 7.0)

22 Other financial liabilities

22(a) Other non current financial liabilities

At amortised cost

Payable to employees

	As at March 31, 2026	As at March 31, 2025
Payable to employees	104.5	138.3
	104.5	138.3

22(b) Other current financial liabilities

At amortised cost

Payable to employees

Payable for purchase of capital goods*

Deposits from suppliers

Refund liabilities [refer note 25 (d)]

Payable to Promoters of ECPL [refer note (ii) below]

Liability on account of supplier finance arrangement [refer note (i) below]

Other payables**

Payable to employees	292.7	296.4
Payable for purchase of capital goods*	5.5	14.3
Deposits from suppliers	7.7	8.3
Refund liabilities [refer note 25 (d)]	107.1	89.6
Payable to Promoters of ECPL [refer note (ii) below]	257.5	257.5
Liability on account of supplier finance arrangement [refer note (i) below]	668.6	951.9
Other payables**	18.2	-

At fair value through profit and loss

Liability on account of forward commitment [refer note 48]

Derivative liability (mark-to-market losses on derivative contracts)

Liability on account of forward commitment [refer note 48]	36.0	36.0
Derivative liability (mark-to-market losses on derivative contracts)	40.6	-
	1,433.9	1,654.0

*Includes outstanding dues to micro & small enterprises as at March 31, 2026 aggregating to Rs.2.3 (March 31, 2025: Rs.7.0)

**Includes remuneration payable to independent directors and non-executive directors.

Note

(i) The Company has established a supplier finance arrangement that is given to certain suppliers of the Company. Under this arrangement, banks/financial institutions make payments directly to suppliers prior to their contractual due date of invoices for goods or services procured by the Company. The Company is obligated to pay the banks for such settled invoices in accordance with the original payment terms agreed with the suppliers, which generally range from 30 to 180 days from the invoice date. The arrangement does not result in any change to the pricing of goods or services procured by the Company. The payment terms with suppliers have not been renegotiated or extended in connection with this arrangement.

(ii) At the time of acquisition of ECPL in March 2021, the Company adjusted the purchase consideration for certain existing and potential litigations/claims, as considered appropriate.

In accordance with the terms of the Share Purchase Agreement (SPA), the Company is obligated to refund such adjusted amounts to the promoters of ECPL in the event of favourable outcomes in respect of these litigations within the agreed timeframe.

During the year ended March 31, 2025, the Company reassessed the status of the open tax litigation matters and based on an evaluation of the merits of the cases, has recognised a provision of Rs. 235.0 as payable to the promoters of ECPL. The provision continues to be carried as at March 31, 2026.

23 Other current liabilities

Statutory dues payable*

Payable towards CSR expenditure

Contract liabilities [refer note 25(c)]

	As at March 31, 2026	As at March 31, 2025
Statutory dues payable*	70.2	654.9
Payable towards CSR expenditure	45.5	58.2
Contract liabilities [refer note 25(c)]	58.7	45.9
	174.4	759.0

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

24 Current provisions

Employee benefit obligation

Provision for gratuity (refer note 35)

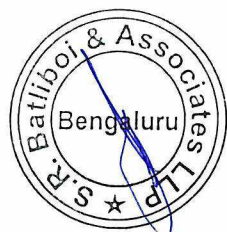
Provision for compensated absences

Others

Other provisions [refer note 38(i)]

Total

	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 35)	237.5	58.0
Provision for compensated absences	87.3	76.0
Other provisions [refer note 38(i)]	142.7	142.7
Total	467.5	276.7



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

25 Revenue from operations

		For the year ended March 31, 2026	For the year ended March 31, 2025
Finished goods		21,180.8	21,030.0
Stock-in-trade	(A)	3,296.9	2,332.7
Sale of products		24,477.7	23,362.7
Scrap sales		57.2	61.7
Export incentives		59.9	55.8
Sale of energy from windmills		18.6	13.8
Government grant (production linked incentive)		14.5	205.8
Others*	(B)	11.0	1.4
Other operating revenue (B)		161.2	338.5
	(A+B)		
Total revenue from operations		24,638.9	23,701.2

* It mainly includes royalty income and collection fees for food festival.

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from customers within India	19,702.5	18,721.5
Revenue from customers outside India	4,775.2	4,641.2
Revenue as per the standalone statement of profit and loss	24,477.7	23,362.7

(b) Timing of revenue recognition*

	For the year ended March 31, 2026	For the year ended March 31, 2025
Goods transferred at a point in time	24,477.7	23,362.7
Goods transferred over time	-	-
	24,477.7	23,362.7

* Amount of Rs. 161.2 (March 31, 2025: Rs. 338.5) relating to other operating revenue has not been considered in the above revenue disclosure.

(c) Contract balances

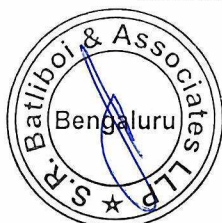
	As at March 31, 2026	As at March 31, 2025
Contract liabilities - Advance from customers (refer note 23)	58.7	45.9

Advances from customers represent amounts received by the Company from customers prior to the delivery of goods and are recorded as liabilities in these financial statements until the goods are delivered. During the year ended March 31, 2026, the Company recognised revenue of Rs. 45.9 arising from advance from customers as at March 31, 2025. During the year ended March 31, 2025, the Company recognised revenue of Rs. 46.7 arising from advance from customers as at March 31, 2024.

(d) Refund liabilities:

	As at March 31, 2026	As at March 31, 2025
Refund liabilities [Refer note 22(b)]	107.1	89.6

Refund liabilities represent the Group's obligation to refund consideration received from customers in respect of expected returns of goods. Such liabilities are measured at the value of consideration expected to be refunded, based on historical return patterns and customer arrangements. Refund liabilities are recognised in the financial statements when it is probable that a refund will be made and the amount can be reliably estimated. Subsequent changes in the measurement of refund liabilities are recognised in the period in which such changes become known, with a corresponding adjustment to revenue.



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	26,997.4	25,422.8
Less:		
Sales returns	(413.8)	(275.1)
Discounts and volume rebates	(2,105.9)	(1,785.0)
Revenue as per the standalone statement of profit and loss	<u>24,477.7</u>	<u>23,362.7</u>

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 in the case of export sales, the performance obligation is satisfied upon shipping of the goods on board and are generally non-interest bearing.

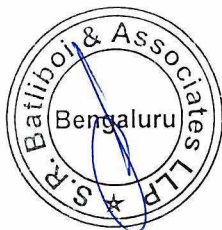
26 Other income

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
Loan to associates	-	3.9
Bank deposit	48.4	135.8
Others*	1.2	0.3
Unwinding of security deposit	3.0	3.2
Gain on termination/modification of right-of-use assets (refer note 4)	1.5	1.4
Gain on sale of property, plant and equipment (net)	2.8	2.1
Profit on sale of investments in units of mutual funds	80.0	300.4
Fair value gain on financial instruments at fair value through profit or loss	123.2	55.7
Gain on foreign exchange fluctuations	137.7	44.4
Liabilities written back	8.2	50.8
Other non-operating income**	6.6	8.9
	<u>412.6</u>	<u>606.9</u>

* Majorly includes interest on factory electricity deposit.

** Majorly includes distributors penalty discount and reimbursement of export charge, recovery from vendors, customs duty drawback.

