Agro Tech Foods Limited

Annual Report 2020-21

Nourishing families, enriching lives.

BOARD OF DIRECTORS & CORPORATE INFORMATION

Directors	James Patrick Kinnerk @ (DIN 08773594)	Chairman
	Denise Lynn Hansen (DIN 07583110)	
	Lt Gen D B Singh (DIN 00239637)	
	Sanjaya Kulkarni (DIN 00102575)	
	Arun Bewoor (DIN 00024276)	
	Narendra Ambwani (DIN 00236658)	
	Veena Vishindas Gidwani (DIN 06890544)	
	Sachin Gopal (DIN 07439079)	Managing Director
Leadership Team	Asheesh Sharma	Vice President - Marketing
	Dharmesh K Srivastava	Vice President – Supply Chain
	Gulshan Gandhi	Head of Research, Quality & Innovation
	KPN Srinivas	Chief Financial Officer
	Lalit Vij	Head of Procurement & Business Development
	N Narasimha Rao	Sr. Vice President – Human Resources & Corporate Communication *
	Padmavathi Tuluva	General Manager - Human Resources **
	Rikesh Kotwal	Head of Sales
	Sanjay Srivastava	Head of Manufacturing
Company Secretary	Jyoti Chawla	
Auditors	M/s. Deloitte Haskins & Sells LLP Chartered Accountants Hyderabad	
Registered Office	31, Sarojini Devi Road Secunderabad-500003, Telangana, India Website : www.atfoods.com Tel No. :040- 66650240 CIN : L15142TG1986PLC006957	
Registrars & Share Transfer Agents	KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad-500032, Telangana. Ph : 040-67161606	

@ Mr. James Patrick Kinnerk has been appointed as Director and Chairman w.e.f. July 23, 2020.

* Mr. N Narasimha Rao has passed away on May 10, 2021 due to COVID-19.

** Ms. Padmavathi Tuluva Promoted as General Manager Human Resources with effect from June 1, 2021.

NOTICE TO MEMBERS

Notice is hereby given that the **Thirty Forth (34th)** Annual General Meeting of the Members of Agro Tech Foods Limited will be held on Wednesday, **August 18, 2021 at 4.30 p.m.** (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year Ended March 31, 2021, the Consolidated Financial Statements for the said Financial Year and the Report of the Directors and Auditors thereon.
2. To declare a dividend for the Financial Year ended March 31, 2021.
3. To appoint a Director in place of Ms. Denise Lynn Hansen (DIN : 07583110) who retires by rotation and, being eligible, offers herself for reappointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION :

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 188, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Sachin Gopal (DIN 07439079) as a Managing Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term of office, i.e., with effect from July 1, 2021 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint Mr. James Patrick Kinnerk, a Director of the Company, who has been appointed in the casual vacancy arising out of the resignation of Ms. Jill Ann Rahman, who vacates office at this ensuing Annual General Meeting and to consider and, if thought fit, to pass with or without modification, the following ORDINARY RESOLUTION of which the prescribed Notice Under Section 160 has been received by the Company. Mr. James Patrick Kinnerk has filed his consent pursuant to the provisions of section 152 of the Companies Act, 2013 to act as Director, if appointed.

   "RESOLVED that Mr. James Patrick Kinnerk be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION :

   "Resolved that, the Non-Executive Independent Directors of the Company be paid annually, for a period not exceeding five years, for each of the financial years commencing from April 1, 2021, commission of ₹4,90,000/- individually, as the Board of Directors ('the Board') may determine based on the recommendation of the Nomination and Remuneration Committee, in addition to the fees for attending the meetings of the Board or any Committee thereof, provided however that the aggregate commission paid in a financial year shall not exceed one per cent of the net profits of the Company, computed and referred to in terms of Section 197 of the Companies Act, 2013, or any amendment thereto or re-enactment thereof ('the Act').

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as an ORDINARY RESOLUTION :

   "RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any modification(s) or re-enactment thereof, M/s. Vajralingam & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial year 2021-22, be paid remuneration as set out in the Statement annexed to the Notice convening this Meeting".

NOTES :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company shall be held through VC/OAVM. The deemed venue for the **Thirty Forth AGM** shall be the Registered Office of the Company.
2. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Explanatory Statement in respect of item No. 4, 5, 6 and 7, being items of Special Business, is annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to saravana1015@gmail.com with a copy marked to evoting@kfintech.com

5. M/s. KFin Technologies Private Limited (KFintech) will be providing facility for voting through remote e-voting, for participation in the Thirty Forth AGM through VC/OAVM and e-voting during the AGM.
6. Members may join the Thirty Forth AGM through VC/OAVM by following the procedure which shall be kept open for **the Members from 4.15 p.m. i.e. 15 minutes before the time scheduled to start the AGM** and the Company may close the window for joining the VC/OAVM 15 minutes after the scheduled time to start the Thirty Forth AGM. The detailed instructions for participating in the Thirty Forth AGM through VC/OAVM are given as a separate attachment to this Notice.
7. Members may note that the VC/OAVM provided by KFintech, allows participation of at least 2000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from August 11, 2021 to August 18, 2021 (both days inclusive). Valid Transfers of Shares received at the office of Registrar and Transfer Agents of the Company, KFintech, before the close of business hours on August 10, 2021 will be registered in time for the transferees to become eligible for dividend, if declared.

   Dividend, if declared, will be paid, subject to deduction of tax at source, within 30 days of the approval of the Shareholders at the Annual General Meeting to those Members entitled thereto and whose names shall appear on the Register of Members of the Company as on the close of business hours of August 10, 2021, or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on the close of business hours of August 10, 2021, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
10. Brief profile of the Directors proposed to be appointed/re-appointed is given towards the end of this Notice pursuant to Regulations 26(4) & 36(3) of the Listing Regulations and Secretarial Standard issued by Institute of Company Secretaries of India. None of the Directors is related to one another.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFintech, for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website : https://www.atfoods.com/pdf/other-information/compulsory-dematerialisation-of-shares-detailed-procedure.pdf
12. To support the`Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, KFintech, in case the shares are held by them in physical form.
13. Members are requested to update and/or intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company's Registrars and Transfer Agents, KFintech, in case the shares are held by them in physical form. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
14. SEBI has directed listed Companies to use electronic payment modes such as NEFT, RTGS, ECS etc., for payments to the investors. Members are requested to update their bank details such as MICR, IFSC code etc., with the Registrar and Transfer Agents, KFintech by submitting a cancelled cheque, while Members holding shares in electronic form are requested to update such bank details with their respective Depository Participants.
15. Members who have multiple folios in identical names or joint names in the same order are requested to intimate the Registrar and Transfer Agents, KFintech about these folios to enable consolidation of all such shareholdings into one folio.
16. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
17. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to InvestorRedressal@atfoods.com.
19. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolution proposed to be passed at AGM by electronic means. The detailed instructions for e-voting are given as a separate attachment to this Notice. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on close of business hours of August 10, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place (remote e-voting). **The remote e-voting period will commence at 9.00 A.M. on Saturday, August 14, 2021 and will end at 5.00 P.M. on Tuesday, August 17, 2021**. Members who have cast their vote by remote e-voting prior to the Thirty Forth AGM may also participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. The Members joining the AGM through VC/OAVM, who have not cast their vote by remote e-voting shall be eligible to vote through e-voting system at the e-AGM.

20. The Company has appointed M/s. Tumuluru & Company, Company Secretaries Firm, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 48 hours of conclusion of the AGM, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, and the result of the same will be disclosed forthwith. The Company has appointed M/s. KFin Technologies Private Limited as the Agency for the purpose of facilitating the electronic voting.

21. In compliance with the above referred MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.atfoods.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Company's Registrar and Transfer Agent, KFintech at https://evoting.kfintech.com/

22. For receiving all communication (including Annual Report) from the Company electronically:

    a) Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at InvestorRedressal@atfoods.com or to KFintech at einward.ris@kfintech.com

    b) Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant.

23. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in

24. Unclaimed dividend for the financial year ended March 31, 2014 will be due for transfer to IEPF on August 22, 2021, pursuant to the provisions of Section 124 of the Companies Act, 2013. In respect of the said unclaimed dividend, it will not be possible to entertain any claims received by Company's Registrar and Share Transfer Agents, KFintech, after August 7, 2021.

    Details of unclaimed dividend in respect of the financial year ended March 31, 2014 and up to and including the financial year ended March 31, 2020 are available on the Company's website www.atfoods.com under Investor Relations.

    The unclaimed shares pertaining to the year 2013-14 will also be transferred to IEPF of the Central Government on or before September 21, 2021.

25. Members are requested to contact KFintech for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company www.atfoods.com

26. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company (ATFL)/KFintech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the same at the link given here in i.e. https://ris.kfintech.com/form15/ **by 11:59 p.m. IST on August 10, 2021**. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at the link given here in i.e. https://ris.kfintech.com/form15/. The aforesaid declarations and documents need to be submitted by the shareholders **by 11:59 p.m. IST on August 10, 2021**.

27. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND THE LISTING REGULATIONS

Item No. 4

The Board of Directors of the Company ("the Board"), at its meeting held on April 29, 2021 has, subject to the approval of members, re-appointed Mr. Sachin Gopal (DIN 07439079) as a Managing Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term, i.e., with effect from July 1, 2021, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Sachin Gopal as a Managing Director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Sachin Gopal are as under:

(i) Salary :

₹17,19,785/- per month with annual increments (which in accordance with the Rules of the Company is 1st July every year) with liberty to the Board of Directors to sanction any further increase up to a maximum of 25% of above-mentioned amount but within the overall maximum limit of remuneration as mentioned hereinafter, as it may in its absolute discretion, determine.

(ii) Perquisites :

In addition to the aforesaid Salary, Mr. Sachin Gopal shall be entitled to perquisites like medical reimbursement, leave travel allowance, personal accident insurance, driver's salary, performance linked incentive by whatever name called, etc. in accordance with the Rules of the Company, the monetary value of such perquisites being limited to ₹83,01,031/- lakhs per annum, for the purposes of which limit perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit :

a) Contribution to Provident Fund and Superannuation Fund up to 27% of basic salary and contribution to Gratuity Fund up to 5% of basic salary as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules there under for this purpose.

b) Gratuity at the rate not exceeding half a month's basic salary for each completed year of service, Gratuity payable at the time of retirement/cessation of service.

c) Encashment of unavailed leave as per the Rules of the Company at the time of retirement/cessation of service.

d) Costs and expenses incurred by the Company in connection with transfer from one location to another as per the Rules of the Company.

e) Reimbursement of expenses incurred for business such as travelling, boarding and lodging, provision of car(s) while on business trips and communication expenses incurred for business purpose at residence shall be reimbursed at actuals and not considered as perquisites.

(iii) ESOP: Employees stock options already granted to and vested with Mr. Sachin Gopal in past (as per the existing employee stock option plan of the Company) has not been considered as a part of perquisites value earlier. As such the perquisite value will form part of his total remuneration in the financial year in which he will exercise his employee stock option(s). Moreover, the actual market price of the shares of the Company at which such stock options will be exercised for determining such perquisite value, cannot be determined upfront.

Accordingly, the perquisite value of stock option(s) to be exercised in future at the prevailing stock price at that time shall be in addition to the remuneration under (i) and (ii) above.

(iv) Overall maximum limit of remuneration :

The overall managerial remuneration (including all components of remuneration above and value of employee stock options) payable to Mr. Sachin Gopal shall be such amount as may be fixed by the board of directors from time to time on recommendation of nomination and remuneration committee but not exceeding ₹20 Crore per annum.

(v) Minimum Remuneration :

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of three years of his re-appointment as Managing Director, Mr. Sachin Gopal shall be entitled to a minimum remuneration as detailed herein above in (i), (ii) & (iii) (including the remuneration as may be approved by the board of directors of the Company from time to time) but subject to overall maximum limit fixed as above in (iv). The aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Managing Director, subject to applicable laws and such other approvals as may be necessary.

Mr. Sachin Gopal shall not be liable to retire by rotation during the currency of his tenure as Managing Director.

Subject to the superintendence, control and direction of the Board of Directors, Mr. Sachin Gopal shall manage and conduct the business and affairs of the Company. Mr. Sachin Gopal will not be entitled to any sitting fee for attending Meetings of the Board or of any Committee thereof.

The aforesaid reappointment and remuneration payable to Mr. Sachin Gopal may be further varied, altered or modified, within the overall maximum limit of remuneration as fixed in (iv) above, as may be agreed to by the Board of Directors and Mr. Sachin Gopal, in the light of any amendment/modification of the Companies Act or any re-enactment thereof or any other applicable law as prevailing or in such manner as may be required.

Section 197(1) of the Companies Act, 2013 inter alia provides that subject to the provisions of Schedule V to the Companies Act, 2013, a Company may pay to its Directors, including managing director, whole-time director and manager, remuneration exceeding 11% of net profits of the Company, after complying with the conditions of Schedule V.

Further, the second proviso to Sub-section (1) of Section 197 inter-alia provides that with the approval of shareholders in the General Meeting by way of special resolution, the remuneration payable to any one managing director; or whole-time director or manager may exceed five percent of the net profits of the company.

Mr. Sachin Gopal has rich and varied experience in the industry and has been in the Company for more than 14 years. Your Directors consider that it would be appropriate and in the interest of the Company to continue to avail of his considerable expertise and to re-appoint him as Managing Director.

Based on the projections, it appears that the remuneration (including perquisite value of employee stock options, if exercised in future) proposed to be payable to Mr. Sachin Gopal, as determined above may exceed 5% of the net profits of the Company but will be within the overall maximum limit of remuneration as mentioned above. Further, it may be likely that the Company may have a scenario wherein there are inadequacy of profits as per the provisions of the Companies Act during his tenure of re-appointment as Managing Director. Accordingly, as a matter of abundant caution shareholders' approval is also being sought for payment of remuneration as mentioned in (i), (ii), (iii), (iv) and (v) above as per the provisions of Companies Act, 2013.

Accordingly, it is proposed to seek approval of shareholders by way of Special Resolution.

Moreover, it be noted that the total remuneration payable to Mr. Sachin Gopal will also include the perquisite value of stock options granted under Company's Employee Stock Option Plan, if exercised. As mentioned above, the Company has granted the Stock Options to Mr. Sachin Gopal before his appointment as Managing Director and perquisite values of these options will be included in determining the remuneration payable to Mr. Sachin Gopal. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him. In view of the above, the remuneration payable to Mr. Sachin Gopal may exceed the prescribed statutory limit for managerial remuneration under section 197 of Companies Act, 2013. Further, as a matter of abundant caution, pursuant to Schedule V of Companies Act, 2013, that provides the remuneration in excess of the limits for payment of managerial remuneration by Companies in case of loss or inadequacy of profits in any financial year and inter alia, requires members approval for payment of managerial remuneration to the managerial person for a period of not exceeding 3 years by way of special resolution, the Board recommends the resolution for your approval by way of special resolution contained in Item No. 4 of the Notice.