<This space is intentionally left blank>



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

27 Cost of raw material and packing materials consumed

	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Raw materials		
Inventory at the beginning of the period (refer note 11)	1,592.6	1,523.5
Add: Purchases (net)	11,045.7	10,735.9
	12,638.3	12,259.4
Less: Inventory at the end of the period (refer note 11)	1,417.1	1,592.6
	11,221.2	10,666.8
b) Packing materials		
Inventory at the beginning of the period (refer note 11)	210.3	160.3
Add: Purchases (net)	(126.4)	1,124.5
	83.9	1,284.8
Less: Inventory at the end of the period (refer note 11)	214.2	210.3
	(130.3)	1,074.5
Total (a+b)	11,090.9	11,741.3

28 Purchase of stock-in-trade

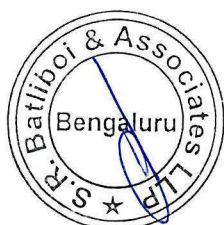
Purchase of stock-in-trade	2,516.7	1,215.0
	2,516.7	1,215.0

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Stock-in-trade		
Opening inventory (refer note 11)	130.1	83.9
Closing inventory (refer note 11)	224.4	130.1
Decrease/ (increase) in inventories	(94.3)	(46.2)
b) Work in progress		
Opening inventory (refer note 11)	352.8	405.6
Closing inventory (refer note 11)	237.8	352.8
Decrease/ (increase) in inventories	115.0	52.8
c) Finished goods		
Opening inventory (refer note 11)	652.8	709.2
Closing inventory (refer note 11)	733.8	652.8
Decrease/ (increase) in inventories	(81.0)	56.4
Net decrease/ (increase) in inventories (a+b+c)	(60.3)	63.0

30 Employee benefits expense

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	1,994.9	2,036.0
Contribution to provident and other funds (refer note 35)	111.7	113.7
Gratuity expense (refer note 35)	48.0	40.5
Staff welfare expenses	217.7	197.0
Share based payment (refer note 39)	47.3	3.3
	2,419.6	2,390.5



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

31 Finance costs

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on borrowings	-	0.0
Interest expense on lease liabilities [refer note 4(b)]	57.4	54.4
Interest expense on payment to micro and small enterprises	-	1.2
	<u>57.4</u>	<u>55.6</u>
Bank charges [refer note (i) below]	7.9	8.3
Interest on income tax	-	0.6
	<u>7.9</u>	<u>8.9</u>
	<u>65.3</u>	<u>64.5</u>

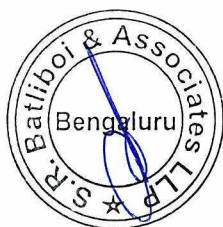
Note

(i) Bank charges primarily consist of letter of credit charges.

32 Depreciation and amortisation expense

	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment [refer note 3(a)]	422.2	410.7
Amortisation of intangible assets (refer note 5)	29.3	122.8
Depreciation of right-of-use assets [refer note 4(a)]	86.8	82.4
	<u>538.3</u>	<u>615.9</u>

<This space is intentionally left blank>



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

33 Other expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares	64.8	65.2
Power and fuel	223.9	249.3
Processing & water charges	17.2	29.4
Repairs and maintenance		
Plant and machinery	71.9	68.4
Buildings	10.8	11.4
Others	325.5	336.0
Rent	109.2	81.0
Rates and taxes	36.2	82.4
Insurance	44.8	48.6
Communication costs	9.3	9.8
Travelling and conveyance	182.3	191.7
Legal and professional fees	372.9	290.8
Payments to auditors [refer note (i) below]	46.4	37.8
Advertising and sales promotion	1,324.8	1,394.8
Freight and forwarding charges	586.0	527.5
Impairment loss/(reversal of impairment loss) on trade receivables	0.4	(49.6)
Advance written off	4.5	43.6
Fair value loss on financial instruments at fair value through profit or loss	56.0	-
CSR expenses (refer note 36)	59.8	48.0
Vehicle fuel expenses	48.5	52.3
Printing and stationery	4.4	5.6
Manpower supply	705.4	569.3
Recruitment expenses	22.2	21.4
Security charges	32.1	32.2
Bad debts written off	8.6	18.1
Miscellaneous expenses	164.9	187.2
	4,532.8	4,352.2

Note (i): Payment to auditors :

As auditor:

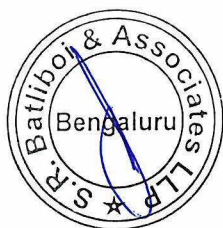
Audit fee	18.6	20.1
-----------	------	------

In other capacity:

Other services (Limited review, certification fees and other IPO related services)	74.0	16.9
Reimbursement of expenses	1.8	0.8
Adjustment*	(48.0)	-
	46.4	37.8

*Related to IPO expenses recoverable from selling shareholders.

<This space is intentionally left blank>



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

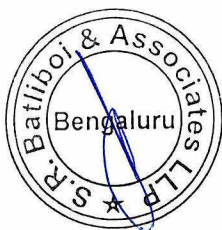
(All amounts are in Rs. million, unless stated otherwise)

34 Income tax expense

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current income tax charge	839.4	868.9
Tax expense relating to earlier years	-	(13.4)
Deferred tax	124.6	134.4
Total	964.0	989.9
Deferred tax related to items recognised in OCI during the year		
Re-measurement gain/ (loss) on defined benefit plans	(6.1)	(4.9)
Total	(6.1)	(4.9)
Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate:		
Accounting profit/ (loss) before income tax	3,781.6	3,529.3
Tax expense/(credit) at India's statutory income tax rate of 25.168% (March 31, 2025: 25.168%)	951.8	888.2
Tax effect of:		
Non-deductible expenses for tax purposes	15.9	108.4
Adjustment of tax relating to earlier years	-	(13.4)
Others*	(3.7)	6.7
Income tax expense	964.0	989.9

* Majorly pertains to adjustment arising on account of changes in tax rates for capital gains for the financial year ended March 31, 2026 and tax on income under section 92CE of Income Tax Act, 1961 for the financial year ended March 31, 2025.

<This space is intentionally left blank>



35 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. 111.7 (March 31, 2025: Rs 113.7).

Amount recognised as an expense and included in note - 30 as "Contribution to provident and other funds"

	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to government provident fund	105.8	104.7
Contribution to Employee State Insurance (ESI)	5.9	8.2
Contribution to other funds	0.0	0.8
Total	111.7	113.7

B. Defined benefit plans**1. Gratuity**

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

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

Net Defined Benefit Obligation (DBO)

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	(639.0)	(463.3)
Fair value of plan assets	401.5	405.3
	(237.5)	(58.0)

a. Reconciliation of net defined benefit liability/(asset)**(i) Reconciliation of present value of defined benefit obligation**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening defined benefit obligation	463.3	451.7
Current service cost	40.8	37.1
Interest expense	33.8	32.3
Benefits paid	(44.7)	(58.4)
Actuarial (gain)/ losses recognised in other comprehensive income		
- changes in financial assumptions	(15.2)	11.5
- experience adjustments	17.0	(14.0)
Past service cost	144.0	3.1
Closing defined benefit obligation	639.0	463.3

(ii) Reconciliation of fair value of plan assets

Balance at the beginning of the year	405.3	448.3
Employer's contribution	36.8	5.5
Benefits paid	(44.7)	(58.4)
Interest income	26.6	32.0
Return on plan assets, excluding amount recognised in net interest expense	(22.5)	(22.1)
Balance at the end of the year	401.5	405.3

<This space is intentionally left blank>



b. Net benefit expense**(i) Recognised in profit or loss**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	40.8	37.1
Past service cost	144.0	3.1
Interest expense (net)	7.2	0.3
	192.0	40.5

(ii) Remeasurement recognised in other comprehensive income

Actuarial loss/(gain) on defined benefit obligation		
- changes in financial assumptions	(15.2)	11.5
- experience adjustments	17.0	(14.0)
Return on plan assets, excluding amount recognised in net interest expense	22.5	22.1
	24.3	19.6

c. Plan assets

Plan assets comprise of the following:

Investments with insurer Life Insurance Corporation of India (LIC)

The Company expects to contribute Rs. 264.6 (March 31, 2025: Rs 97.6) to gratuity fund in the ensuing year.

	As at March 31, 2026	As at March 31, 2025
	100%	100%

d. (i) Actuarial assumptions

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

	As at March 31, 2026	As at March 31, 2025
Discount rate	7.10%	6.70%- 6.80%
Salary escalation rate	9.00%	9.00%
Attrition (based on age)		
Upto 45 years	NA	5.00%
Above 45 years	NA	5.00%
Attrition (based on completed years of service)		
Upto 4 years	15%	15%
Above 4 years	8.00% - 9.00%	8.00% - 9.00%
Retirement age	58-60 years	58-60 years

As at March 31, 2026, the weighted average duration of the defined benefit obligation was 7 years (March 31, 2025: 7 to 10 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:

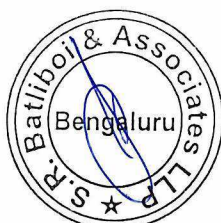
	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (-1/-1% movement)				
Increase/(decrease) in DBO	(40.1)	45.0	(31.4)	35.4
Future salary growth (+1/-1% movement)				
Increase/(decrease) in DBO	35.9	(35.7)	34.3	(31.0)
Attrition rate (-50/-50% movement)				
Increase/(decrease) in DBO	(13.8)	18.8	(16.3)	24.1

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 March 31, 2026	As at March 31, 2025
1 year	81.4	54.1
2 to 5 years	263.7	189.1
Beyond 5 years	765.4	588.2
Total expected payments	1,110.5	831.4



e. Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is detailed below:

Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity risk

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of Chapter V (Gratuity) of the Code on Social Security, 2020 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of Rs. 20,00,000)

Asset liability mismatching or market risk

The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C. Long Term Incentives (LTI) Scheme

During the year ended March 31, 2025, the Company introduced a LTI scheme for CXO-level executives and management-level employees. The scheme covers a three-year performance period from FY 2024 to FY 2026.

Under the scheme, eligible participants are entitled to receive incentives based on the achievement of specified performance targets.

The Company recognizes the cost of the LTI scheme over the vesting period based on the best estimate of the expected payout, with remeasurements made at each reporting date to reflect changes in estimates and actual performance outcomes.

Scheme 1 - CXO level executives**(i) Reconciliation of the benefits****Opening balance**

Expense for the period

Benefits paid

Closing balance

For the year ended
March 31, 2026

For the year ended
March 31, 2025

49.6

(13.8)

-

35.8

-

49.6

-

49.6

(ii) Actuarial assumptions

The principal assumptions used in determining benefit for the scheme are shown below:

Discount rate

Attrition rate

Retirement age

Mortality rate

As at

March 31, 2026

As at

March 31, 2025

6.80%

0.00%

60 years

6.50%

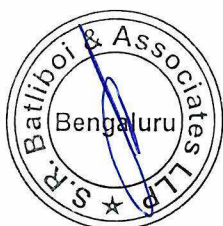
12.50%

60 years

100% of IALM 2012-14 100% of IALM 2012-14

As at March 31, 2026, the weighted average duration of the benefit is 1.16 years (March 31, 2025: 2.16 years)

<This space is intentionally left blank>



(iii) 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, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (+1/-1% movement) Increase/(decrease) in DBO	(0.6)	0.2	(1.3)	0.8
Attrition rate (+50%/-50% movement) Increase/(decrease) in DBO	0.0	0.0	(5.8)	6.6
Mortality rate (+10/-10% movement) Increase/(decrease) in DBO	(0.0)	0.0	(0.1)	0.1

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.

(iv) Maturity profile of benefit

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

1 year
2 to 5 years

Total expected payments

	As at March 31, 2026	As at March 31, 2025
1 year	-	-
2 to 5 years	38.6	56.9
Total expected payments	38.6	56.9

Scheme 2 - Management employees

(i) Reconciliation of the benefits

Opening balance
Expense for the period
Benefits paid
Closing balance

	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	38.3	-
Expense for the period	(26.6)	38.3
Benefits paid	-	-
Closing balance	11.7	38.3

(ii) Actuarial assumptions

The principal assumptions used in determining benefit for the scheme are shown below:

Discount rate
Attrition rate
Retirement age
Mortality rate

	As at March 31, 2026	As at March 31, 2025
Discount rate	6.80%	6.50%
Attrition rate	8.70%	8.70%
Retirement age	60 years	60 years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

As at March 31, 2026, the weighted average duration of the benefit is 1.16 years (March 31, 2025: 2.16 years)

(iii) 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, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (+1/-1% movement) Increase/(decrease) in DBO	(0.2)	0.1	(1.0)	0.6
Attrition rate (+50%/-50% movement) Increase/(decrease) in DBO	(0.6)	0.6	(3.4)	3.7
Mortality rate (+10/-10% movement) Increase/(decrease) in DBO	(0.0)	0.0	(0.0)	0.0

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.

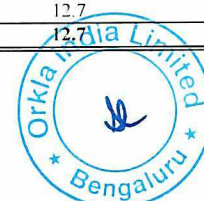
(iv) Maturity profile of benefit

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

1 year
2 to 5 years

Total expected payments

	As at March 31, 2026	As at March 31, 2025
1 year	-	-
2 to 5 years	12.7	43.9
Total expected payments	12.7	43.9



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

36 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has incurred expenditure on activities which are specified in Schedule VII of the Companies Act, 2013 as below:

		For the year ended March 31, 2026	For the year ended March 31, 2025
a) Gross amount to be required to be spent by the Company during the year		59.8	48.0
b) Amount approved by the board to be spent during the year		59.8	48.0
c) Amount spent during the year ended March 31, 2026	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	38.1	-	38.1
d) Amount spent during the year ended March 31, 2025	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	3.7	-	3.7
e) Details of related party transactions		-	-
f) Details related to spent/ unspent obligations:		For the year ended March 31, 2026	For the year ended March 31, 2025
i) Contribution to public trust		-	0.5
ii) Contribution to charitable trust		32.4	4.2
iii) Directly spent by the Company		5.7	3.2
iv) Unspent amount in relation to			
- Ongoing project		21.7	40.1
- Other than ongoing project		-	-
Total		59.8	48.0

In case of Section 135(6) ongoing project

Opening balance as on April 01, 2025	Amount required to be spent during the year	Amount spent during the year	Closing balance as on March 31, 2026
With Company	In separate CSR unspent A/c	From Company's bank A/c	From separate CSR unspent A/c
40.1	18.0	38.1	21.7
			23.8

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

Opening balance as on April 01, 2025	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, 2026
-	-	-	-	-

In case of Section 135(6) ongoing project

Opening balance as on April 01, 2024	Amount required to be spent during the year	Amount spent during the year	Closing balance as on March 31, 2025
With Company	In separate CSR unspent A/c	From Company's bank A/c	From separate CSR unspent A/c
38.2	13.5	7.9	40.1
			18.0

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

Opening balance as on April 01, 2024	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, 2025
7.2	7.2	-	-	-

As per Sec 135(6) of Companies Act, 2013, for the year ended March 31, 2026, the Company has transferred unspent CSR amount of Rs. 21.7 relating to ongoing projects to a separate unspent CSR account within 30 days from the end of the financial year.

As per Sec 135(6) of Companies Act, 2013, for the year ended March 31, 2025, the Company has transferred unspent CSR amount of Rs. 40.1 relating to ongoing projects to a separate unspent CSR account within 30 days from the end of the financial year.

<This space is intentionally left blank>



37 Commitments**a) Leases****Lease commitments as lessee**

The Company has entered into lease arrangements for various office/store premises and warehouse facilities. The lease terms generally range from 2 to 25 years and include escalation clauses for lease rentals as per the terms of the respective agreements.

Certain lease agreements include renewal options, which are exercisable based on mutual consent of the lessee and the lessor. These agreements also contain termination options, allowing either party to terminate the lease by providing a specified notice period. Accordingly, the Company has considered the initial lease term for measurement of lease liabilities under Ind AS 116.

The Company also has leases with a lease term of 12 months or less and leases of low-value assets. For such leases, the Company has elected to apply the recognition exemptions under Ind AS 116 and recognizes the lease payments as a rent expense in the Statement of Profit and Loss.

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis :

	As at March 31, 2026	As at March 31, 2025
Within one year	133.8	129.0
After one year but not more than five years	437.7	372.3
More than five years	363.9	349.7
Total	935.4	851.0

Total cash outflow for leases for the year ended March 31, 2026 is Rs. 275.3 (March 31, 2025: Rs 212.7).

The effective interest rate for lease liabilities is between 7% to 12.5% per annum (March 31, 2025 is between 7% to 12.5% per annum), with maturity between 2026 to 2046 for leasehold properties.