The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The information to be provided to the shareholders, as specified in Schedule V to the Companies Act, 2013 are as below:

I. General Information:		
1.	Nature of industry	The Company is a Fast Moving Consumer Goods (FMCG) Company with focus on food products. The Company manufactures and sells various food products and edible oils.
2.	Date or expected date of commencement of commercial production	The Company was incorporated under Companies Act, 1956 on November 21, 1986.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial Performance as per audited financial results for the year ended March 31, 2021: Revenue from operations : ₹8,913.31 Million Other Income: ₹22.59 Million Total Expenditure: ₹8,516.37 Million Net Profit before tax: ₹419.53 Million Profit after tax: ₹303.02 Million
5.	Foreign investments or collaborations, if any :	CAG Tech (Mauritius) Limited is the holding Company and Conagra Brands Inc. is the ultimate holding Company holding 51.77% shareholding of the Company. Foreign Portfolio Investors were together holding 7.61 % of the equity capital of the Company. The Company has formed 100% wholly owned subsidiaries in Bangladesh and Sri Lanka. There are no other collaborations.
II. Information about the Executive / Managing Director		
1.	Background details	Refer brief profile in Annexure - 1
2.	Past remuneration	₹2.50 Crore p.a. plus perquisites & allowances for FY 2020-21.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	The Company has under the executive leadership of Mr. Sachin Gopal has diversified from a high-risk commodity-based Company to transition itself, into being a foods company with sustainable margins. The vision of Best performing Most Respected Foods Company is a way for making a diversified portfolio of a branded Foods Company. Mr. Gopal with his expertise and experience in FMCG sector has brought tremendous value in this transformation and sustainability of the Company.
5.	Remuneration proposed	As mentioned above in the statement pursuant to the provisions of Section 102 of the Companies Act, 2013.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid

	person (in case of expatriates the relevant details would be with respect to the country of his origin)	to similar senior level appointee in other companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any.	Besides the remuneration, stock options granted and 45,672 Equity Shares held in his individual capacity, he does not have any other pecuniary relationship with the Company.
III. OTHER INFORMATION :		
1.	Reasons of loss or inadequate profits	The business environment has been increasingly challenging and margins continue to remain under pressure. The rising cost of oils commodity, input cost, labour etc. is seen to be the key challenges. The total remuneration payable to Mr. Sachin Gopal will also include the perquisite value of stock options granted under Company's Employee Stock Option Plan, if exercised. The Company has granted the Stock Options to Mr. Sachin Gopal before his appointment as Managing Director and perquisite values of these options will be included in determining the remuneration payable to Mr. Sachin Gopal. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him. Due to this, the remuneration payable to Mr. Sachin Gopal may exceed the prescribed limits under Section 197 of the Companies Act, 2013. As a matter of abundant caution, the Board of Directors recommends passing a Special Resolution pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto.
2.	Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, diversifying portfolio, alongside working on improvements in process and controls. The approach has been to focus on operating leverage, gaining an enhanced customer base as well as new products and strive for growth.
3.	Expected increase in productivity and profits in measurable terms	The above measure undertaken is expected to yield positive results in the coming years. The Company is expecting growth in revenue and profitability in coming years.

Details of Mr. Sachin Gopal are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Interest of Directors

Excepting Mr. Sachin Gopal, who is interested in his appointment and the remuneration/minimum remuneration payable to him, no other Director, Key Managerial Personnel or their relatives of your Company is concerned or interested in the said Resolution. This may be treated as his memorandum issued pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors consider that it would be appropriate and desirable to re-appoint him as his experience will be beneficial to the Company. Mr. Sachin Gopal continues to hold office as the Managing Director of the Company. As re-appointment and remuneration are subject to compliance with the requirement of Section 188 and other applicable provisions of the Companies Act, 2013, your Directors recommend passing of the Special Resolution set out in the Notice of the Meeting.

Annexure: 1

BRIEF PROFILE/RESUME OF MR. SACHIN GOPAL

Mr. Sachin Gopal is the Managing Director of your Company. A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad, Sachin Gopal has an accomplished career over the last 30 years in some of the world's leading FMCG companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.

He joined Agro Tech Foods Limited (ATFL) in April 2007 as COO, and took over the role of President and CEO from November 1, 2008. Prior to his association with ATFL, Mr. Sachin Gopal was handling the role of Director-Customer Business Development with Procter & Gamble. Prior to this, he had a long career with Gillette India from 1987 to 2005 and handled significant Sales, Marketing and Business roles such as Group Product Manager, Vice President Marketing and General Sales Director. In his overseas assignments, Sachin handled the roles of Marketing Manager for Gillette Egypt; Group Business Director - Batteries, Duracell Eveready South Africa Pty., Johannesburg S.A and Group Business Manager - Batteries, Gillette Group H.Q. London, U.K. Mr. Sachin Gopal had started his career with Escorts Ltd., where he worked as Senior Marketing officer. He also spent three years with Cadbury where he worked as Product Manager and Regional Sales Manager. His contributions to the Company have been invaluable.

Annexure 2

Details of the Directors seeking variation in terms of remuneration required under Secretarial Standard - 2 on General Meetings	
Name of Director	Mr. Sachin Gopal
Designation	Managing Director
DIN	DIN 07439079
Date of Appointment	July 1, 2016
Date of Re-appointment	July 1, 2021
Date of Birth (Age)	January 30, 1960 (61 Years)
Expertise in specific functional area	Sachin Gopal has an accomplished career over the last 30 years in some of the world's leading FMCG

	companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.
Qualifications	A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad.
Remuneration last drawn	₹2.50 Crore p.a. for FY 2020-21
Number of meetings of the Board attended during the financial year 2020-21	4 Board Meetings (held & attended)
Directorship held in other Companies	Nil
Committee position held in other Companies as on March 31, 2021	Nil
Relationship with other Directors as on March 31, 2021	Nil
No. of equity shares held in the Company as on March 31, 2021	45,672 equity shares of ₹10 each

Item No. 5

Mr. James Patrick Kinnerk was appointed as Director under section 161(4) of the Companies Act, 2013 with effect from July 23, 2020 in the casual vacancy caused by the resignation of Ms. Jill Ann Rahman pursuant to Article 129 of the Articles of Association of the Company and he holds office up to the date of this Annual General Meeting till which, Ms. Jill Ann Rahman in whose vacancy he is appointed would have held office. The nomination and remuneration Committee and the Board of Directors at their Meeting held on April 29, 2021 has recommended the appointment of Mr. James Patrick Kinnerk as a Director of the Company. Mr. James Patrick Kinnerk has given his consent and declaration pursuant to the provisions of Section 152 of the Companies Act, 2013 and the provisions of the Companies (Appointment & Qualification of Directors) Rules, 2014, to act as Director, if appointed.

Interest of Directors :

Mr. James Patrick Kinnerk may be deemed to be interested in the above Resolution in so far as the same relates to him. No other Director, Key Managerial Personnel or their relatives, of your Company is concerned or interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Item No. 6

The Members, at the Annual General Meeting of the Company held on July 27, 2016, approved payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company not exceeding one per cent of the net profits of the Company as provided under the then Section 309(4) of the Companies Act, 1956, for each financial year, subject to a maximum of ₹3,90,000/-, individually, for a period of five years from April 1, 2016 to March 31, 2021.

In order to bring the remuneration of the Non-Executive Independent Directors in line with the current trends and commensurate with the time devoted and the contribution made by them, the Board of Directors of your Company ('the Board') at their Meeting held on April 29, 2021, recommended for the approval of the Members, payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company for a period of five years from April 1, 2021, as set out in this Special Resolution.

The Non-Executive Independent Directors of your Company may be deemed to be interested in this Special Resolution.

None of the other Directors of your Company are interested in this Special Resolution.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2021-22 at a fee not exceeding ₹1,40,000/- (excluding taxes) and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2021-22.

None of the Directors, Key Managerial Personnel or their relatives, of your Company is concerned or interested in the said Resolution.

Your Directors recommend the Resolution for your approval.

Place : Gurugram
Dated: April 29, 2021

By Order of the Board
for **Agro Tech Foods Limited**
Jyoti Chawla
Company Secretary
ACS 20392

Registered Office :
31, Sarojini Devi Road,
Secunderabad - 500 003
Telangana, India.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period will commence at **9.00 A.M. on Saturday, August 14, 2021 and will end at 5.00 P.M. on Tuesday, August 17, 2021**.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he/she is already registered with KFintech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings (e-AGM) of the Company on KFin system to participate in e-AGM and vote at the AGM.

DETAILS ON STEP 1 ARE MENTIONED BELOW:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1. **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL : https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi/Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No.

	III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e **KFintech** where the e-Voting is in progress.
Individual Shareholder login through their demat accounts/ Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **KFintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication

Important note:

Members who are unable to retrieve User ID/Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

DETAILS ON STEP 2 ARE MENTIONED BELOW:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL : https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., `Agro Tech Foods Limited- AGM" and click on "Submit".

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id saravana1015@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

DETAILS ON STEP 3 ARE MENTIONED BELOW:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC/OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/OAVM shall be open atleast 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at InvestorRedressal@atfoods.com. Questions/queries received by the Company till August 12, 2021 shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC/OAVM shall be available for atleast 2000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC/OAVM.

OTHER INSTRUCTIONS

I. Speaker Registration : The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be opened from 9.00 A.M. on August 14, 2021 to 5.00 P.M. on August 16, 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. Post your Question : The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will opened from 9.00 A.M. on August 14, 2021 to 5.00 P.M. on August 16, 2021.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or write at evoting@kfintech.com or einward.ris@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on the close of Tuesday, August 10, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
2. MYEPWD <SPACE> IN12345612345678
3. Example for CDSL:
4. MYEPWD <SPACE> 1402345612345678
5. Example for Physical:
6. MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

VI. The results of the electronic voting shall be declared to the Stock Exchanges, not later than 48 hours of conclusion of the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Ms. Denise Lynn Hansen

A CPA from the State of Michigan and MBA in Integrative Management from the Michigan State University, Denise is an accomplished finance leader with extensive international experience managing complexity in challenging business environments. She has expertise in transforming financial business partnering, developing control processes and policies, negotiating complex contracts, establishing foreign subsidiaries and improving financial results. With exceptional interpersonal skills and proven ability to influence and motivate key stakeholders. Denise has been a strategic leader with experience in managing teams at corporate level as well as in seed and mature markets. Over the last 25 years, Denise has worked in some of the world's leading companies like Herman Miller Inc. and Mead Johnson Nutrition Company and is currently employed with ConAgra Brands Inc. as Vice President, International Finance responsible for Company's international finance organization, encompassing operations in over 50 countries.

Her DIN is 07583110

Date of Birth :

October 18, 1971

Date of Appointment :

August 24, 2016

Companies (other than Agro Tech Foods Limited) in which Ms. Denise Lynn Hansen holds Directorship and Committee Membership :

Directorship :

Verde Valle, Mexico

Chairman of Board Committees

None

Member of Board Committees

None

Shareholding in the Company :

Ms. Denise Lynn Hansen does not hold any equity shares in the Company.

Mr. Sachin Gopal

A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad, Sachin Gopal has an accomplished career over the last 30 years in some of the world's leading FMCG companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.

He joined Agro Tech Foods Limited (ATFL) in April 2007 as COO, and took over the role of President and CEO from 1st November, 2008. Prior to his association with ATFL, Mr. Sachin Gopal was handling the role of Director-Customer Business Development with Procter & Gamble. Prior to this, he had a long career with Gillette India from 1987 to 2005 and handled significant Sales, Marketing and Business roles such as Group Product Manager, Vice President Marketing and General Sales Director. In his overseas assignments, Sachin handled the roles of Marketing Manager for Gillette Egypt; Group Business Director - Batteries, Duracell Eveready South Africa Pty., Johannesburg S.A and Group Business Manager - Batteries, Gillette Group H.Q. London, U.K. Mr. Sachin Gopal had started his career with Escorts Ltd., where he worked as Senior Marketing officer. He also spent three years with Cadbury where he worked as Product Manager and Regional Sales Manager.

His DIN is 07439079

Companies (other than Agro Tech Foods Limited) in which Mr. Sachin Gopal holds Directorship and Committee Membership :

Directorship :

None

Chairman of Board Committees

None

Member of Board Committees

None

Shareholding in the Company :

Mr. Sachin Gopal holds 45,672 equity shares in the Company.

Mr. James Patrick Kinnerk

James Patrick Kinnerk is President of Conagra Brands, International & Foodservice. Conagra Brands is one of the world's leading food companies. Over its rich history, Conagra has developed a compelling portfolio of brands and capabilities that provide consumers a wide range of delicious and contemporary food choices and family favorites.

James Patrick Kinnerk is a native of Ireland and was educated at Blackrock College, Dublin and at University College Dublin where he graduated with a Bachelor of Commerce degree. He also studied and qualified as a Chartered Accountant and is a Fellow of the Irish Institute of Chartered Accountants.

James Patrick Kinnerk began his career with Price Waterhouse in their Dublin office where he gained experience with a variety of multi-national clients before transferring to their office in Geneva, Switzerland where he was focused on the financial services industry.

James Patrick Kinnerk subsequently joined Nestle S.A. in Vevey, Switzerland and in time transferred to Nestle USA based in Los Angeles, California. At Nestle, he progressed through leadership roles spanning finance, sales and marketing and corporate strategy.

James Patrick Kinnerk joined Conagra in 2004 and now leads the company's Food service business which is one of the largest in the industry as well as the International division which continues to grow Conagra's broad portfolio and global footprint.

His DIN is 08773594

Companies (other than Agro Tech Foods Limited) in which Mr. James Patrick Kinnerk holds Directorship and Committee Membership :

Directorship :

None

Chairman of Board Committees

None

Member of Board Committees

None

Shareholding in the Company :

Mr. James Patrick Kinnerk does not hold any equity shares in the Company.

Attendance record of the Directors seeking appointment/ re-appointment

Directors	Number of Meetings	
	Held	Attended
Denise Lynn Hansen	4	4
Sachin Gopal	4	4
James Patrick Kinnerk	3	3

Inter-se relationships between Board Members

There are no inter-se relationships between the Board Members.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors hereby present their Annual Report, together with the audited accounts of the Company for the financial year ended March 31, 2021.