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

	As at March 31, 2026	As at March 31, 2025
Lease commitment for short-term leases	36.5	34.2
Lease commitment for leases of low value assets	0.2	2.1
Total	36.7	36.3

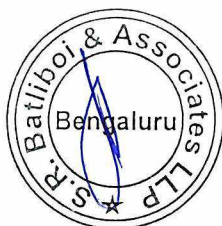
Additional information on extension/termination option:

Extension and termination options are included in a number of lease arrangements of the Company. These extension and termination options held are exercisable based on mutual consent of the Company and respective lessors.

b) Other commitments

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances.	47.0	32.3

<This space is intentionally left blank>



38 Contingent liabilities

	As at March 31, 2026	As at March 31, 2025
Litigations*		
(i) Indirect taxation [refer note (ii) to (vi) below]	1,271.0	1,243.4
(ii) Other litigations [refer note (vii) below]	29.4	26.0

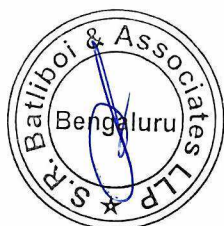
Notes:

- (i) In prior years, the Company received claims from the Value Added Tax (VAT) authorities for payment of higher VAT rate on certain products. During the year ended March 31, 2013, the Honourable High Court of Karnataka adjudicated the matter in favour of the Company. However, the VAT authorities have filed a Special Leave Petition (SLP) before the Supreme Court, which has been admitted and is pending adjudication. As at March 31, 2026 and March 31, 2025, the Company continues to carry a provision of Rs. 114.2 in respect of this claim as a matter of prudence, pending final adjudication by the Supreme Court.
- (ii) The Company has ongoing litigation relating to service tax aggregating Rs. 81.6 (March 31, 2025: Rs. 81.6). In prior years, the Company received a demand order under Section 73(2) of the Finance Act, 1994 from the Principal Commissioner of Central Tax and Central Excise. The dispute primarily 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 before the Central Excise and Service Tax Appellate Tribunal (CESTAT). Based on management's assessment, supported by tax advisors, the Company believes that its position is likely to be upheld in the appellate forum.
- (iii) The Company has ongoing disputes with Sales Tax/VAT authorities amounting to Rs. 104.2 (March 31, 2025: Rs. 104.2). The disputes primarily relate to matters such as levy of purchase tax and denial of concessional tax rates. The Company is contesting these demands before the appropriate appellate authorities. Based on management's assessment, supported by tax advisors, the Company believes that its position is likely to be upheld in the relevant appellate forums.
- (iv) The Company has ongoing litigations under the Goods and Services Tax (GST) law aggregating Rs. 1,025.2 (March 31, 2025: Rs. 996.3). The disputes primarily relate to matters such as payment of tax under the reverse charge mechanism (RCM) on import of services, availment of Input Tax Credit (ITC) on common services, ITC availed in excess of amounts reflected in GSTR-2A and availment of ITC on ineligible or blocked credits. The Company is contesting these demands before the appropriate appellate authorities. Based on management's assessment, supported by tax advisors, the Company believes that its position is likely to be upheld in the relevant appellate forums.
- (v) On May 6, 2019, the Company received a show cause notice (SCN) from the Directorate General of Goods and Services Tax Intelligence (DGGI), Surat Zonal Unit, for the period from April 1, 2014 to June 30, 2017. The SCN alleges that 'ready-to-cook spice mixes' (other than sambar mix, missal rasa mix and pav bhaji mix) are classifiable as 'mixed condiments and mixed seasonings' and are accordingly liable to excise duty, aggregating Rs. 59.2, along with applicable interest and penalty. Further, the SCN proposed denial of the benefit of the Small Scale Industry (SSI) exemption in respect of clearances of sambar mix, missal rasa mix and pav bhaji mix for the aforesaid period. The Company has filed a response to the SCN, contesting the allegations and has submitted that the SCN is not tenable and is liable to be quashed. Based on management's assessment, supported by tax advisors, the Company believes that it has a strong case on merits and that no liability is likely to arise. Accordingly, no provision has been recognized in the financial statements.
- (vi) Others indirect tax matters aggregating Rs. 0.8 (March 31, 2025: Rs. 2.1) relate to ongoing excise duty cases concerning concessional tax rates availed by the Company in the manufacture and sale of certain products. During the year ended March 31, 2026, the Company received a favourable order in a case amounting to Rs. 1.1. The Company is contesting the remaining matters before the appropriate appellate authorities. Based on management's assessment, supported by tax advisors, the Company believes that it has a strong case on merits and that its position is likely to be upheld in the relevant appellate forums.
- (vii) Other litigations aggregating Rs. 29.4 (March 31, 2025: Rs. 26.0) include matters relating to amounts claimed by workmen terminated by the Company in prior years on account of professional misconduct. The workmen have filed cases before the Labour Court, and the Company has filed appeals against such claims. During the year ended March 31, 2026, certain cases relating to a few workmen were disposed of through settlement. For the remaining matters, the Company is contesting the cases before the appropriate forums, and management has revised its estimate of the amount payable as at March 31, 2026. Based on management's assessment, supported by legal advisors, the Company believes that it has a strong case on merits and that its position is likely to be upheld in the relevant forums.
- (viii) The Company has received multiple notices alleging non-compliance with food safety regulations under the Food Safety and Standards Authority of India (FSSAI) Act, with proceedings initiated before relevant statutory forums. The allegations primarily pertain to the presence of pesticide residues exceeding permissible limits in certain batches of finished goods. The Company is contesting the matters at various levels of adjudication. The management, including its legal advisors, believe that its position will likely be upheld in the forums where these are contested. Accordingly, the management has assessed that these matters do not have a material impact on the standalone financial statements.

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.

* The above figures include the interest/penalty only in cases where it's mentioned in the order. In other cases, the interest/penalty is not included as a reliable estimate cannot be made.

<This space is intentionally left blank>



39 Share based payments**I. Stock Options Plan - A**

The ultimate holding company (Orkla ASA) of the Company operates equity incentive compensation programs which include Long Term Incentive (LTI) plan for executive management.

Under these plans, Orkla ASA, the ultimate holding company of the Company has granted equity options for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group'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.

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
Expense arising from share-based payment transactions	1.6	3.3
Total	1.6	3.3

There were no cancellations or modifications to the awards during the years ended March 31, 2026 and March 31, 2025.

Long Term Incentive (LTI) Scheme - Share option

Under this scheme, 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, 2026		March 31, 2025	
	Number of Shares	WAEP	Number of Shares	WAEP
Outstanding option at the beginning of the year	2,05,853	607	2,05,854	607
Granted during the year	-	-	-	-
Exercised during the year	(74,429)	733	-	-
Expired during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding option at the ending of the year	1,31,424	689	2,05,854	607
Exercisable at the end of the year	89,039	689	1,12,870	607

The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 was 1.58 years (March 31, 2025 : 2.02 years).

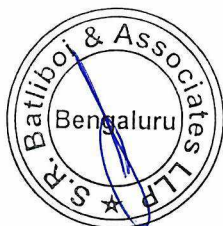
The weighted average fair value of options granted during the year was Rs. Nil (March 31, 2025 : Nil)

The range of exercise prices for options outstanding at the end of the year was Rs. 509 to Rs. 594 (March 31, 2025 : Rs. 509 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.

There were no options granted during the years ended March 31, 2026 and March 31, 2025.

<This space is intentionally left blank>



II. Stock Options Plan - B

The shareholders of the Company, at the extra-ordinary general meeting held on May 16, 2025 approved the below mentioned stock option plans through a special resolution.

- (i) Employee Stock Option Plan 2025 ("ESOP Plan")
- (ii) Management Stock Option Plan 2025 ("MSOP Plan")

The Company has granted stock options to certain employees and key managerial personnel under the above two plans which were approved by the Nomination and Remuneration Committee on September 24, 2025. The key terms and conditions are as below:

(i) Employee Stock Option Plan 2025 ("ESOP Plan")

Grant date	September 24, 2025
No. of options granted	6,68,154
Exercise price	Rs. 1,239.8 each per option
Vesting schedule	Subject to the employee's continued service with the Company, 100% of the stock options granted under the ESOP Plan shall vest on completion of three years from the date of grant.
Exercise period	Two years from the date of vesting.
Economic benefits / Voting rights	Each option, upon exercise, will entitle the holder to receive one equity share having face value of Re. 1 each, fully paid up.

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
Expense arising from share-based payment transactions	20.6	-
Total	20.6	-

There were no cancellations or modifications to the awards during the years ended March 31, 2026 and March 31, 2025.

Movements during the year

The following are the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

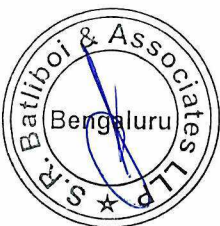
Particulars	March 31, 2026		March 31, 2025	
	Number of Shares	WAEP	Number of Shares	WAEP
Outstanding option at the beginning of the year	-	-	-	-
Granted during the year	6,68,154	1,239.8	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding option at the ending of the year	6,68,154	1,239.8	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 was 4.5 years (March 31, 2025 : Nil).
The weighted average fair value of options granted during the year was Rs. 178.7 (March 31, 2025 : Nil)

The fair value of the stock options is estimated using Black Scholes valuation model considering the following inputs:

Particulars	March 31, 2026	March 31, 2025
Number of options	6,68,154	-
Valuation date	September 24, 2025	-
Weighted average fair values at measurement date	Rs. 931.5	-
Dividend yield (%)	0.0%	-
Expected volatility (%)	26.5%	-
Risk-free interest rate (%)	6.1%	-
Expected life of share options (years)	4.0	-
Exercise price at grant date	Rs. 1,239.8	-
Weighted average share price	Rs. 178.7	-

<This space is intentionally left blank>



(ii) Management Stock Option Plan 2025 ("MSOP Plan")

Grant date	September 24, 2025
No. of options granted	52,043
Exercise price	Re. 1 each per option
Vesting schedule	Subject to the employee's continued service with the Company, 100% of the options granted under the MSOP Plan shall vest on completion of one year from the date of grant or the date of listing on a recognised stock exchange, whichever is later.
Exercise period	One year from the date of vesting.
Econominc benefits / Voting rights	Each option, upon exercise, will entitle the holder to receive one equity share having face value of Re. 1 each, fully paid up.

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
Expense arising from share-based payment transactions	25.1	-
Total	25.1	-

There were no cancellations or modifications to the awards during the years ended March 31, 2026 and March 31, 2025.

Movements during the year

The following are the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	March 31, 2026		March 31, 2025	
	Number of Shares	WAEP	Number of Shares	WAEP
Outstanding option at the beginning of the year	-	-	-	-
Granted during the year	52,043	1.0	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding option at the ending of the year	52,043	1.0	-	-

Exercisable at the end of the year

- - - -

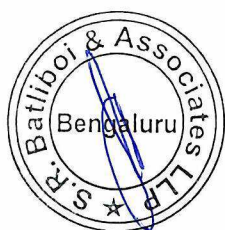
The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 was 1.5 years (March 31, 2025 : Nil).

The weighted average fair value of options granted during the year was Rs. 930.5 (March 31, 2025 : Nil)

The fair value of the stock options is estimated using Black Scholes valuation model considering the following inputs:

Particulars	March 31, 2026	March 31, 2025
Number of options	52,043	-
Valuation date	September 24, 2025	-
Weighted average fair values at measurement date	Rs. 931.5	-
Dividend yield (%)	0.0%	-
Expected volatility (%)	27.4%	-
Risk-free interest rate (%)	5.7%	-
Expected life of share options (years)	1.5	-
Exercise price at grant date	Re. 1	-
Weighted average share price	Rs. 930.5	-

<This space is intentionally left blank>



40 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.

41 Government grant

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

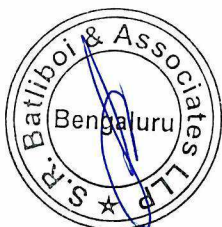
During the year ended March 31, 2018, the Company had availed benefits under the Export Promotion Capital Goods (EPCG) scheme amounting to Rs. 10.7 against import of capital goods aggregating Rs. 133.1 for manufacturing of confectionery products. Under the terms of the scheme, the Company was required to fulfill an export obligation of Rs. 64.1, being equivalent to six times of the duty saved within the prescribed period. In case of non-fulfillment of the prescribed export obligation, the Company would be liable to repay the duty exemption availed, together with interest at 18% per annum, proportionate to the extent of the unfulfilled obligation.

The duty saved on imported capital goods was initially accounted for as a government grant in accordance with the Company's accounting policy and recognised as deferred income.

During the year ended March 31, 2021, the Company assessed that it would not be able to fulfil the export obligation. Accordingly, the unamortised grant was reversed, and a liability was recognised for repayment of the duty saved along with applicable interest at 18% per annum. Interest was accrued from the date of availing the benefit.

The extended timeline for fulfilling the export obligation up to May 2025 lapsed without compliance. Accordingly, during the year ended March 31, 2025, the Company repaid the duty exemption availed together with the applicable accrued interest.

<This space is intentionally left blank>



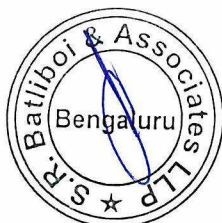
42 Related party transactions**A. Name of the related party and description of relationship**

Description of relationship	Name of the related parties	Relationship/Designation
(a) Entities which has control over the Company	Orkla ASA, Oslo, Norway Orkla Asia Pacific Pte Ltd, Singapore	Ultimate holding company Holding company
(b) Subsidiaries of ultimate holding company/holding company	Orkla IT AS Orkla Procurement AS Orkla Asia Pacific (M) Sdn. Bhd Orkla Financial Services AS	Fellow subsidiary Fellow subsidiary Fellow subsidiary Fellow subsidiary
(c) Entities over which the Company has control	Orkla IMEA Trading LLC	Subsidiary (incorporated on May 09, 2024)
(d) Entities over which the Company has significant influence	Pot Ful India Private Limited	Associate
(e) Joint venture	Eastern Condiments Middle East & North Africa FZC, UAE	Joint venture
(f) Key managerial personnel (KMP):	Mr. Sanjay Sharma Mr. Atle Vidar Nagel Johansen Ms. Else Helena Margareta Mr. Claes Johan Wilhelmsson Mr. Per Havard Skiaker Maelen Ms. Maria Syse-nybraaten Mr. Paul Jordahl Ms. Sumiana Calapa Ms. Ragee Raju Mr. Kaushik Seshadri Mr. Amit Jain Ms. Meena Ganesh Ms. Rashmi Satish Joshi Mr. Shantanu Maharaj Khosla	Managing Director and Chief Executive Officer Non-executive director Non-executive director (upto February 4, 2025) Non-executive director (upto February 4, 2025) Non-executive director Non-executive director Non-executive director (upto February 4, 2025) Chief Financial Officer (w.e.f January 01, 2024) Company secretary (upto September 23, 2024) Company secretary (w.e.f September 23, 2024) Independent director (w.e.f March 10, 2025) Independent director (w.e.f March 10, 2025) Independent director (w.e.f March 10, 2025) Independent director (w.e.f March 10, 2025)
(g) Post-employment benefit plan	MTR Foods Private Limited Employees Gratuity Trust Rasoi Magic Foods (India) pvt. Ltd. Employees' Group Gratuity cum Life Assurance Scheme	Post-employment benefit plan

B. Transactions with the above related parties during the year ended

	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Transactions during the year :		
Receipt of services		
Orkla ASA	7.2	11.6
Orkla Procurement AS	16.5	12.9
Orkla Financial Services AS	2.2	0.8
Orkla IMEA Trading LLC	272.7	172.1
Reimbursement of expenses to related parties		
Orkla ASA	3.1	5.1
Orkla IT AS	5.2	7.6
Eastern Condiments Middle East & North Africa FZC, UAE	111.8	392.8
Reimbursement of expenses from related parties		
Orkla ASA	45.5	6.6
Orkla IT AS	0.2	-
Orkla Procurement AS	0.2	-
Orkla IMEA Trading LLC	6.1	-
Orkla Asia Pacific Pte. Ltd.	-	-
Sale of goods		
Pot Ful India Private Limited	0.2	0.3
Interest on loan		
Pot Ful India Private Limited	-	3.9
Agency commission		
Eastern Condiments Middle East & North Africa FZC, UAE	-	11.7
Income from Royalty		
Orkla IMEA Trading LLC	10.6	-