1. PERFORMANCE OF THE COMPANY

1.1 Results

Your Company's performance for the year ended March 31, 2021 is as follows:

(₹Millions)

Particulars	2020-21	2019-20
Net Sales	**8,913.31**	8,343.63
Other Income*	**22.59**	41.13
Total Income	**8,935.90**	8,384.76
Operating Expenses	**8,318.59**	7,769.59
PBDIT	**617.31**	615.17
Depreciation	**180.04**	188.35
Interest	**17.74**	17.68
Profit Before Tax (PBT)	**419.53**	409.14
Taxes	**116.51**	69.93
Profit After Tax (PAT)	**303.02**	339.21
Other Comprehensive income #	**7.66**	(3.06)
Total Comprehensive income	**310.68**	336.15

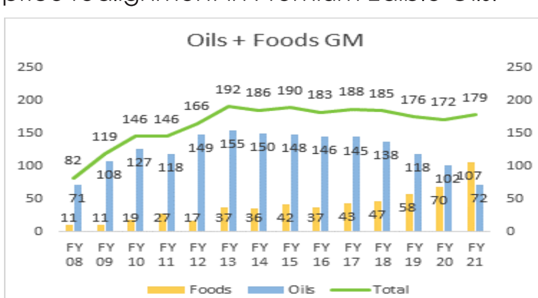
*Includes other operating revenue

Net of taxes

FY'21 was a transformational year for ATFL with the Foods business delivering a volume driven Revenue Growth of 35% ending the year with Net Sales of ₹349 crores. With Foods now accounting for a dominant share of Gross Margin (60% for FY21), the Company took the opportunity to make the Premium Edible Oils portfolio more competitive and address the Volume softness witnessed in this Category over the last few years due to a very high price premium. And lastly your Company also shed some low-priced business in Mass Oils with the Foods business increasingly providing adequate support to the entire Supply Chain.

1.2 Key Indicators

FY'21 Gross Margin was higher than PY by ₹7 Crore, with a ₹38 Crore increase in Foods GM more than offsetting a reduction of ₹31 crore in Oils to support the price realignment in Premium Edible Oils.



Your Company has clearly reached an inflexion point where steady growth in the Foods business can now drive the P&L performance of the entire Company. Over the last 10 years the Company has seen a 16% CAGR in the Foods business which has been further strengthened with the recent expansion into Breakfast Cereals and Chocolates. The Company expects to leverage this strong growth driven by innovation, in house production and a powerful distribution network to be amongst India's Best Performing Most Respected Food Companies.

2. DIVIDEND

Given the continued strong cash flow of the Company relative to the limited ongoing Capital Expenditure of the Company, your Directors are pleased to recommend a Dividend of ₹3.00 per equity share of the face value of ₹10/- each for the year ended March 31, 2021 subject to the approval of the shareholders at the Annual General Meeting to be held on August 18, 2021.

STATEMENT OF RETAINED EARNINGS (₹Millions)

Particulars	2020-21	2019-20
a) **At the beginning of the year**	**3,167.39**	2,902.53
b) Add: Profit for the year	**303.02**	339.21
c) Add: Other Comprehensive Income (net of tax)	**7.66**	(3.06)
d) Less: Dividends*	**70.94**	58.77
e) Less: Dividends Distribution Tax	**-**	12.52
f) **At the end of the year**	**3,407.13**	3,167.39

* Dividend given to Agro Tech ESOP Trust excluded of ₹2.16 mm (Previous year ₹2.15 mm).

3. RESPONSIBILITY STATEMENT

The Directors confirm that :

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. COVID- 19

In the last month of FY'20, the World Health Organization declared COVID 19, a global pandemic, which developed rapidly into a global crisis, forcing governments to enforce lock-downs to break the chain of infections. The lock-down declared in March 2020, continued up to May 31, 2020 and thereafter, the government started the opening up of the economy. The Company being in the manufacture and marketing of essential products like edible oil and other foods, managed to keep the operations running during the difficult times in FY20-21 while adhering to strict guidelines of COVID 19 such as social distancing, masks and sanitizing. Some of the measures like shifting work from office to work from home, restricting non-essential travel and guiding managers to use technology to monitor the performance, adherence to strict COVID guidelines at factories and sales staff while in the market helped the Company to manage the COVID situation well during the year. However, the COVID situation is not over yet and the Company is keeping a close vigil over the situation which worsened due to the 2nd wave of COVID in Q4, FY'21. The Company will continue to adhere to the strict guidelines already put in place. The Company is confident that it will remain on track to join the ranks of India's Best Performing Most Respected Food Companies, supported by a strong balance sheet, tight cost control initiatives and a strong R&D model to drive innovation. The diversified Foods portfolio will help in navigating the challenges presented by Covid-19 and gaining momentum for continued growth.

5. CORPORATE GOVERNANCE

In terms of the Listing Regulations, a report on Corporate Governance along with Auditors' Report on its compliance is annexed, forming part of the Annual Report.

Additionally, this contains compliance report signed by the CEO of the Company in connection with compliance with the Code of Conduct, and also CEO/CFO Certification as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In line with the requirements of Companies Act, 2013, your Company has constituted the Board Committees and has in place all the statutory Committees required under the law.

Details of Board Committees along with their terms of reference, composition and meetings of the Board and Board Committees held during the year, are provided in the Corporate Governance Report.

6. MANAGEMENT DISCUSSION & ANALYSIS REPORT (MD&A)

Based on feedback from members on the Annual Report and Accounts, this report includes MD&A as appropriate so that duplication and overlap between the Directors' Report and a separate MD&A is avoided and the entire material is provided in a composite and comprehensive document.

7. INDUSTRY STRUCTURE & DEVELOPMENTS

The Foods industry continues to show rapid growth as consumers adopt branded packaged foods. Like many other industries in India, what is critical is the ability to provide buying options at affordable price points while delivering the same innovation that would be required at the top end of the market.

Over the last 10 years, your Company has created a world class manufacturing infrastructure now comprising of 6 plants across India and 1 in Bangladesh built over 430,000 sq. ft. and producing innovative competitively priced offerings across 5 different categories, Together, with the power of two strong brands (Sundrop, Act II) and a Distribution Network of over 400,000 stores this puts your Company in a strong place to gain a significant and profitable share of the Indian Foods market.

8. OPPORTUNITIES AND THREATS

The continued growth of the Indian Foods market represents an enormous opportunity for a steady growth in Revenues and Profits for Your Company.

The Company's powerful Foods portfolio allows representation today in 5 fast growing categories – Ready to Cook Snacks, Ready to Eat Snacks, Spreads, Breakfast Cereals and Chocolates. Your Directors believe that these categories are sufficient to power the Company into one of the strongest Food Companies in India.

The primary threat to your Company's P&L remains the significant contribution of the Edible Oils business. However, over time this has been significantly reduced and in FY'21 the Foods business contributed to 40% of Sales and 60% of Gross Margin. We are therefore steadily moving towards a situation where a dominant share of profits will come from our Foods business and the potential adverse impact of this threat is being steadily reduced.

9. STATE OF THE COMPANY'S AFFAIRS

Your Company has registered a consistent growth of 16% (CAGR) in the Foods business over the last 10 years through selective entry into fast growing categories.

With a continued focus on consumer acquisition through a strong Value for Money proposition, your Company is able to deliver significantly superior products to competition at very competitive prices. This has enabled the Company to significantly expand the product portfolio including the launches in FY'21 of Hazelnut Chocolate Spreads, Almond Butter, Shelf Stable Hummus and an enhanced range of Extruded Breakfast Cereals.

In FY'21 the Ready to Cook category successfully crossed the ₹200 crore mark in Revenues. At close to ₹80 crores the Spreads category is now set to become the second category to cross the ₹100 mark and work is underway to bring the next 3 categories to scale enabling a diversified, profitable and rapidly growing Foods Company.

The Company was successfully able to leverage in FY'21 the high-quality Distribution Network in place with a coverage of 400,000+ stores to enhance the distribution of its portfolio and in doing so fully leverage the increased Media spends from ₹7 crore to ₹16 crore, contributing to an accelerated growth.

FY'21 saw the start up of the Chittoor plant for Ready to Eat Snacks and the commencement of the plant at Unnao for Ready to Eat Snacks and Breakfast Cereals. The Company also continues to scale up the Bangladesh plant and capture the benefit of an important neighbor with strong and continued economic growth.

10. PRODUCT CATEGORIES

10.1 Ready to Cook Snacks:

Revenues from the Ready to Cook Snacks business increased by 51% in FY'21 driven entirely by Volume growth. The Category saw a very positive response to the launch of Sweet Corn and benefited as well from increased in home consumption. In FY'22 your Company intends to further expand its Category presence.

10.2 Ready to Eat Snacks:

Revenues from the RTE Snacks business were lower than PY by 7%. This was driven initially by lower out of home consumption. However, the Company also took the opportunity to change the Go To Market model for this category by moving all of the existing ₹5 Savory Snack offerings to a "Full Truck Load" model from the Factory i.e. direct shipments from the Plant to Distributors. Your Company also initiated an entry into Vegetable Chips with a limited launch of Potato Chips and will now undertake a steady low-cost learning in a large Category requiring significant input commodity skills and understanding.

10.3 Spreads & Dips:

Revenues from the Spreads business increased by 33% driven by continued strong growth in Peanut Butter and with product extensions into Chocolate Spreads, Nut Butters and Hummus. The extensions have been well received by Consumers and in FY'22 the Company will drive distribution and trial of these new products in addition to further expanding this portfolio.

10.4 Breakfast Cereals:

In FY'21 your Company successfully expanded distribution of the Cereals launched in FY'20 viz Extruded Center Filled Cereals and a Granola (Honey Roasted Oats) offering. The Company also expanded its presence in Extruded Cereals with the launch of Cocoa Shells and a Fruity Offering. Roll out of the new products will be completed in FY'22 and they will further drive the acquisition of consumers.

10.5 Chocolates:

Post an excellent response to the launch of Coconut Duo in FY'20, the Company used FY'21 to refine both the product offering and the supply chain basis initial learnings. These are now in place and a significant share of Foods Growth in FY'22 is expected to come from this Category. The Company estimates that Center Filled Coconut Chocolates are amongst the Top 3 sellers in the UK and the Top 10 in the USA. Given this strong contribution to the Category globally and the first mover advantage that the Company has, it promises to be an excellent business.

10.6 Premium Edible Oils:

Your Company used FY'21 to make significant changes in the price premium of this Category and as a consequence was successfully able to address the soft volume performance that this Category had demonstrated over the last few years. The new price premiums have been well accepted and the Category is showing steady growth every Quarter.

10.7 Mass Edible Oils

With an increasing contribution from the rapidly growing Foods business now supporting the entire Supply Chain of the Indian business, the Company took the strategic decision of shedding some Low-Priced Volume in this Category. Going forward the Company will continue to evaluate options in this business.

11. RESEARCH, QUALITY & INNOVATION (RQI)

Innovation will continue to be the driver of growth for your Company and we will make investments which ensure that we deliver to consumers products which address unmet consumer needs. The Company's unique innovation model has already enabled the entry into and expansion within 5 rapidly growing Foods category. Your Company will continue to focus on Innovation which addresses unmet consumer needs as a driver of growth.

12. CONSERVATION OF ENERGY, ABSORPTION, TECHNOLOGY, FOREIGN EXCHANGE AND EMPLOYEE PARTICULARS

A Statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as **Annexure A** and forms part of this report.

13. HUMAN RESOURCES / INDUSTRIAL RELATIONS

Engaged Employees are critical to the success of your Company. In FY'21, your Company successfully achieved an Engagement Score of 74%. The continuing strong momentum in the Company driven by solid Foods growth and Innovation has helped to achieve this level.

Your Company will continue to ensure that we have a highly engaged and productive organization to deliver against our vision of being amongst "India's Best Performing Most Respected Food Companies"

14. KEY FINANCIAL RATIOS

The details of significant changes in the key financial ratios are as follows:

Particulars	**2020-21**	2019-20	%Variance
(i) Debtors Turnover	**15.94**	10.73	48.56%
(ii) Interest Coverage Ratio	**24.64**	24.13	2.11%
(iii)Current Ratio	**2.34**	2.74	-14.60%

15. RETURN ON NET WORTH

The Return on Net worth as compared to the immediately previous financial year is as follows:

Particulars	**2020-21**	2019-20
(i) Return on Net Worth	**6.98%**	8.32%

16. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 thereunder in respect of the top ten employees in terms of remuneration drawn and employees who were in receipt of remuneration aggregating ₹1.02 crores or more or were employed for part of the year and were in receipt of remuneration aggregating ₹8.50 lakhs per month or more during the financial year ending March 31, 2021 is provided in the **Annexure B** forming part of this Report.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

18. PARTICULARS OF CONTRACTS WITH RELATED PARTIES

All contracts or arrangements or transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract or arrangement or transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions, Companies Act, 2013 and Listing Regulations. Form AOC-2 containing the note on the aforesaid related party transactions is enclosed as **Annexure C** and forms part of this Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.: https://www.atfoods.com/pdf/code-of-conduct/policy dealing related party transactions.pdf

The related party disclosures, including detail of transaction with Promoter group, form part of the financial statements provided in this Annual Report.

19. EMPLOYEE STOCK OPTION PLAN

The Company, vide special resolution in the Annual General Meeting of the Company held on July 25, 2012 had approved "Agro Tech Employee Stock Option Plan" ("Plan"). The Plan was further modified vide special resolution in the Annual General Meeting held on July 24, 2015 to align it with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") and other applicable provisions for the time being in force. The Plan is administered by Agro Tech ESOP Trust ("Trust") under the supervision of the Nomination and Remuneration Committee of the Board of Directors of the Company ("Committee"). The Plan is in compliance with the provisions of SEBI Regulations and there has been no material change in the Plan during the year. Further details of the Plan are available on the website of the Company at www.atfoods.com

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has continued to drive the Corporate Social Responsibility program under Poshan where we provide Peanut Butter to under nourished children. Major focus area for implementation of this program is Bharuch district in Gujarat, where our Peanut Butter factory is situated. Apart from Gujarat, the program is also under implementation in Delhi, Hyderabad, Kashipur and Kolkata where our offices and factories are located. In FY21, a total number of 10,400 children covered during the program. Since the program is mainly aimed at children attending Anganwadi centers and due to COVID 19, most of the Anganwadi centers were closed during the year, the children coverage was less in this year compared to earlier years. Overall the CSR spent during the year amount to ₹17,06,662.

The program Poshan also received the 2014 South Asia Platinum SABRE Award for Corporate Social Responsibility.

Though this spending comes to about 0.4% of average net profits of the Company during the three immediately preceding financial years and calculated in accordance with the section 198 of the Companies Act, 2013, however, the Company has not claimed this spending as a mandatory CSR spent as required under Section 135 of Companies Act, 2013 and relevant rules thereunder. Therefore, the total unspent CSR amount i.e. ₹95.84 lakhs, which is 2% of average net profits of the Company during the three immediately preceding financial years and calculated in accordance with the section 198 of the Companies Act, 2013, shall be transferred by the company to the fund included in schedule VII of the Companies Act, 2013 within the prescribed time lines as per Companies Act or any amendment thereto.