<This space is intentionally left blank>



ii) Balances outstanding as at year end:

	As at March 31, 2026	As at March 31, 2025
Amounts receivable from :		
Orkla ASA	43.7	-
Orkla IT AS	0.0	-
Orkla Procurement AS	0.2	-
Pot Ful India Private Limited	0.0	-
Orkla IMEA Trading LLC	18.7	-
Amounts payable to :		
Orkla ASA	0.9	0.5
Orkla IT AS	0.0	-
Orkla Procurement AS	1.4	1.1
Orkla Financial Services AS	0.2	0.1
Eastern Condiments Middle East & North Africa FZC, UAE	-	1.1
Orkla IMEA Trading LLC	28.3	27.7
Amounts payable to :		
Mr. Amit Jain	4.3	-
Ms. Meena Ganesh	4.3	-
Ms. Rashmi Satish Joshi	4.3	-
Mr. Shantanu Maharaj Khosla	4.3	-
Mr. Atle Vidar Nagel Johansen	0.9	-
Mr. Sanjay Sharma	26.2	-

b. Loans given and repayment thereof

Particulars	Opening balance	Loans given during the period/ year	Repayment during the period/ year	Closing balance
Associate				
Pot Ful India Private Limited				
March 31, 2026	-	-	-	-
March 31, 2025	50.0	-	(50.0)	-

c. Compensation to key managerial personnel

	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits*	127.9	89.1
Post-employment benefits	14.6	1.6
Share based payment	24.3	3.3
Commission to directors	18.1	-
Sitting fee paid to directors	9.9	-
Total compensation paid to key managerial personnel	194.8	94.0

* The amounts disclosed above do not include Long Term Incentives (LTI).

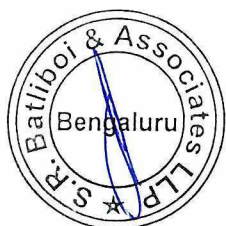
Terms and conditions of transactions with related parties

(a) The Company had granted an unsecured loan to its associate, Pot Ful India Private Limited ("Pot Ful"), at an interest rate of 7% per annum for its principal business activities, with quarterly interest rests and an original repayment due date of September 2024. The tenure of the loan was subsequently extended up to March 2025 with the approval of the Board of Directors.

The loan was fully repaid during the year ended March 31, 2025.

(b) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. 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, 2026, the Company has recorded impairment of Rs. Nil towards receivables from related parties (March 31, 2025: Nil). 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.

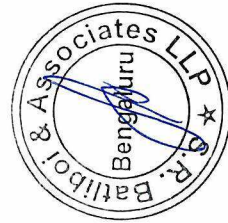
<This space is intentionally left blank>



43 Ratios

S. No	Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change Reason for variance
1	Current ratio	Current assets	Current liabilities	2.69	1.88	43% Increase is majorly on account of decrease in current liabilities due to reduction in trade payables and statutory dues payable
2	Debt-equity ratio	Total debt	Equity	0.02	0.02	3%
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	27.11	27.23	0%
4	Return on equity ratio	Net profits after taxes - preference dividend	Average shareholder's equity	0.11	0.10	12%
5	Inventory turnover ratio	Cost of goods sold	Average inventory	4.52	4.32	4%
6	Trade receivable turnover ratio	Net sales = Total sales - sales return	Average trade receivable	14.86	14.26	4%
7	Trade payables turnover ratio	Net purchases = Gross purchases - purchase returns	Average trade payables	5.32	5.24	2%
8	Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets - current liabilities	3.14	4.91	-36% Decrease is majorly on account of decrease in current liabilities due to reduction in trade payables and statutory dues payable
9	Net profit ratio	Net profit	Net sales = Total sales - sales return	0.12	0.11	6%
10	Return on capital employed	Profit before exceptional items, interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	0.30	0.38	-21%
11	Return on investment	Interest (Finance income)	Investment	0.08	0.08	0% -

<This space is intentionally left blank>



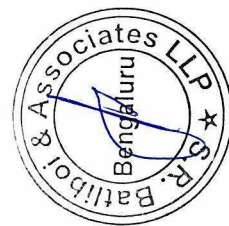
44 Fair value hierarchy

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2026 including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount			Fair Value				
		FVTPL	FVTOCI	Other financial assets- amortised cost	Other financial liabilities- amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value									
Investments in unquoted equity shares (measured through other comprehensive income) ^	6(a)	-	0.0	-	-	0.0	-	-	0.0
Investments in units of mutual funds (measured through profit and loss) #	6(b)	5,445.0	-	-	-	5,445.0	5,445.0	-	-
		5,445.0	0.0	-	-	5,445.0	5,445.0	-	0.0
Financial assets carried at amortised cost									
Loans ^	7 & 15	-	-	35.6	-	35.6	-	-	-
Trade receivables*	12	-	-	1,702.9	-	1,702.9	-	-	-
Cash and cash equivalents*	13	-	-	162.2	-	162.2	-	-	-
Bank balances other than cash and cash equivalents*	14	-	-	0.0	-	0.0	-	-	-
Other financial assets*	8 & 16	-	-	949.3	-	949.3	-	-	-
		-	-	2,850.0	-	2,850.0	-	-	-
Financial liabilities measured at fair value									
Derivative liabilities ##	22(b)	40.6	-	-	-	40.6	-	40.6	-
Liability on account of forward commitment [refer note 48]^	22(b)	36.0	-	-	-	36.0	-	-	36.0
		76.6	-	-	-	76.6	-	40.6	36.0
Financial liabilities carried at amortised cost									
Lease liabilities ^	4(b)	-	-	-	628.1	628.1	-	-	-
Trade payables*	21	-	-	-	2,453.2	2,453.2	-	-	-
Other financial liabilities *	22(a) & 22(b)	-	-	-	1,461.8	1,461.8	-	-	-
		-	-	-	4,543.1	4,543.1	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2026.

<This space is intentionally left blank>



The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2025 including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Fair Value			
		FVTPL	FVTOCI	Other financial assets-amortised cost	Other financial liabilities-amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value									
Investments in unquoted equity shares (measured through other comprehensive income) ^	6(a)	-	-	0.0	-	-	-	-	0.0
Investments in units of mutual funds (measured through profit and loss) #	6(b)	1,474.3	-	-	-	1,474.3	1,474.3	-	-
Derivative assets ##	16	15.4	-	-	-	15.4	-	15.4	-
		1,489.7	0.0	-	-	1,489.7	1,474.3	15.4	0.0
Financial assets carried at amortised cost									
Loans ^	7 & 15	-	-	29.0	-	29.0	-	-	-
Trade receivables*	12	-	-	1,591.9	-	1,591.9	-	-	-
Cash and cash equivalents*	13	-	-	773.7	-	773.7	-	-	-
Bank balances other than cash and cash equivalents*	14	-	-	1,094.3	-	1,094.3	-	-	-
Other financial assets*	8 & 16	-	-	1,065.2	-	1,065.2	-	-	-
		-	-	4,554.1	-	4,554.1	-	-	-
Financial liabilities measured at fair value									
Liability on account of forward commitment [refer note 48] ^	22(b)	36.0	-	-	-	36.0	-	-	36.0
		36.0	-	-	-	36.0	-	-	36.0
Financial liabilities carried at amortised cost									
Lease liabilities ^	4(b)	-	-	-	544.0	544.0	-	-	-
Trade payables*	21	-	-	-	2,633.1	2,633.1	-	-	-
Other financial liabilities *	22(a) & 22(b)	-	-	-	1,756.3	1,756.3	-	-	-
		-	-	-	4,933.4	4,933.4	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2025.

* 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 Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled. The fair value of these financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

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

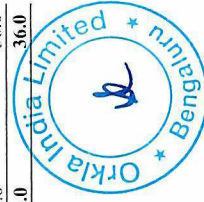
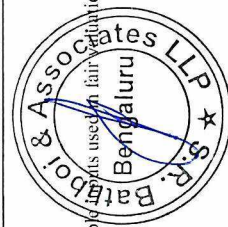
Investments in mutual funds are based on the net asset value as published by the funds, hence they are classified as Level 1 of fair value hierarchy.