Companies Act, 2013 as amended by Companies (Amendment), Act, 2017, all Companies having net worth of ₹500 crore or more, or turnover of ₹1,000 crore or more or a net profit of ₹5 crore or more during the immediately preceding financial year will be required to constitute a CSR Committee of the Board of Directors comprising three or more directors, at least one of whom will be an Independent Director.

Aligning with the guidelines, the Company has constituted a CSR Committee comprising of Lt. Gen. D B Singh as Chairman, Mr. Sanjaya Kulkarni, Mr. Narendra Ambwani, Mr. Arun Bewoor, Ms. Veena Gidwani, Ms. Denise Lynn Hansen and Mr. James Patrick Kinnerk as its Members. The Committee is responsible for formulating and monitoring the CSR Policy of the Company. The CSR Policy of the Company, as approved by the Board of Directors is available on the Company's Website:
https://www.atfoods.com/pdf/code-of-conduct/ATFL%20CSR%20POLICY.pdf

The Annual Report on CSR activities is annexed here with as **Annexure D** and forms part of this Report.

21. RISK MANAGEMENT POLICY

The Company has formulated and adopted risk assessment and minimization framework which has been adopted by the Board at the Board Meeting held on May 1, 2006. The Company has framed a risk management policy and testing in accordance with the laid down policy is being carried out periodically. The Senior Management has been having regular Meetings for reassessing the risk environment and necessary steps are being taken to effectively mitigate the identified risks. A Risk Management Committee also has been constituted with a Committee of the Directors and senior management to address issues which may threaten the existence of the company.

22. WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The vigil mechanism under Whistle Blower Policy has been approved by the Board of Directors on October 17, 2014. This Whistle Blower Policy of the Company provides opportunities to employees to access in good faith, to the Management, concerns (in certain cases to the Audit Committee) in case they observe unethical or improper practices (not necessarily a violation of law) in the Company and to secure those employees from unfair termination and unfair prejudicial employment practices. The policy has also been uploaded on the website of the Company : https://www.atfoods.com/pdf/code-of-conduct/Whistle%20Blower%20Policy.pdf

23. INFORMATION SYSTEMS

Your Company continues to focus on the use of technology and automation to drive productivity to work efficiently with our Customers & Suppliers while making available to our Employees robust information to ensure best in class analysis of the business and identification of opportunities to improve shareholder return.

24. FINANCE AND ACCOUNTS

24.1 Internal Controls

The Company has a robust system of internal controls commensurate with the size and nature of its operations, to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, prevention, and detection of fraud and error, accuracy and completeness of accounting records, timely preparation of reliable financial information and adherence to the Company's policies, procedures and statutory obligations.

Your Company has established standard operating procedures for smooth and efficient operations in addition to ensuring internal controls. Your Company has also documented:

- A comprehensive Code of Conduct for the Board Members and employees of your Company
- An Employee Handbook
- Whistle Blower Policy defined to provide channel of communication without fear
- Comprehensive frame work for Risk Management, and
- CEO/CFO Certification for Financial Reporting Controls to the Board

The Company has appointed M/s. Grant Thornton India LLP as Internal Auditors to ensure adequacy of internal control systems and make recommendations there to. Audit reports are circulated to management, which takes prompt action as necessary.

The Audit Committee of the Board meets periodically to review the performance as reported by Auditors. The Internal and External Auditors also attend the meetings and convey their views on the adequacy of internal control systems as well as financial disclosures. The Audit Committee also issues directives and/or recommendations for enhancement in scope and coverage of specific areas, wherever felt necessary.

24.2.Cautionary Statement

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

24.3 Outlook

Your Company has clearly reached the inflexion point where the natural profitable growth in the Foods business can offset risks in the Edible Oils business, creating a P&L where tight control on costs can enable the improved margin to flow through to the bottom line. We believe that the category choices that we have made and the relentless pursuit of the Revenue and Margin goals on the Foods business will ensure that we will become a significant player in the Indian Foods Industry and join the ranks of India's Best Performing Most Respected Food Companies.

25. DIRECTORS

In accordance with the provisions of Article 143 of the Articles of Association of the Company, in so far as it is not inconsistent with the relevant provisions of the Companies Act, 2013, Ms. Denise Lynn Hansen retires by rotation and being eligible, offers herself for re-appointment. A brief profile of Ms. Denise Lynn Hansen is given in the notice of the 34th Annual General Meeting.

Ms. Jill Ann Rahman had resigned as Director and Chairperson of the Company. The Directors placed on record their appreciation of the valuable services rendered and wise counsel given by Ms. Jill Ann Rahman during her tenure of Office as Director and Chairperson.

Mr. James Patrick Kinnerk was appointed as a Director and Chairman of the Company in the casual vacancy caused by the resignation of Ms. Jill Ann Rahman pursuant to Article 129 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013.

He holds office up to the date of the ensuing Annual General Meeting. Notice as required under Section 160 of the Companies Act, 2013 has been received from a Member proposing the appointment of Mr. James Patrick Kinnerk as Director of the Company at the Annual General Meeting. The Nomination and remuneration committee has recommended the appointment of Mr. James Patrick Kinnerk as a Director of the Company at the ensuing Annual General Meeting. A brief profile of Mr. James Patrick Kinnerk is given in the notice of the 34th Annual General Meeting.

Based on the recommendation of Nomination and Remuneration Committee, Mr. Sachin Gopal has been re-appointed as Managing Director of the Company for a period of 5 years with effect from July 1, 2021 subject to approval of the shareholders at the ensuing Annual General Meeting or any other approval as may be applicable. A brief profile and terms and conditions of re-appointment of Mr. Sachin Gopal as Managing Director is given in the notice of the 34th Annual General Meeting.

All the Independent Directors of the Company have also given a confirmation to the Company as provided under Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015 that:

a. they are persons of integrity and possess relevant expertise and experience;
b. i. they are or were not a promoter of the Company or its holding, subsidiary or associate Company or member of the promoter group of the company;
   ii. they are not related to promoters or other directors in the Company, its holding, subsidiary or associate Company;
c. they do not have or had any pecuniary transaction or relationship other than remuneration as such director or having transaction not exceeding ten percent of their total income or such amount as may be prescribed with the company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
d. none of their relatives-
   (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

   Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh ₹ or two per cent of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

   (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has or had any other pecuniary transaction or relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may prescribed from time to time, whichever is lower, singly or in combination with the transactions referred to in sub-clause(i), (ii) or (iii) during the two immediately preceding financial years or during the current financial year.

e. neither they nor any of their relatives–

(i) hold or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten percent or more of the gross turnover of such firm;

(iii) held together with any relatives two percent or more of the total voting power of the Company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two percent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

f. they are not a non-independent director of any other company on the board of which any non-independent director of the Company is an independent director.

g. they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

h. they possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

i. they have complied with the requirement of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 with regard to inclusion of their names and/or renewal thereof, in the Independent Directors data bank maintained with Indian Institute of Corporate Affairs (IICA).

None of the independent Directors will retire at the ensuing Annual General Meeting.

26. MEETINGS OF THE BOARD

The Board of Directors met 4 times during the period April to March in the year 2020-2021 on the following dates:

1. May 28, 2020
2. July 23, 2020
3. October 21, 2020
4. January 20, 2021

27. AUDIT COMMITTEE

The Company's Audit Committee presently comprises of six Directors, all except one are non-executive and Independent Directors. This is in compliance with Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Lt.Gen. D.B.Singh, an Independent Director, is the Chairman of the Committee while Mr. Sanjaya Kulkarni, Mr. Narendra Ambwani, Mr. Arun Bewoor, Ms. Denise Lynn Hansen and Ms. Veena Gidwani are its Members. The Charter of the Committee is in line with the requirements of Section177 of the Companies Act, 2013 and the relevant clauses of the Listing Regulations.

28. CRITERIA FOR REMUNERATING DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The performance of the Company's Key Managerial Personnel, Whole time Director and Employees is measured on the progress being made on the strategic vision of the Company and Profitability.

Progress against the strategic vision of the Company is measured by continued improvement in Gross Margin and share of the Foods business in the total Net Sales of the Company. Profitability is measured using Profit After Tax as a single measure.

The details as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being provided as an **Annexure B** to this Report.

29. EVALUATION OF THE BOARD

The Company has formulated a Remuneration Policy in line with the requirements of the Companies Act, 2013. The performance evaluation of independent directors is done by the entire Board of Directors (excluding the director being evaluated). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent directors.

The annual evaluation of the Board is done at three levels as (i) Board as a whole; (ii) Committees of the Board and (iii) Individual Directors and Chairperson. A detailed Questionnaire is circulated to all individual directors. The Directors are evaluated on the basis of the following performance evaluation criteria namely knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution and Integrity. The Additional criteria for Independent directors are independence, independent views and judgment.

The remuneration/commission to Non-Executive and Independent Directors shall be fixed as per the provisions contained under Companies Act, 2013. The Non-Executive Independent Director may receive remuneration by way of fees for attending each meeting of Board or Committee thereof, provided that the amount of such fees shall not exceed ₹1,00,000/- (₹ one lakh only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

For Independent Women Directors, the sitting fee paid is not less than the sitting fee payable to other directors.

Commission may be paid within the monetary ceiling limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

An Independent Director shall not be entitled to any stock options of the Company.

Copy of the Nomination and Remuneration policy is annexed here with as **Annexure E** and forms part of this Report and is also uploaded on the website of the Company, https://www.atfoods.com/pdf/code-of-conduct/Nomination%20and%20Remuneration%20Policy.pdf

30. TRAINING OF INDEPENDENT DIRECTORS

Every new Independent Director of the Board attends an orientation. To familiarize the new inductees with the strategy, operations, business and functions of your Company, the Senior Management make presentations to the inductees about the Company's strategy, operations and products. The Company also encourages and supports its Directors to update themselves with the rapidly changing regulatory environment. Also, at the time of appointment of independent directors, the Company issues a formal letter of appointment describing their roles, functions, duties and responsibilities as a Director. During the year, the Company has sponsored independent Directors for attending an online workshop on Financial Literacy. More details about familiarization Programme are uploaded on Company's website: https://www.atfoods.com/pdf/other-information/familiarisation_programme_independent_directors.pdf

31. AUDITORS

M/s Deloitte Haskins & Sells LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company by the shareholders' at the 32nd Annual General Meeting held on July 17, 2019, to hold office from the conclusion of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting.

The Report given by the Auditors M/s Deloitte Haskins & Sells LLP, Chartered Accountants on the financial statements of the Company for financial year 2020-21 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013 and hence, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

32. COST AUDIT

The Company is required to maintain the cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company. An Audit of the Cost Accounts maintained by the Company is also conducted by a Cost Auditor appointed by the Board subject to the approval of Shareholders.

33. SECRETARIAL AUDIT

M/s. Tumuluru & Company, Company Secretaries Firm has been appointed to conduct the Secretarial Audit of the Company as required under the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (LODR) Regulations, 2015 and also to provide the Secretarial Compliance Report for the financial year 2020-21. Copy of the Secretarial Audit

Report in Form MR-3 is given as an **Annexure F** to this Director's Report. The Secretarial Audit Report does not contain any qualification or adverse remarks.

34. SUBSIDIARY COMPANIES

Your subsidiary, Sundrop Foods India Private Limited has continued to perform the role of aiding the expansion of distribution and display of your products. At the end of FY'21 the number of sales staff on the rolls of the Company were 409.

Your Company's wholly owned subsidiary Agro Tech Foods (Bangladesh) Pvt. Ltd continues to scale up production as we expand our business in a neighboring emerging market with strong growth potential.

Your Company will also be working towards leveraging your Company's wholly-owned subsidiary Sundrop Foods Lanka (Private) Limited and seek to establish a business model which is appropriate for that market. As a part of this exercise an impairment charge relating to costs incurred in that market has been taken in the Standalone Results for FY'21.

During the year, the Board of Directors reviewed the affairs of the subsidiary Companies. The Company has published the audited consolidated financial statements for the financial year 2020-21 and the same forms part of this Annual Report. This Annual Report does not contain the financial statements of our subsidiaries. The statements highlighting the summary of the financial performance of the subsidiaries in the prescribed format is annexed as **Annexure G** to this Report. The audited financial statements and related information of subsidiaries are available for inspection electronically and will be provided to any shareholder on demand. The separate audited financial statements in respect of each subsidiary Company is also available on the website of your Company. https://www.atfoods.com/annual-reports.aspx

35. ANNUAL RETURN

A copy of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 and Rule12 of the Companies (Management & Administration) Rules, 2014 prepared as on March 31, 2021 shall be placed on the website of the Company and the same is available in the Company's website https://www.atfoods.com/investors-information.aspx

36. BUSINESS RESPONSIBILITY REPORT

SEBI (LODR) (Fifth Amendment) Regulations, 2019 notified on December 26, 2019 mandated inclusion of Business Responsibility Report (BRR) as part of the Annual Report for top 1000 listed entities based on market capitalization. In compliance with the Regulation, the BRR for FY 2020-21 is provided as part of this Annual Report.

37. GENERAL

Your Directors state that no disclosures or reporting are being made in respect of the following items as there were no applicable transactions or events on these items during the year under review:

a. Details relating to deposits covered under Chapter V of the Act.

b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

c. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except under the ESOP scheme referred to in this Report.

d. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

e. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

f. The Company has complied with the provisions relating to constitution of Internal Complaints Committee and no cases reported or filed during the year pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

g. During the year, your Company has not accepted any public deposits under Chapter V of Companies Act, 2013.

h. Pursuant to Section 124 and Section 125 of the Companies Act 2013 read with IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016 and any amendment thereof, as may be applicable, an amount of ₹4,96,566/-which remained unpaid / unclaimed dividends pertaining to FY12-13 was transferred to Investor Education and Protection Fund on September 16, 2020.

i. During the year, the Company has transferred 7048 unclaimed shares to IEPF account on December 8,2020. The detailed list of unclaimed shares transferred to IEPF Authority is available in the Company's website www.atfoods.com

j. Pursuant to Section 124 and Section 125 of the Companies Act 2013 read with IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016 and any amendment thereof, as may be applicable, an amount of ₹446,438/- (as on March 31, 2021) of unpaid/unclaimed dividends will be transferred to Investor Education and Protection Fund with in the prescribed timelines.

38. APPRECIATION

The Board places on record their appreciation for the contribution of its customers, employees, distributors, co-packers, suppliers and all other stakeholders towards performance of the Company during the year under review.

On Behalf of the Board

Sachin Gopal	**Lt. Gen. D.B. Singh**
Managing Director & CEO	Director
DIN 07439079	DIN 00239637

Place : Gurugram
Date : April 29, 2021

ANNEXURES TO DIRECTOR'S REPORT

ANNEXURE A

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Information under Rule 8(3) of the Companies (Accounts) Rules, 2014

1. CONSERVATION OF ENERGY

Energy conservation is an indicator of how efficiently a company can conduct its operations. ATFL recognizes the importance of energy conservation and has under taken various energy efficient practices that have strengthened the Company's commitment towards becoming an environment friendly organization.

Your Company continues to use energy efficient and sustainable HVAC programs at manufacturing facilities established at Kothur in Telangana, Kashipur in Uttarakhand, Unnao in Uttar Pradesh and Jhagadia in Gujarat, Mangaldai in Assam and Chittoor in Andhra Pradesh. In addition, the Company has ensured that all new lighting is moving to LED lamps together with a phasing out of all non-LED lighting through a phased replacement program. Solar power is also explored for installation at manufacturing units.

2. TECHNOLOGY ABSORPTION

In FY'21 your Company continued to use Technology to drive Competitive Advantage and provide high quality food products to our consumers. This included the launch of Hazelnut Chocolate Spread, Almond Butter, Extruded Center Filled Cereals and Hummus Dips.

3. RESEARCH & DEVELOPMENT (R&D)

Your Company has spent about ₹25.49 Million (including capital R&D of ₹9.67 Million), this year towards Research and Development totaling to about 0.29% of the Company's turnover. Specific areas in which R&D was carried out by the Company include development of Hazelnut Chocolate Spreads, Almond Butter, Extruded Breakfast Cereals and Hummus Dips.

4. FOREIGN EXCHANGE EARNINGS AND OUTGO (Accrual basis)

	₹ MM
Foreign Exchange earned in terms of inflows	13.70
Foreign Exchange outgo in terms of outflows	72.04

On Behalf of the Board

Sachin Gopal	Lt. Gen. D.B. Singh
Managing Director & CEO	Director
DIN 07439079	DIN 00239637

Place : Gurugram
Date : April 29, 2021

ANNEXURE B

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) and (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(A) The percentage increase in remuneration of each Director and KMPs during the financial year 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

S. No.	Name of the Director/KMP and Designation	Remuneration of Directors / KMP for Financial year 2020-21 in ₹	% age increase in the remuneration in the FY 2020-21	Ratio of the remuneration of each Director to the median remuneration of the employees
1.	Ms. Jill Ann Rahman* Chairperson & Non-Executive Director	-	-	-
2.	Mr. James Patrick Kinnerk** Chairman & Non-Executive Director	-	-	-
3.	Ms. Denise Lynn Hansen Non-Executive Director	-	-	-
4.	Lt.Gen. DB Singh Non-Executive Independent Director	1,315,000	23.47%	2.59:1
5.	Mr. Sanjaya Kulkarni Non-Executive Independent Director	1,315,000	66.46%	2.59:1
6.	Mr. Narendra Ambwani Non-Executive Independent Director	1,315,000	-3.66%	2.59:1
7.	Mr. Arun Bewoor Non-Executive Independent Director	1,315,000	-3.66%	2.59:1
8.	Ms. Veena Gidwani Non-Executive Independent Director	1,315,000	-3.66%	2.59:1
9.	Mr. Sachin Gopal Managing Director	25,326,453	22.45%	49.97:1
10.	Mr. KPN Srinivas# Chief Financial Officer	5,100,115	-	Not Applicable
11.	Ms. Jyoti Chawla Company Secretary	3,049,950	13.56%	Not Applicable

* Ms. Jill Ann Rahman has resigned as Chairperson & Non-Executive Director w.e.f. May 29, 2020.

** Mr. James Patrick Kinnerk has been appointed as Chairman & Non-Executive Director on July 23, 2020.

\# Comparative details of Mr. KPN Srinivas are not being provided as he was not the CFO for full year in previous year. During the current year amount received of ₹125,727 by exercise of Employee stock options (ESOP) has not been included in the remuneration disclosed above.

Remuneration as given above does not include long-term compensated absences benefit accrued and gratuity benefit accrued since the same are computed based on actuarial valuation for all the employees and the amounts attributable to the managerial personnel cannot be ascertained separately.

In the financial year, there was an increase of 1% in the median remuneration of employees;

- There were 539 permanent employees on the rolls of Company as on March 31, 2021;

The Company follows a practice of bench marking the salaries of positions in similar Companies and adjusts the salaries of employees to make those competitive in the market. Other factors considered for salary revision are salary inflation in the market, reward for performance and retention risk. The average increase in the remuneration of employees was 3% reflecting the efforts put in by the employees for a steady growth in the core consumer foods business by 35% and overall business grew by 7%.

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 3% whereas there was 3% increase in the managerial remuneration for the same financial year. Increase in the salaries of employees are in line with the market bench marking and there are no exceptional circumstances and increases for managerial remuneration.
- It is here by affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

B) Information under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the financial year ended March 31, 2021

A. Employed through out the year : top ten employees in terms of remuneration drawn and employees who were in receipt of remuneration aggregating ₹1.02 crores or more

S. NO.	NAME OF THE EMPLOYEE	AGE	QUALIFICATIONS	DESIGNATION/ NATURE OF DUTIES	DATE OF COMMENCEMENT OF EMPLOYMENT	EXPERIENCE (YEARS)	REMU-NERATION ₹	% OF EQUITY SHARES HELD	LAST EMPLOYMENT
1.	Sachin Gopal	61	B.A., MBA	Managing Director & CEO	02.04.2007	39	25,326,453	0.19	Procter & Gamble
2.	N Narasimha Rao *	61	B.Sc., Master of Personnel Mgmt.	Sr. VP-HR & Corporate Communications	24.07.2006	35	16,828,575	-	Reliance Infocom
3.	Asheesh Kumar Sharma	51	B.Sc., PGDBM	VP-Marketing	02.07.2007	28	13,485,180	-	Gillete India Ltd
4.	Sanjay K Srivastava	51	B.Sc., B.Tech.	Head of Manufacturing	12.06.2000	30	6,827,052	-	Siel Foods & Fertilizer Industries
5.	Lalit Vij $	57	B.Com, MBA ICWA	Head of Procurement and Packing Material	16.04.2005	28	6,789,039	-	Siel Foods & Fertilizer Industries
6.	Dharmesh Kumar Srivastava #	57	M.Tech. MBA	VP-Supply Chain	08.07.2008	31	5,988,689	-	Procter & Gamble
7.	Rikesh Kotwal	38	BECivil, MBA	Head of Sales	23.04.2012	17	5,886,281	-	Wipro Consumer Care
8.	KPN Srinivas @	41	B.Com, M.Com, CA	Chief Financial Officer	27.04.2009	12	5,100,115	-	nil
9.	J Kalpalatha %	52	B.Com	General Manager Finance	05.07.1988	33	4,451,043	-	nil
10.	Gulshan Gandhi	55	B.Tech., B.Sc.	General Manger-RQI	11.06.2000	20	4,081,778	-	Siel Foods & Fertilizer Industries

B. Employed partly during the year : employees who were in receipt of remuneration of ₹8,50,000/-and above per month- nil

NOTES:

1. All appointments are contractual.
2. No director is related to any other director or employee of the Company listed above.
3. Remuneration received / receivable includes salary, bonus, commission, medical expenses, Company's contribution to Superannuation Funds, rent/allowance paid for providing residential accommodation and where it is not possible to ascertain the actual expenditure incurred by the Company in providing a perquisite, the monetary value of such perquisites calculated in accordance with the Income Tax Act, 1961, and rules made there under.

$ During the current year amount received of ₹947,760 by exercise of Employee stock options (ESOP) has not been included in the remuneration disclosed above.

During the current year amount received of ₹1,504,300 by exercise of Employee stock options (ESOP) has not been included in the remuneration disclosed above.

% During the current year amount received of ₹133,469 by exercise of Employee stock options (ESOP) has not been included in the remuneration disclosed above.

@ During the current year amount received of ₹125,727 by exercise of Employee stock options (ESOP) has not been included in the remuneration disclosed above.

* Mr. N Narasimha Rao has passed away on May 10, 2021 due to COVID-19.

On Behalf of the Board

Place : Gurugram
Date : April 29, 2021

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt. Gen. D.B. Singh
Director
DIN 00239637

ANNEXURE C

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis – Not Applicable

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	* Please refer the note given below
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

* The detail of transactions between the Company and its related parties, names, nature of such contracts/ arrangements/transaction and other detail is set out in Notes to Accounts under note number 42 forming part of the standalone Financial Statements.

On Behalf of the Board

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

Place: Gurugram
Date: April 29, 2021

ANNEXURE D

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

1. Brief outline on CSR Policy of the Company

Your Company contributes to the society in addressing social issues like Malnourishment. Being in Foods business and the manufacturers of healthy foods like Peanut Butter etc., the Company strongly believes that we have an opportunity to play a key role in addressing one of serious social issues; Malnourishment.

Programs:

We have developed a program on the name of Poshan and under this program, the Company continues to partner with Government to provide Peanut Butter at Anganwadis run by the Government and Child Malnourishment Treatment Centers. Peanut Butter is rich in good quality Protein and it supplements the food given to the children at Anganwadis. Major focus area for implementation of this program is Bharuch district in Gujarat, where our Peanut Butter factory is situated. Apart from Gujarat, the program is also under implementation in Delhi, Hyderabad, Kashipur and Kolkata where our offices and factories are located. In FY21, a total number of 10,400 children covered during the program. Since the program is mainly aimed at children attending Anganwadi centers and due to COVID 19, most of the Anganwadi centers were closed during the year, the children coverage was less in this year compared to earlier years. The details of the policy are available on the website, www.atfoods.com

2. Composition of CSR Committee:

SL. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Lt. Gen D B Singh	Independent Director Chairman	1	1
2.	Mr. Sanjaya Kulkarni	Independent Director Member	1	1
3.	Mr. Arun Bewoor	Independent Director Member	1	1
4.	Mr. Narendra Ambwani	Independent Director Member	1	1
5.	Ms. Veena Gidwani	Independent Director Member	1	1
6.	Mr. James Patrick Kinnerk@	Non Executive Director	-	-
7.	Ms. Jill Ann Rahman*	Non Executive Director	1	1
8.	Ms. Denise Lynn Hansen	Non Executive Director	1	1

@ Mr. James Patrick Kinnerk has been appointed as Non Executive Director on July 23, 2020.

* Ms. Jill Ann Rahman has resigned as Non Executive Director w.e.f. May 29, 2020.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects are disclosed on the website of the company

http://www.atfoods.com/csr.html

http://www.atfoods.com/investor-relations/committees-board-of-directors.htm

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable -**Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- **Nil**

6. Average net profit of the company as per section 135(5) : **₹479,222,523/-**

7. (a) Two percent of average net profit of the company as per section 135(5) : **₹9,584,450/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **Nil**

(c) Amount required to be set off for the financial year, if any : **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c). : **₹9,584,450/-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	Nil		As per Schedule VII	₹9,584,450	Will be transferred within prescribed timelines

(b) Details of CSR amount spent against ongoing projects for the financial year : **Nil**

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

(d) Amount spent in Administrative Overheads : **Nil**

(e) Amount spent on Impact Assessment, if applicable : **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Nil**

(g) Excess amount for set off, if any : **Nil**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NOT APPLICABLE							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). : **Nil**

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

Overall the CSR spent during the year amount to ₹17,06,662. Though this spending comes to about 0.4% of average net profits of the Company during the three immediately preceding financial years and calculated in accordance with the section 198 of the Companies Act, 2013, however, the Company has not claimed this spending as a mandatory CSR spent as required under Section 135 of Companies Act, 2013 and relevant rules thereunder. Therefore, the total unspent CSR amount i.e. ₹95.84 lakhs, which is 2% of average net profits of the Company during the three immediately preceding financial years and calculated in accordance with the section 198 of the Companies Act, 2013, shall be transferred by the company to the fund included in schedule VII of the Companies Act, 2013 within the prescribed time lines as per Companies Act or any amendment thereto.

On Behalf of the Board

Place: Gurugram
Date: April 29, 2021

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

ANNEXURE E

NOMINATION AND REMUNERATION POLICY

1. Introduction

The purpose of Nomination and Remuneration Committee is as under :

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal ;
- to carry out evaluation of every director's performance ;
- to formulate the criteria for determining qualifications, positive attributes and independence of a director ;
- to recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations 2015, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors vide its resolution dated October 17, 2014. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

2. Objective of the Policy

The policy is framed with the objective(s):

1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
2. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
3. That the remuneration to Directors, Key Managerial Personnel (KMP), and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.
5. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
6. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
7. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
8. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
9. To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.
10. To meet the requirement of the disclosure of remuneration policy and the evaluation criteria in its Annual Report.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on October 17, 2014.

3. Definitions:

In this Policy unless the context otherwise requires:

1. 'Act' means Companies Act, 2013 and rules thereunder.
2. 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
3. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
4. 'Company' means Agro Tech Foods Limited.
5. 'Directors' means Directors of the Company.

6. 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.
7. 'Key Managerial Personnel' (KMP) means:
    a. Chief Executive Officer and / or Managing Director
    b. Whole-time Director
    c. Chief Financial Officer
    d. Company Secretary
    e. Such other officer as may be prescribed
8. 'Ministry' means the Ministry of Corporate Affairs.
9. 'Regulations' refers to and comprise of Companies Act, 2013, and related Rules, Listing Agreement and such other rules and provisions as applicable to the matters dealt in by this Policy.
10. 'Senior Management Personnel' for this purpose shall mean employees of the company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional / vertical heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee.

The chairperson of the committee or, in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the company.

The Nomination and Remuneration Committee shall meet as often as required.

5. Policy for appointment, removal and performance evaluation of Director, KMP and Senior Management

Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise, experience and independence of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The company shall not appoint or continue the employment of any person as managing director, whole-time director or manager who is below the age of twenty-one years or has attained the age of seventy years provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

d) Appointment of Independent Directors is subject to compliance of provisions of Section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder and provisions of Regulation 17 and 17A of SEBI (LODR) Regulations, 2015.