Derivative 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.

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities is given below

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2025
Balance as at the beginning of the year	36.0	36.0
Balance as at the end of the year	36.0	36.0

The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact in their value for the years ended March 31, 2026 and March 31, 2025.



45 Financial risk management objectives and policies

The Company's principal financial liabilities comprise 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.

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.

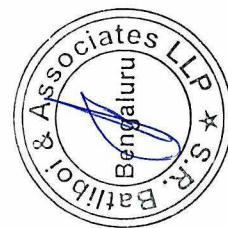
The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision rates are based on days past due for groupings of customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage 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. There is no significant concentration of credit risk and no single customer accounted for more than 10% of the revenue as of March 31, 2026 and March 31, 2025. 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, 2026 and March 31, 2025 are as follows:

Ageing	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Not due	0.2% - 0.4%	0.1% - 0.6%		
0-90 days	0.6% - 0.9%	0.9% - 2.0%		
91-180 days	4.2% - 31.5%	5.0% - 11.0%		
181-365 days	32.3% - 41.2%	21.1% - 34.4%		
> 1 year	100%	100%		

Movement in the expected credit loss allowance

As at the beginning of the year
Impairment allowance created/(reversed) on trade receivables
As at the end of the year



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs. million, unless stated otherwise)

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.

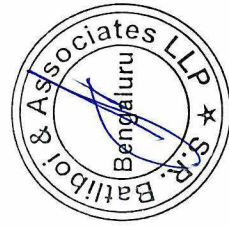
As at March 31, 2026:

	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	133.8	437.7	363.9	935.4
Trade payables	2,453.2	-	-	2,453.2
Other financial liabilities	1,433.9	104.5	-	1,538.4
Total	4,020.9	542.2	363.9	4,927.0

As at March 31, 2025:

	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	129.0	372.3	349.7	851.0
Trade payables	2,633.1	-	-	2,633.1
Other financial liabilities	1,654.0	138.3	-	1,792.3
Total	4,416.1	510.6	349.7	5,276.4

<This space is intentionally left blank>



C. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

(a) Currency risk

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

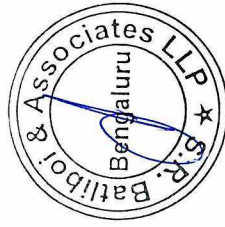
The Company has entered into following outstanding forward exchange contracts as on March 31, 2026 and March 31, 2025 in respect of highly probable exports:

Currency	As at March 31, 2026	As at March 31, 2025
USD (in million)	12.8	12.3
INR (in million)	1,176.9	1,072.3

Exposure to currency risk

The currency profile of financial & other assets and financial & other liabilities as at March 31, 2026 and March 31, 2025 are as below:

	Amount in foreign currency (in million)		Amount in Rupees (in million)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Bank balances	0.6	0.1	54.8	8.5
Trade and other receivables				
USD	0.0	0.0	5.7	4.3
GBP	0.3	-	8.1	-
AED	1.0	0.9	133.7	55.0
Customer advances	0.0	0.0	1.2	3.1
Advance recoverable (including capital advance)	0.0	0.0	0.2	0.1
USD	-	0.0	-	0.3
Trade and other payables				
USD	0.4	0.1	41.1	8.3
NOK	0.1	0.2	1.0	1.8
CAD	-	0.0	-	0.3
GBP	0.0	-	0.5	-



Sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period/year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Currency	As at and for the year ended March 31, 2026		As at and for the year ended March 31, 2025	
	Increase by 5% (in million)	Decrease by 5% (in million)	Increase by 5% (in million)	Decrease by 5% (in million)
USD	7.3	(7.3)	1.3	(1.3)
GBP	0.3	(0.3)	0.2	(0.2)
EURO	0.0	0.0	0.0	(0.0)
NOK	(0.1)	0.1	(0.1)	0.1
CAD	0.0	(0.0)	(0.0)	0.0

(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.

46 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, 2026 and March 31, 2025.

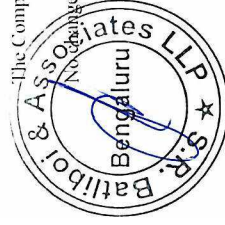
	As at March 31, 2026	As at March 31, 2025
Net debt (total borrowings, net of cash and cash equivalents)*	-	-
Total equity	27,417.7	24,571.0
Net debt to equity ratio	0.00%	0.00%

*As at March 31, 2026 and March 31, 2025, 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 years ended March 31, 2026 and March 31, 2025.



47 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

Number of equity shares at the beginning of the year

Equity shares issued during the year

Weighted average number of shares outstanding during the year for basic EPS (A)**

Weighted average number of potential ordinary shares **

Weighted average number of shares outstanding during the year for diluted EPS (B)

For the year ended March 31, 2026	For the year ended March 31, 2025
13,69,89,230	13,69,89,230
-	-
13,69,89,230	13,69,89,230
6,085	-
13,69,95,315	13,69,89,230

For the year ended March 31, 2026	For the year ended March 31, 2025
2,817.6	2,539.4

Profit attributable to the equity shareholders (C)

Basic earnings per share (C/A)

Diluted earnings per share (C/B)

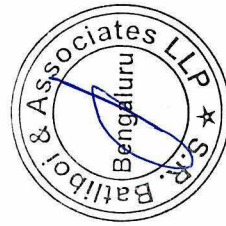
20.6	18.5
20.6	18.5

* During the year ended March 31, 2026, the Company has sub-divided 13,698,923 issued, subscribed & paid-up equity shares of face value of Rs. 10 each into 136,989,230 issued, subscribed & paid-up equity shares of face value of Re. 1 each. Consequentially weighted average number of shares for the previous period have been restated considering the impact of split of shares.

** Potential ordinary shares are considered anti-dilutive when their conversion into ordinary shares results in an increase in earnings per share or a decrease in loss per share. Accordingly, the computation of diluted earnings per share excludes the impact of such anti-dilutive potential ordinary shares. The potential ordinary shares referred to above relate to the dilutive effect of the Management Stock Options Plan.

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

<This space is intentionally left blank>



48 a. Merger of subsidiary Eastern Condiments Private Limited (ECPL) with the Company

On March 16, 2021 and March 17, 2021, the Board of Directors and shareholders of the Company, respectively, approved the acquisition of a 67.82% equity stake (6,549,310 shares) in Eastern Condiments Private Limited ("ECPL") for a consideration of Rs. 12,743.8. Pursuant to these approvals, the Company executed Share Purchase Agreements ("SPA") on March 24, 2021 and completed the acquisition on March 31, 2021, consequent to which ECPL became a subsidiary of the Company.

In accordance with the SPA, it was intended that ECPL would merge with the Company, subject to necessary merger approvals, including from the National Company Law Tribunal ("NCLT"), Bangalore, under the provisions of the Companies Act, 2013. As part of the arrangement, the remaining 32.18% equity stake held by the promoters of ECPL ("Promoters") was to be acquired through a combination of equity shares and redeemable optionally convertible preference shares ("ROCPS"). Accordingly, upon completion of the merger, the Company will hold a 100% equity interest in ECPL, and the Promoters will hold a 9.99% stake in the Company on a fully diluted basis.

In the event of non-completion of the proposed merger, the Company was required to acquire, and the Promoters were required to sell, the remaining 32.18% stake as per the terms and conditions of the Sale and Acquisition Agreement dated March 24, 2021 entered between Orkla ASA, ultimate holding company of the Company, and the Promoters. Under this arrangement, the Company was to acquire the said stake through a combination of fixed cash consideration of Rs. 3,344.2 and issuance of ROCPS amounting to Rs. 2,700.0.

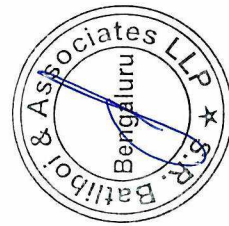
Accordingly, in accordance with Ind AS 32, the fair value of consideration payable in cash amounting to Rs. 3,344.2 (measured at amortised basis) and Rs. 36.0 payable towards final working capital adjustments was recognised as a financial liability. The balance consideration of Rs. 2,700.0 was presented in the Standalone Statement of Changes in Equity as "Shares pending issuance" for the year ended March 31, 2023.