Term / Tenure

a) Managing Director/Whole-time Director:

    The Company shall appoint or re-appoint any person as its Managing Director / Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- Subject to provisions of Section 152, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies

as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

Evaluation

1. Performance evaluation of Independent Directors
    a. The Committee shall lay down the evaluation criteria for performance evaluation of independent directors.
    b. The Company shall disclose the criteria for performance evaluation, as laid down by the Nomination Committee, in its Annual Report.
    c. The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).
    d. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent directors.
2. The Committee shall also lay down the evaluation criteria for performance evaluation of directors other than independent directors and Senior Management.
3. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly).
4. Independent Director shall hold at least one meeting in a year, without attendance of non-independent directors (Non-ID's) and members of management to review :
    a. performance of Non-IDs and BOD as a whole
    b. performance of the Chairperson taking into consideration views of NEDs/ EDs
    c. quantity/quality/flow of information from the management to the Board to effectively perform their duties

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the rules made thereunder and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6. Matters relating to the Remuneration for the Whole-time Director, KMP, Senior Management Personnel

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP, Senior Management Personnel and other Employees will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration to be paid to the Managing Director/Whole-time Director shall be in accordance with the conditions laid down in the provisions of the Companies Act, 2013 and the rules made thereunder.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director/ Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Managing Director / Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

7. Remuneration to Managing Director / Whole-time Director, KMP, Senior Management Personnel

a) Fixed pay:

The Managing Director/Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites and other benefits including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and any other approvals as may be required.

c) Provisions for excess remuneration:

If any Managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the shareholders, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the shareholders.

8. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the provisions contained under Companies Act, 2013.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending each meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹1,00,000 (₹ one lakh only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

For Independent Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

c) Commission:

Commission may be paid within the monetary ceiling limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock options of the Company.

9. Disclosure

The above Policy needs to be disclosed in the Board's report.

10. Amendments to the Policy

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

ANNEXURE F

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Agro Tech Foods Limited
31, Sarojini Devi Road
Secunderabad-500003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Agro Tech Foods Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (herein after called as Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of

   a) Foreign Direct Investment

   b) Overseas Direct Investment and

   c) External Commercial Borrowings (not applicable during the Audit period)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (`SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable for the Audit Period

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; Not Applicable for the Audit Period

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and Not Applicable for the Audit Period

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable for the Audit Period

vi. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

   (a) Food Safety and Standards Act, 2006

   (b) Agricultural Produce Grading and Marking Act, 1937

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that -

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all directors to schedule the Board Meetings agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

a) The Company has spent a sum of ₹17.07 Lakhs towards Corporate Social Responsibility representing 0.4% of its average net profits made during the three-immediately preceding financial years. However, the Company has not claimed this spending as a mandatory CSR spent as required under Section 135 of Companies Act, 2013 and relevant rules thereunder. The Company affirms to transfer the unspent CSR amount i. e. ₹95.84 lakhs, which is 2% of average net profits of three immediately preceding financial years and calculated in accordance with the section 198 of the Companies Act, 2013, to the fund included in schedule VII of the Companies Act, 2013 within the prescribed timelines as per Companies Act or any amendment thereto.

for **Tumuluru & Company**
Company Secretaries

B V Saravana Kumar
Partner
ACSNO.26944
C.P.No. 11727
UDIN: A026944C000212481
Peer Review Certificate: 1159/2021

Place : Hyderabad
Date : April 29, 2021

Note : This report is to be read with our letter of even date by the Secretarial Auditors, which is available on the website of the Company www.atfoods.com.

Enclosure - A

To
The Members
Agro Tech Foods Limited
31, Sarojini Devi Road
Secunderabad-500003

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for **Tumuluru & Company**
Company Secretaries

B V Saravana Kumar
Partner
ACSNO.26944
C.P.No. 11727
UDIN: A026944C000212481
Peer Review Certificate: 1159/2021

Place : Hyderabad
Date : April 29, 2021

ANNEXURE G

Statement containing salient features of the financial statement of subsidiaries

				As at 31 March 2021						For the year ended 31 March 2021 Refer note (c)								
Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange rates	Share capital	Share application money pending allotment	Reserves and surplus	Total assets	Total liabilities (Excluding share capital, share application money pending allotment and Reserves and surplus)	Investments	Turnover/ Total Income	Profit/ (loss) before tax	Tax expense/ (gain)	Profit for the year	Other comprehensive income	Total comprehensive income for the year	Proposed Dividend	% of Share holding	Country
1	Sundrop Foods India Private Limited	INR MM		20.00	-	48.28	96.39	28.11	-	133.35	0.03	(0.31)	0.34	1.08	1.42	-	100.00	India
2	Agro Tech Foods	INR MM	Refer note (a)	156.34	17.39	(40.46)	136.20	2.92	-	16.45	(7.35)	0.17	(7.52)	-	(7.52)	-	100.00	Bangladesh
	(Bangladesh) Pvt.Ltd.	Taka MM		179.80	20.00	(45.68)	157.48	3.36	-	18.91	(8.38)	0.19	(8.57)	-	(8.57)	-		
3	Sundrop Foods Lanka	INR MM	Refer note (b)	18.45	-	(12.55)	6.06	0.17	-	0.75	(2.53)	(0.84)	(1.69)	-	(1.69)	-	100.00	Sri Lanka
	(Private) Limited	LKR MM		50.00	-	(34.89)	15.56	0.45	-	1.81	(6.49)	(2.14)	(4.35)	-	(4.35)	-		

Notes:

a) The exchange rate used to convert Taka to Rupees "0.869565217391304/Taka" for Agro Tech Foods (Bangladesh) Pvt. Ltd. balance sheet items.

b) The exchange rate used to convert LKR to Rupees "0.3690036900369/LKR" for Sundrop Foods Lanka (Private) Limited balance sheet items.

c) Converted at monthly average exchange rates.

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2021.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's Philosophy on Corporate Governance is built on a foundation of ethical and transparent business operations. The Company fosters a culture which focuses on a healthy balance between performance and organizational health. This culture inspires trust among all stakeholders and strengthens the Board and management accountability.

The Company has adopted the values of good governance, sustainability and teamwork to create long-term value for its stakeholders. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations. Leveraging the principles of integrity, execution excellence, customer orientation and leadership in an ethical manner, the Company continues to take the necessary steps towards growth and to enhance value for its shareholders. The sound governance processes and systems guide the Company on its journey towards continued success.

2. BOARD OF DIRECTORS

A) Composition and category of the Board

The composition of the Board of Directors of the Company is in conformity with the Code of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Board of Directors and their Directorships/Memberships in Board/Board Committees respectively, of other Companies (excluding Agro Tech Foods Limited, Private Limited Companies, Foreign Companies and Other Directorships) as on March 31, 2021 are as under :

Sl. No.	Name of Director	Category of Director	Relationship with Other Directors	No. of Directorship in other Companies #	No. of Memberships/ Chairmanship of Board Committees in other Companies *
1.	Mr. James Patrick Kinnerk$	Chairman Non-Executive	None	-	-
2.	Ms. Jill Ann Rahman @	Chairperson Non-Executive	None	-	-
3.	Ms. Denise Lynn Hansen	Non-Executive	None	-	-
4.	Lt. Gen. D.B. Singh	Independent	None	-	-
5.	Mr. Sanjaya Kulkarni	Independent	None	4	3
6.	Mr. Arun Bewoor	Independent	None	3	4
7.	Mr. Narendra Ambwani	Independent	None	3	4
8.	Ms. Veena Vishindas Gidwani	Independent	None	-	-
9.	Mr. Sachin Gopal	Executive	None	-	-

$ Mr. James Patrick Kinnerk has been appointed as Chairman & Non Executive Director on July 23, 2020.

@ Ms. Jill Ann Rahman has resigned as Chairperson and Non Executive Director with effect from May 29, 2020.

Other directorships exclude Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

* Only membership in Audit Committee and Stakeholders' Relationship Committee have been reckoned for other committee memberships.

PARTICULARS OF DIRECTORSHIPS AND COMMITTEES HELD IN OTHER LISTED COMPANIES INCLUDING PRIVATE COMPANIES & FOREIGN COMPANIES AS ON MARCH 31, 2021

Sl. No.	Name of the Director	Other Directorships			Other Committee Membership#	
		Name of the Company	Type of Company	Position	Committee	Position
1.	Mr. James Patrick Kinnerk	-	-	-	-	-
2.	Ms. Jill Ann Rahman	Verde Valle, Mexico	Foreign Company	Non- Executive Director	-	-
3.	Ms. Denise Lynn Hansen	Verde Valle, Mexico	Foreign Company	Non- Executive Director	-	-
4.	Lt. Gen. D.B. Singh	-	-	-	-	-
5.	Mr. Sanjaya Kulkarni	TPL Plastech Limited	Listed	Independent Director & Chairman	Audit Committee	Chairman
		Time Technoplast Limited	Listed	Independent Director	Audit Committee	Member
		Motilal Oswal Home Finance Ltd	Unlisted	Independent Director	Audit Committee	Chairman
		Supreme Treon Private Limited	Unlisted	Independent Director	-	-
		Indian Direct Equity Advisors Pvt. Ltd	Unlisted	Promoter Director & Managing Director	-	-
		NED Energy Ltd	Unlisted	Independent Director	-	-
6.	Mr. Arun Bewoor	BASF India Limited	Listed	Independent Director	Audit Committee	Member
					Stakeholders Relationship	Member
		Jasmine Concrete Exports Pvt. Ltd	Unlisted	Independent Director & Chairman		
		Underwater Services Company Limited	Unlisted	Independent Director & Chairman	Audit Committee	Chairman
		Eternis Fine Chemicals Limited	Unlisted	Independent Director	Audit Committee	Member
7.	Mr. Narendra Ambwani	Godrej Consumer Products Limited	Listed	Independent Director	Audit Committee	Member
		RPG Life Sciences Ltd.	Listed	Independent Director	Stakeholders Relationship	Chairman
					Audit Committee	Member
		Parag Milk Foods Limited	Listed	Independent Director	Audit Committee	Member
		UTV Software Communications Limited*	Unlisted	Independent Director	Audit Committee	Member
		Zeus Career & Performance Coach Pvt Ltd.	Unlisted	Promoter Director & Chairman	-	-
		Strength of Nature LLC	Foreign company	Director	-	-
		Godrej Consumer Products Holding (Mauritius) Limited	Foreign company	Director	-	-
		Godrej Africa Holdings Limited	Foreign company	Director	-	-

Sl. No.	Name of the Director	Other Directorships			Other Committee Membership#	
		Name of the Company	Type of Company	Position	Committee	Position
8.	Ms. Veena Gidwani	-	-	-	-	-
9.	Mr. Sachin Gopal	-	-	-	-	-

* Mr. Narendra Ambwani resigned as Director with effect from March 19, 2021.

\# Only Audit & Stakeholders Relationship Committees for public companies has been considered.

None of the Independent Directors have any pecuniary relationship or transactions with the Company, its promoters, its Senior Management or its subsidiaries which in the judgment of Board may affect the independence of the Director except receiving sitting fees for attending Board/Committee Meetings and Commission from the Company.

B) Non-Executive Directors' compensation and disclosures

All fees paid to Non-Executive Directors including Independent Directors are fixed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee. The Company has no Employee Stock Option Scheme for Non-Executive Directors and hence, no stock options are granted to Non-Executive Directors, including Independent Directors.

None of the Directors are related to each other, the Key Managerial Personnel or their relatives. Also, none of the Non-Executive Directors, except Ms. Veena Vishindas Gidwani who holds 500 shares and Mr. Sanjaya Kulkarni who holds 1000 shares, hold any shares or convertible instruments in the Company.

The details of the methodology adopted by the Company for familiarizing the Independent Directors with the business and operations of the Company is uploaded on the website and can be accessed on https://www.atfoods.com/pdf/other-information/familiarisation_programme_independent_directors.pdf

C) Other provisions as to Board and Committees

i) Number of Board Meetings held in Financial Year 2020-21 with dates and attendance of Directors:

Four Board Meetings were held during the Financial Year 2020-21 through video conference in accordance with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India. They were held on May 28, 2020, July 23, 2020, October 21, 2020 and January 20, 2021.

The attendance record of each Director was as under :

Sl.No.	Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance of last AGM
1.	Lt. Gen. D.B. Singh	4	4	Yes
2.	Mr. Sanjaya Kulkarni	4	4	Yes
3.	Mr. Arun Bewoor	4	4	Yes
4.	Mr. Narendra Ambwani	4	4	Yes
5.	Ms. Veena Vishindas Gidwani	4	4	Yes
6.	Ms. Denise Lynn Hansen	4	4	Yes
7.	Ms. Jill Ann Rahman*	1	1	No
8.	Mr. Sachin Gopal	4	4	Yes
9.	Mr. James Patrick Kinnerk**	3	3	Yes

(AGM - Annual General Meeting)

* Ms. Jill Ann Rahman has resigned as Chairperson & Non Executive Director with effect from May 29, 2020.

** Mr. James Patrick Kinnerk has been appointed as Chairman & Non Executive Director on July 23, 2020.

ii) Information to be made available to the Board includes among others:

- Review of annual operating plans of business, capital budgets and updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of Meeting of Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and the Company Secretary.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Any materially significant effluent or pollution problems.
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue which involves possible public or product liability claims of a substantial nature including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding an other enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions.
- Significant development on human resources and industrial relations fronts.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by Management to limit the risks of adverse exchange rate movement and non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board of the Company is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board Meetings or tabled during the course of the Board Meetings with the approval of the Chairman.

iii) Secretarial Standards relating to Meetings:

The Institute of Company Secretaries of India (ICSI) has established Secretarial Standards relating to the Meetings of the Board and Committees thereof, Annual General Meetings, Dividends, Registers & Records, Minutes and Transmission of Shares & Debentures, etc., of these, the Secretarial Standards on Meetings of the Board of Directors and the General Meetings have been made mandatory with effect from July 1, 2015 and their revised version have been made effective from October 1, 2017. Agro Tech Foods Limited complies with the mandatory Standards fully.

iv) All the Directors have informed the Company about their Directorship and Committee's membership in other listed and unlisted public limited companies and have notified changes from time to time. As at the year end, none of the Directors is a Member of more than ten Board-level Committees or a Chairman of more than five such Committees, as required under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also, none of the Independent Directors are serving as such in more than seven listed entities.

v) Independent Directors' Meeting

During the year, the Independent Directors met through video conference on January 20, 2021 without the presence of non-independent directors and members of management, interalia, to review their role, functions and duties. They further reviewed the guidelines of professional conduct as enumerated in Schedule IV (Code for Independent Directors) of the Companies Act, 2013. During the said meeting, the Independent Directors reviewed the performance of non-executive Director, including the Chairman and the Board as a whole.

They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties and found them to be satisfactory.

vi) The Board affirms its opinion that the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and are independent of the Management.