On November 13, 2021, the Company and ECP filed a Scheme of Merger ("Scheme") with the National Company Law Tribunal ("NCLT"), Bangalore, with an appointed date of April 1, 2021. The NCLT, vide its order dated August 24, 2023, approved the Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The Scheme became effective from September 1, 2023 upon fulfilment of all conditions precedent mentioned therein. Pursuant to the Scheme, ECPL was merged with the Company with effect from April 1, 2021. The NCLT order, received subsequent to the year-end but prior to the approval of the financial statements, was treated as an adjusting event in accordance with IITG Bulletin 14. Accordingly, the effect of the merger was recognised in the standalone financial statements of the Company for the year ended March 31, 2023, in line with the accounting treatment prescribed under the approved Scheme.

In accordance with the Scheme of Merger, during the year ended March 31, 2024, the Company issued 757,526 equity shares and 611,128 Redeemable Optionally Convertible Preference Shares ("ROCPS") to the promoters of ECPL towards acquisition of the remaining 32.18% equity stake. Consequently, the Company derecognised the acquisition-related financial liability of Rs. 3,344.2 and shares pending issuance of Rs. 2,700.0 recognised at the time of acquisition. A capital reserve of Rs. 6,030.6 was recorded, being the difference between the face value of shares issued of Rs. 136 and the aforesaid consideration, in accordance with the approved Scheme and Ind AS 103 (Appendix C). Of the ROCPS issued, 50% were converted into equity shares in a 1:1 ratio during the year ended March 31, 2024, and the remaining 50% were converted during the year ended March 31, 2025.

Further, in accordance with the Scheme, the authorised share capital of ECPL was merged with that of the Company.

<This space is intentionally left blank>



b. Merger of Rasoi Magic Foods (India) Private Limited and BAMs Condiments Impex Private Limited., wholly owned subsidiaries with the Company

During the year ended March 31, 2025, the Company filed an application along with a Scheme of Merger with the Regional Director ("RD") under Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, for the merger of its wholly owned subsidiaries, Rasoi Magic Foods (India) Private Limited ("Rasoi") and BAMs Condiments Impex Private Limited ("BAMs"), with the Company, with an appointed date of April 1, 2024. The RD, vide its order dated March 21, 2025, approved the Scheme.

The Scheme became effective on March 21, 2025 upon fulfilment of all conditions precedent mentioned therein. Accordingly, Rasoi and BAMs were merged with the Company with effect from April 1, 2024.

As the entities were under common control, the merger has been accounted for using the Pooling of Interest method in accordance with Appendix C of Ind AS 103, "Business Combinations", from the beginning of the earliest period presented, i.e., April 1, 2023. In applying this method, the Company has recognised the assets, liabilities and reserves of the merging entities at their carrying values as reflected in the consolidated financial statements of the Company, in accordance with the guidance prescribed in ITCG Bulletin 9.

Pursuant to the merger, the authorised share capital of Rs. 23 of the subsidiaries was added to the authorised share capital of the Company in accordance with the Scheme of Merger and provisions of the Companies Act, 2013.

49 Exceptional items (net)

	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Insurance claim receivable written off [refer note (i)]	-	(203.2)
ii) Amount received from Promoters of ECPL against the insurance claim receivable [refer note (i)]	-	223.5
iii) Settlement of tax litigations as per SPA and related agreements [refer note (ii)]	-	(356.7)
iv) Impact of new Labour Codes [refer note (iii)]	(166.6)	-
	(166.6)	(336.4)

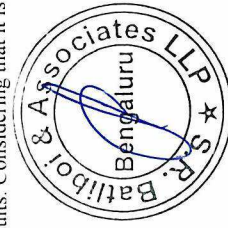
Note:

(i) Pursuant to a fire incident at Theni manufacturing plant, ECPL had filed a claim with the insurance company for the losses incurred on account of the damages. Further, ECPL recognised a minimum insurance claim receivable of Rs. 203.2 million in prior years. Based on the terms of the SPA, the Promoters of ECPL ("Promoters") had agreed to compensate the Company for the claim receivable from the insurance company, in case the same is not received from the insurance company by December 2024. As per the Settlement Agreement dated March 8, 2025, the Promoters have paid the aforesaid claim to the Company. Accordingly, the Company has written off the insurance claim receivable from the insurance company and recorded a corresponding income against the claim received from the Promoters during the year ended March 31, 2025.

(ii) As at the time of acquisition in March 2021, the Company had adjusted the purchase consideration for certain existing and potential litigations/claims as deemed appropriate. Based on the terms of the SPA, the Company is liable to refund the adjusted amounts to the Promoters in case they receive favourable orders against such litigations within a specified timeline. During the year ended March 31, 2025, the Company:

- (a) received favourable orders in certain tax matters and accordingly paid the net adjusted amount of Rs. 121.7 million to the Promoters
- (b) reassessed the open tax litigation matters and based on the merits of the case, provision of Rs. 235.0 million has been created as payable to Promoters

(iii) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the impact of these changes on the basis of legal opinion obtained and available information consistent with the guidance provided by the Institute of Chartered Accountants of India. The financial implications of these changes have resulted in increase in the gratuity liability arising out of past service cost amounting to Rs. 166.6 million during the year ended March 31, 2026, which has been disclosed as Exceptional Items in the financial results. Considering that it is an emerging topic and finalisation of certain Rules are still pending, the Company will continue to monitor changes and provide appropriate accounting effect as required based on future developments.



50 The Company has used four accounting software for maintaining its books of accounts 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 accounting software except the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for three accounting software throughout the year.

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

Additionally, based on the requirements of Section 128(5) of the Companies Act, 2013, the audit trail of prior years has been preserved as per the statutory requirements for record retention, to the extent it was enabled and recorded in the prior years.

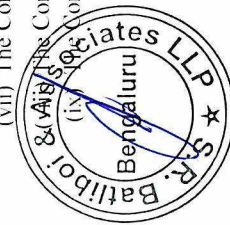
51 During the year ended March 31, 2026, the Company has completed its Initial Public Offering (IPO) of 22,843,004 equity shares with a face value of Re. 1 each at an issue price of Rs. 730 per share (includes an employee reservation portion of 30,000 equity shares with a face value of Re. 1 each at an issue price of Rs. 661 per share), consisting entirely of an offer for sale of 22,843,004 shares. The total proceeds from the offer for sale amounted to Rs. 16,673.3 million. The Company's equity shares were listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) on November 06, 2025.

52 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 year ended March 31, 2026 following a detailed transfer pricing study conducted for the year ended March 31, 2025. 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.

53 Other statutory information for the years ended March 31, 2026 and March 31, 2025:

- (i) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded, invested nor holding any cryptocurrency or virtual currency.
- (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 does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (viii) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.



Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

CIN: L15136KA1996PLC021007

Notes to standalone financial statements for the year ended March 31, 2026

(All amounts are in Rs.million except share data and per share data, unless otherwise stated)

54 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 attached herein

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004


per **Sunil Gaggar**
Partner
Membership no.: 104315

Place: Bengaluru
Date: May 19, 2026



For and on behalf of the Board of Directors of

Orkla India Limited (formerly known as Orkla India Private Limited and MTR Foods Private Limited)

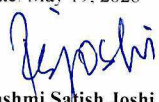
CIN: L15136KA1996PLC021007


Atle Vidar Nagel Johansen
Chairman & Director
DIN: 01361367

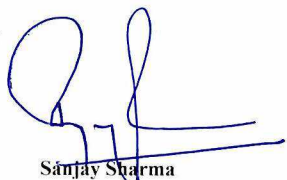
Place: Oslo, Norway
Date: May 19, 2026


Suniana Calapa
Chief Financial Officer

Place: Bengaluru
Date: May 19, 2026


Rashmi Satish Joshi
Independent Director
DIN: 06641898

Place: Mumbai
Date: May 19, 2026


Sanjay Sharma
Managing Director & Chief Executive Officer
DIN: 02581107

Place: Oslo, Norway
Date: May 19, 2026


Kaushik Seshadri
Company Secretary
Membership no: A41800

Place: Bengaluru
Date: May 19, 2026