D) The Board has identified the following core skills/expertise/competencies which are required for the effective functioning of the Company which are currently available with the Board

S. No.	Name of the Director	Core skills/expertise/ competencies	Educational & Professional Qualifications
1.	James Patrick Kinnerk*	Progressive Brand Building & Leadership in Financial matters	Chartered Accountant and a Fellow of the Irish Institute of Chartered Accountants
2.	Denise Lynn Hansen	Transforming Financial Business & Developing Control Processes	CPA, MBA in Integrative Management
3.	Lt. Gen. D B. Singh	Strategic Leadership & People Development	B Tech
4.	Sanjaya Kulkarni	Fiduciary Understanding & Risk Management	IIT, Mumbai, MBA.
5.	Arun Bewoor	Operational Leadership & People Development	Honors Degree in Physics and Mathematics
6.	Narendra Ambwani	Brand Building & Strategic Leadership	IIT Kanpur and Post Graduate Diploma in Business Administration–IIM Ahmedabad
7.	Veena Vishindas Gidwani	Brand Building, Reputation Management & Corporate Training	Business Management Graduate, Post Graduate specialisation in Marketing & Advertising
8.	Sachin Gopal	Strategic & Operational Leadership	MBA from IIM Ahmedabad

* Mr. James Patrick Kinnerk has been appointed as Chairman & Non Executive Director on July 23, 2020.

3. AUDIT COMMITTEE

A) Composition

The Company's Audit Committee presently comprises of six directors, all except one (Ms. Denise Lynn Hansen) are non-executive and Independent Directors. This is in compliance with Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Lt. Gen. D.B. Singh, an Independent Director, is the Chairman of the Committee while Mr. Sanjaya Kulkarni, Mr. Narendra Ambwani, Mr. Arun Bewoor, Ms. Denise Lynn Hansen and Ms. Veena Vishindas Gidwani are its Members. The Managing Director & CEO, Chief Financial Officer, the Internal Auditors and the Statutory Auditors attend the meetings by invitation. Ms. Jyoti Chawla, Company Secretary acts as Secretary to the Committee.

B) Meetings and attendance during the year

The Committee met 4 times during the year through Video Conference in 2020-21on May 28, 2020, July 22, 2020, October 20, 2020 and January 19, 2021. The meetings through video conference were held in accordance with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India. The attendance record of each Director was as under:

Sl. No.	Name of Director	No. of Meetings held	No. of Meetings attended
1.	Lt. Gen. D.B. Singh	4	4
2.	Mr. Sanjaya Kulkarni	4	4
3.	Mr. Arun Bewoor	4	4
4.	Mr. Narendra Ambwani	4	4
5.	Ms. Veena Vishindas Gidwani	4	4
6.	Ms. Denise Lynn Hansen	4	4

Permanent Invitees

The Managing Director & CEO and Chief Financial Officer are permanent Invitees. The representatives of the statutory auditors and internal auditors are also the permanent invitees and they have attended all the meetings held during the year through video conference.

C) Terms of Reference of Audit Committee

The primary objective of the Committee is to monitor and provide an effective supervision of the financial reporting process, to ensure accurate and timely disclosures with highest level of transparency, integrity and quality of financial reporting. The terms of reference of the Audit Committee covers all the matters specified under Section 177 of the Companies Act, 2013 and those enumerated in Regulation18 of the Listing Regulations. The terms of reference of the Audit Committee are as under:

(1) oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

  (a) matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause(c) of sub-section (3) of Section 134 of the Companies Act, 2013;

  (b) changes, if any, in accounting policies and practices and reasons for the same;

  (c) major accounting entries involving estimates based on the exercise of judgment by management;

  (d) significant adjustments made in the financial statements arising out of audit findings;

  (e) compliance with listing and other legal requirements relating to financial statements;

  (f) disclosure of any related party transactions;

  (g) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (incase of non-payment of declared dividends) and creditors;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

The audit committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) management letters/letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses;

(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

(6) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

4. NOMINATION AND REMUNERATION COMMITTEE

A) Terms of Reference of Nomination and Remuneration Committee

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- to carry out evaluation of every director's performance;
- to formulate the criteria for determining qualifications, positive attributes and independence of a director:
- to recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

B) Composition, Meetings and Attendance during the year

The Company's Nomination and Remuneration Committee presently comprises of Seven directors, majority being non-executive and Independent Directors. Lt.Gen. D.B.Singh an Independent Director, is the current Chairman of the Committee while Ms. Denise Lynn Hansen, Mr. Sanjaya Kulkarni, Mr. Narendra Ambwani, Mr. Arun Bewoor, Ms. Veena Vishindas Gidwani and Mr. James Patrick Kinnerk are its Members.

The Nomination and Remuneration Committee Meetings were held through video conference thrice during the year 2020-21 on April 23, 2020, July 23, 2020 and October 21, 2020.

Sl. No.	Name of Director	Type of Directorship No. of Meetings Held	No. of Meetings Held	No. of Meetings attended
1.	Lt. Gen. D.B. Singh	Non Executive & Independent	3	3
2.	Mr. Sanjaya Kulkarni	Non Executive & Independent	3	3
3.	Mr. Arun Bewoor	Non Executive & Independent	3	3
4.	Mr. Narendra Ambwani	Non Executive & Independent	3	3
5.	Ms. Veena Vishindas Gidwani	Non Executive & Independent	3	3
6.	Ms. Denise Lynn Hansen	Non Executive	3	3
7.	Ms. Jill Ann Rahman@	Non Executive	1	1
8.	Mr. James Patrick Kinnerk$	Non Executive	1	1

@ Ms. Jill Ann Rahman has resigned as Non Executive Director w.e.f May 29, 2020.

$ Mr. James Patrick Kinnerk has been appointed as Non Executive Director on July 23, 2020.

C) Criteria for performance Evaluation of Board

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees, and executive/non-executive/independent directors through a peer evaluation, excluding the director being evaluated. The performance evaluation of independent directors is done by the entire Board of Directors (excluding the director being evaluated). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent directors.

The annual evaluation of the Board is done at three levels as (i) Board as a whole; (ii) Committees of the Board and (iii) Individual Directors and Chairperson. A detailed Questionnaire is circulated to all individual directors. The Directors are evaluated on the basis of the following performance evaluation criteria namely knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution and integrity. The Additional criteria for Independent directors are Independence, Independent views and judgment.

D) Details of Remuneration paid to the Directors

Mr. Sachin Gopal, Managing Director & CEO is paid remuneration as per the terms approved by the Nomination and Remuneration Committee, the Board of Directors of the Company and the Shareholders of the Company. The remuneration of Managing Director & CEO comprises of salary, perquisites and allowances, contributions to Provident Fund and Superannuation. Further, Managing Director & CEO is entitled to performance incentive for each financial year, as may be determined by the Board on the recommendation of the Nomination and Remuneration Committee. The Nomination and Remuneration policy forms part of the Directors' Report as an Annexure.

(i) Remuneration to Managing Director & CEO for the year ended March 31, 2021:

(in ₹)

Name of the Director	Sitting Fees (Incl. Committee Meetings)	Salary	Contribution to Provident/ Pension and other funds	Other perquisites and allowances	Performance linked incentives / Bonus	Total
Mr. Sachin Gopal	Nil	1,14,48,763	14,23,976	1,05,33,714	19,20,000	2,53,26,453

Note: Above Remuneration is on accrual basis and does not include long-term compensated absences benefit accrued and gratuity benefit accrued since the same are computed based on actuarial valuation for all employees and the amounts attributable to Managing Director cannot be ascertained separately.

There were no Stock Options granted by the Company during the financial year ended March 31, 2021 and no stock options have been exercised by the Managing Director & CEO during the FY 2020-21.

(ii) Remuneration paid\payable to Non-Executive Independent Directors for the year ended March 31, 2021:

(in ₹)

Sr. No.	Name of Director	Sitting Fee	Commission	Total
1.	Lt. Gen. D B Singh	9,25,000	3,90,000	13,15,000
2.	Mr. Sanjaya Kulkarni	9,25,000	3,90,000	13,15,000
3.	Mr. Narendra Ambwani	9,25,000	3,90,000	13,15,000
4.	Mr. Arun Bewoor	9,25,000	3,90,000	13,15,000
5.	Ms. Veena Gidwani	9,25,000	3,90,000	13,15,000

The Company has no Stock Option Scheme for Non-Executive Directors and hence no stock options have been granted to Non-Executive Directors, including Independent Directors.

E) Criteria for making payments to Non-Executive Directors

Non-Executive Directors of the Company are entitled to remuneration by way of commission for each financial year, up to a maximum of ₹3,90,000/- individually, as approved by the Shareholders in the AGM held on July 27, 2016. Payment of commission is determined interalia, on the basis of the Company's performance and regulatory provisions.

The Company also pays sitting fees to its Non-Executive Independent Directors as permitted by the provisions of the Companies Act, 2013 for attending Meetings of the Board and other Committees of the Board. The sitting fees for the meetings paid to the Non-Executive Independent Directors are as under.

Audit Committee	₹75,000/-
Board Meeting	₹1,00,000/-
Other Meetings	₹25,000/-

The appointment of Executive Directors is governed by Resolutions passed by the Board of Directors and the shareholders of the Company, which covers the terms and conditions of such appointment.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

A) Composition

The Stakeholders Relationship Committee presently comprises of five Non-Executive Independent Directors namely Lt.Gen. D.B.Singh (Chairman), Mr. Sanjaya Kulkarni, Mr. Arun Bewoor, Mr. Narendra Ambwani and Ms. Veena Vishindas Gidwani.

B) Terms of Reference

The terms of reference are:

- to review and redress the Shareholders' and Investors' Grievances and queries in relation to transfer of shares, non-receipt of Balance Sheets, declaration of dividends, approval of sub-division, consolidation, transmission, issue of duplicate shares and general meetings etc.
- review of measures taken for effective exercise of voting rights by shareholders.
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

C) Meeting and Attendance during the year

The Committee met four times during the year 2020-21. All queries have been resolved to the satisfaction of the shareholders/investors. The Committee focuses on the strengthening of investor relations. The status on compliances is reported to the Board as an agenda item.

Name and designation of Compliance Officer : Ms. Jyoti Chawla, Company Secretary. The e-mail id for investor grievances is InvestorRedressal@atfoods.com

D) Number of Shareholder's complaints received and attended during the financial year ended March 31, 2021

Nature of Complaints	Received	Attended	Pending
Non receipt of Dividend warrants	25	25	-
Transmission of shares	2	2	-
Issue of duplicate share certificates / indemnity Duplicates	10	10	-
Others*	168	168	-
Total	**205**	**205**	**-**

* This includes the following

a) Change of address/updation of Telephone/Mobile Number
b) Loss/Misplacement of share certificates
c) SEBI letter regarding non credit of demat shares
d) Bank mandate
e) Non-receipt of transfer/Split/Consolidation/Duplicate issue
f) Revalidation of Dividend Warrant/Correction letter/correction of Dividend Warrants
g) Non-receipt of Annual Report
h) Procedure for transmission/split/consolidation/duplicates
i) Exchange of share certificates
j) Signature updation/Specimen Sign updation, etc.
k) IEPF 5 matters for claiming back the shares and unclaimed/unpaid dividend from IEPF Authority

The Company has attended to the stakeholders/investors grievances/correspondence generally within a period of 7 to 10 days except in cases where constrained by disputes of legal impediments.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee has been constituted. The details of CSR project/s undertaken and spending on CSR in FY20-21 has been provided in Directors report under CSR section.

A) The terms of reference of the Committee

(i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be under taken by the company as specified in Schedule VII;

(ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and

(iii) monitor the Corporate Social Responsibility Policy of the company from time to time.

B) Composition, Meetings and Attendance during the year

Name of the Member	Category	Attendance at the CSR Committee meeting held on April 23, 2020 through video conference
Lt. Gen. D.B. Singh	Independent Non-Executive Director (Chairperson)	Yes
Mr. Sanjaya Kulkarni	Independent Non-Executive Director	Yes
Mr. Narendra Ambwani	Independent Non-Executive Director	Yes
Mr. Arun Bewoor	Independent Non-Executive Director	Yes
Ms. Veena Vishindas Gidwani	Independent Non-Executive Director	Yes
Ms. Denise Lynn Hansen	Non-Executive Director	Yes
Ms. Jill Ann Rahman@	Non-Executive Director	Yes
Mr. James Patrick Kinnerk$	Non-Executive Director	-

@ Ms. Jill Ann Rahman has resigned as Non Executive Director with effect from May 29, 2020.

$ Mr. James Patrick Kinnerk has been appointed as Non Executive Director on July 23, 2020.

7. RISK MANAGEMENT

The Company has formulated and adopted risk assessment and minimization framework which has been adopted by the Board at the Board Meeting held on May 1, 2006, and on October 17, 2014. The Company has framed a Risk Management Policy and testing in accordance with the laid down policy is being carried out periodically. The Senior Management has been having regular Meetings for reassessing the risk environment and necessary steps are being taken to effectively mitigate the identified risks. A Risk Management Committee also has been constituted, though not mandatory. The Company's Risk Management Committee comprises of 8 directors, majority being Non Executive and Independent Directors. Lt.Gen. D.B.Singh an Independent Director, is the Chairman of the Committee while, Ms. Denise Lynn Hansen, Mr. Sanjaya Kulkarni, Mr. Narendra Ambwani, Mr. Arun Bewoor, Ms. Veena Vishindas Gidwani, Mr. James Patrick Kinnerk, Mr. Sachin Gopal, Mr. KPN Srinivas (CFO) and Ms. Jyoti Chawla (Company Secretary) are its Members.

The attendance record of members is as under:

Sl. No.	Name of Director	No. of Meetings held	No. of Meetings attended
1.	Lt. Gen. D.B. Singh	1	1
2.	Mr. Sanjaya Kulkarni	1	1
3.	Mr. Arun Bewoor	1	1
4.	Mr. Narendra Ambwani	1	1
5.	Ms.Veena Vishindas Gidwani	1	1
6.	Mr. Sachin Gopal	1	1
7.	Ms. Denise Lynn Hansen	1	1
8.	Mr. James Patrick Kinnerk $	1	1
9.	Mr. KPN Srinivas	1	1
10.	Ms. Jyoti Chawla	1	1

The Risk Management Committee Meeting was held during the year 2020-2021 on January 20, 2021 through video conference in accordance with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India.

$ Mr. James Patrick Kinnerk bas been appointed as Non Executive Director on July 23, 2020.

8. SUBSIDIARY COMPANIES

The Company has three wholly owned subsidiaries, Sundrop Foods India Private Limited, Agro Tech Foods (Bangladesh) Private Limited and Sundrop Foods Lanka (Private) Limited. During the year 2020-21, Sundrop Foods India Private Limited has continued to perform the role of aiding the expansion of distribution and display of your products. This is a non-material and unlisted Company. Agro Tech Foods (Bangladesh) Private Limited was incorporated on April 8, 2012 and the Company has commenced its operations in December 2017 and has commenced production in FY18. This is a non-material and unlisted Company. Sundrop Foods Lanka (Private) Limited was incorporated on January 27, 2015. This is a non-material and unlisted Company. The policy for determining material subsidiaries is posted on the website of the Company.
https://www.atfoods.com/pdf/code-of-conduct/policy_determining_material_subsidiary.pdf

9. GENERAL BODY MEETINGS

(i) Location and time of last three Annual General Meetings:

The Annual General Meetings of the shareholders of the Company for the last three years were held as under:

Year	Venue	Date	Time
2019-20	AGM held through Video conference	August 20, 2020	4.00 P.M.
2018-19	Hotel Green Park, 7-1-25, Green Lands, Begumpet, Hyderabad- 500016, Telangana	July 17, 2019	10.00 A.M.
2017-18	Hotel Green Park, 7-1-25, Green Lands, Begumpet, Hyderabad-500016, Telangana	July 26, 2018	10.00 A.M.

(ii) The following Special Resolutions were passed by the Members at the last three Annual General Meetings:

Annual General Meeting held on August 20, 2020 :

No special resolutions were passed.

Annual General Meeting held on July 17, 2019 :

There were 5 special resolutions passed by the Shareholders at the 32nd Annual General Meeting held on July 17, 2019 and the details are given as below:

a. Reappointment of Lt. Gen DB Singh as a non-executive Independent Director of the Company, who has already attained the age of 75 years, for a second consecutive term of five years from the date of Annual General Meeting i.e. July 17, 2019 to July 16, 2024, not be liable to retire by rotation.

b. Reappointment of Mr. Arun Bewoor as a non-executive Independent Director of the Company, who has already attained the age of 75 years, for a second consecutive term of five years from the date of Annual General Meeting i.e. July 17, 2019 to July 16, 2024, not be liable to retire by rotation.

c. Reappointment of Mr. Sanjaya Kulkarni as a non-executive Independent Director of the Company, for a second consecutive term of five years from the date of Annual General Meeting i.e. July 17, 2019 to July 16, 2024, not be liable to retire by rotation.

d. Reappointment of Mr. Narendra Ambwani as a non-executive Independent Director of the Company, for a second consecutive term of five years from the date of Annual General Meeting i.e. July 17, 2019 to July 16, 2024, not be liable to retire by rotation.

e. Reappointment of Ms. Veena Gidwani as a non-executive Independent Director of the Company, for a second consecutive term of five years from the date of Annual General Meeting i.e. July 17, 2019 to July 16, 2024, not be liable to retire by rotation.

Annual General Meeting held on July 26, 2018 :

No special resolutions were passed.

(iii) No special resolution was passed through postal ballot during the year. No special resolution is proposed to be conducted through postal ballot.

10. MEANS OF COMMUNICATION

The Quarterly, Half-Yearly and Annual Results are generally published by the Company in Hyderabad and Mumbai editions of the Business Standard / Financial Express and Nava Telangana / Mana Telangana. The Half-Yearly reports are not sent to the shareholders. The results are also being posted on the Company's website www.atfoods.com

The audio recordings of the analyst calls and presentation made to analysts are also uploaded on the website of the Company. It also displays official news releases, wherever applicable. The Compliance Report on Corporate Governance as per SEBI (LODR) Regulations, 2015 are filed electronically with National Stock Exchange of India Limited & BSE Limited.

Management Discussion and Analysis Report forms part of the Annual Report.

11. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Date and Time	:	August 18, 2021 at 4.30 PM(IST)
Venue	:	Pursuant to the Circular No: 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs, the AGM will be conveyed through Video Conferencing / Other audio-visual means
B. Financial Year 2021-22	:	April 1, 2021 to March 31, 2022
First quarter results	:	July, 2021
Half yearly results	:	October, 2021
Third quarter results	:	January, 2022
Annual results	:	April, 2022
C. Dates of Book Closure	:	August 11, 2021 to August 18, 2021 (both days inclusive)
D. Dividend payment date	:	within 30 days from the date of AGM
E. Listing on Stock Exchanges	:	The Company's equity shares are listed on BSE Limited (BSE), Pheroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai–400051. The listing fees for the year 2020-21 has been paid to BSE and NSE.

F. Stock Code :

Stock Exchange		Code
BSE	Scrip code Co. code	500215 1311
NSE	Scrip Code Series	ATFL EQ – Rolling Settlement

G. Market Price Data

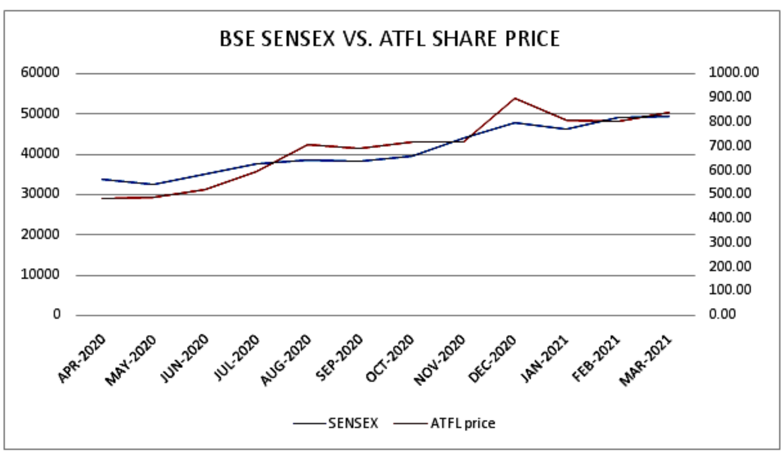
Monthly High/Low quotation of shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for 2020-2021 is given below:

Year	Month	BSE*			NSE*			Total volumes BSE & NSE (Nos)
		High ₹	Low ₹	Volumes (Nos)	High ₹	Low ₹	Volumes (Nos)	
2020	April	562.95	377.35	9,396	514.95	376.85	109,183	118,579
2020	May	556.00	440.05	21,073	554.00	443.00	277,338	298,411
2020	June	540.30	466.20	11,217	548.75	490.10	199,694	210,911
2020	July	654.00	512.00	63,911	655.60	515.00	671,335	735,246
2020	August	825.00	580.95	81,708	828.80	585.65	1,007,555	1,089,263
2020	September	754.60	664.85	29,036	755.00	650.30	302,762	331,798
2020	October	770.30	688.75	25,208	775.00	690.10	359,114	384,322
2020	November	773.95	687.95	18,563	745.00	691.00	178,356	196,919
2020	December	924.46	726.30	81,927	924.00	725.50	624,639	706,566
2021	January	945.00	789.80	133,189	945.25	789.00	639,448	772,637
2021	February	935.85	799.00	21,302	898.70	796.30	279,785	301,087
2021	March	856.15	750.10	215,031	858.30	748.40	381,733	596,764

* Source : www.bseindia.com & www.nseindia.com

H. Stock Performance

BSE Sensex Vs. ATFL Share price from April 1, 2020 to March 31, 2021*



*Source : www.bseindia.com

I. Registrars and Share Transfer Agents

The Company's equity shares being in compulsory dematerialized form are transferable through the depository system for which the Company has established connectivity through M/s. KFin Technologies Private Limited and they are the Registrars and Share Transfer Agents (Both Physical and Depository).

Address : Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda, Gachibowli,
Hyderabad-500032, Telangana,

Tel No. : + 91-40-67161606, Fax: + 91-40-23420814.

email : einward.ris@kfintech.com

J. Share Transfer System

The applications for transfer of shares received by the Company in physical form are processed and registered within 20 days of receipt of the documents valid in all respects. After such processing, the duly transferred share certificates shall be despatched to transferee who lodged the shares for transfer. Shares under objection are returned within a week's time. The Share Transfer Committee meets generally thrice in a month to consider the transfer applications and other proposals. SEBI has amended the Regulations 40 of SEBI (LODR) Regulations and pursuant to same, with effect from April 1, 2019, the Company shall not process, except in case of transmission or transposition of securities, any request for effecting transfer of securities unless the securities are held in the dematerialized form with a depository.

K. Distribution of shareholding as on March 31, 2021 as under:

Range	No. of Shareholders	% of total Shareholders	No. of shares held	% of shareholding
1-5000	14,130	91.92	13,065,800	5.36
5001-10000	784	5.10	5,748,620	2.36
10001-20000	241	1.57	3,583,440	1.47
20001-30000	73	0.47	1,851,630	0.76
30001-40000	35	0.23	1,278,270	0.52
40001-50000	15	0.10	691,560	0.28
50001-100000	51	0.33	3,628,280	1.49
100001& Above	43	0.28	213,845,040	87.75
	15,372	**100.00**	**243,692,640**	**100.00**

The categories of Shareholding as on March 31, 2021 was as under :

S. No.	Category	No. of Shares held	% of shareholding
1.	Promoter (CAG – Tech (Mauritius) Limited)	12,616,619	51.77
2.	Non-resident individuals/FIIs/OCBs	3,540,179	14.53
3.	Bank/Financial Institutions, Insurance Companies and Mutual Funds	746,708	3.06
4.	Directors and their relatives	47,172	0.19
5.	Other Bodies Corporates	1,951,741	8.01
6.	General Public	5,466,845	22.44
	Total	**24,369,264**	**100.00**

L. Dematerialisation of Shares

The equity shares of the Company which are in compulsory dematerialized form with effect from June 26, 2000 are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number allotted to the Company's equity shares is INE209A01019. As on date, a total of 24,177,473 equity shares forming 99.22% of the total paid up equity share of 24,369,264 stands dematerialised. All requests for dematerialisation of shares are processed within the time frame of 1–4 days time.

M. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity

Not applicable as the Company has not made any such issue.

N. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

Your Company has a robust framework and governance mechanism in place to ensure that the organization is adequately protected from the market volatility in terms of price and availability based on procurement team's monitoring and intelligence, forecasts of commodity prices and movements. A robust planning and strategy ensure the Company's interests are protected despite volatility in commodity prices.

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitment. Foreign exchange exposures are covered except for exposures which are open and no firm date of settlement is available. There are no materially uncovered exchange rate risks in the contexts of the Company's imports and exports. The Company does not enter into any derivative instruments for trading or speculative purposes. The details of foreign exchange exposures as on March 31, 2021 are disclosed in Note 47 of Notes to the standalone financial statements.

O. Plant Locations

Gujarat	:	Plot No.902/2, GIDC, Jhagadia, 393110, Dist. Bharuch, Gujarat.
Telangana	:	Plot Nos. 50 to 53 and 56 to 58, IDA, Kothur -509228, Ranga Reddy District, Telangana.
Uttar Pradesh	:	Akrampur Industrial Area, Near TV Tower, Akrampur, Unnao, U.P. 209801.
Assam	:	Vill-Ramhari, Mangaldai, Distt-Darrang, Assam 784125.
Uttarakhand	:	Khasara No-66/1, Bajpur Road, Narain Nagar Industrial Area, Dist-U.S. Nagar, Kashipur, Uttarakhand.
Andhra Pradesh	:	Survey No. 445 & 448/2B, Puthalapattu Mandal, Chittoor-517112.

P. Address for correspondence

The addresses for correspondence are as under :

For both physical and electronic form	KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032, Telangana Phone : -040-67161606, Fax :- 040-23001153, Email : - einward.ris@kfintech.com
For any other matter and unresolved Complaints	In addition to our Registrar, shareholders can contact the Registered Office of the Company and contact person's details are given below: Jyoti Chawla, Company Secretary, Agro Tech Foods Limited 31, Sarojini Devi Road, Secunderabad – 500 003, Telangana Phone : 040-66650240, Email:-InvestorRedressal@atfoods.com

Q. The Company has obtained the revised credit rating from CRISIL during the year on the Banking Facilities of the Company from CRISIL AA-/Negative to CRISIL AA-/Stable.

R. As required under Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority is given as an Annexure to this Report.

12. DISCLOSURES

(i) Basis of related party transactions

There have been no material significant related party transactions that may have potential conflict with the interest of the Company at large.

The particulars of transactions between the Company and its related parties (As specified in IndAS- 24 "Related Party Disclosures"), is set out in Notes to Accounts under Note 42 forming part of the standalone Financial Statements. These transactions are not likely to have any conflict with the Company's interests.

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and interested Directors neither participate in the discussions, nor do they vote on such matters.

The details of transactions with related parties are placed before the Audit Committee and the Committee has reviewed the same for the year ended March 31, 2021.

The policy on dealing with related party transactions has been posted on the website of the Company and can be found on https://www.atfoods.com/pdf/code-of-conduct/policy_dealing_related_party_transactions.pdf

(ii) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by SEBI or by any statutory authority on any matters related to capital markets during the last three years.

(iii) Vigil Mechanism/Whistle Blower Policy

The vigil mechanism under Whistle Blower Policy has been approved by the Board of Directors on October 17, 2014. This Whistle Blower Policy of the Company provides opportunities to employees to access in good faith, to the Management, concerns (in certain cases to the Audit Committee) in case they observe unethical or improper practices (not necessarily a violation of law) in the Company and to secure those employees from unfair termination and unfair prejudicial employment practices.

The Whistle Blower Policy has been communicated to all Board Members and Employees of the Company and also posted under Investor Relations (Corporate Governance) link of the Company's web site, www.atfoods.com as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. https://www.atfoods.com/pdf/code-of-conduct/Whistle%20Blower%20Policy.pdf

The Company affirms that it has not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct) and it will provide protection to "whistle blowers" from unfair termination and other unfair prejudicial employment practices.

(iv) The Company has not raised any funds through preferential allotment or qualified institutional placement, hence there is no question of utilization of such funds.

(v) There have been no instances where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required during the financial year.

(vi) The Company and its subsidiary i.e. Sundrop Foods India Private Limited have paid/payable, on a consolidated basis, fees of ₹6.23 million to its statutory auditors i.e. M/s Deloitte Haskins and Sells LLP and all entities in the network firm/network entity, for all the services performed during the year.

(vii) Disclosures in relation to the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed off during the financial year - NA

c. number of complaints pending as on end of the financial year - Nil

(viii) Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards.

The Management reviews the accounting treatments adopted and wherever deviations noted, will be presented in the Financial Statements. A detailed report on significant accounting policies is provided elsewhere in the Annual Report.

(ix) Disclosure on Website

Following information has been disseminated on the website of the Company at www.atfoods.com

1. Details of business of the Company
2. Terms and Conditions of appointment of Independent Directors
3. Composition of various Committees of Board of Directors
4. Code of Conduct for Board of Directors and Senior Management Personnel
5. Details of establishment of vigil mechanism/Whistle Blower Policy
6. Criteria of making payments to Non-Executive Directors
7. Policy on dealing with Related Party Transactions
8. Policy for determining 'material subsidiaries'
9. Details of familiarization programmes imparted to Independent Directors
10. Policy for determination of materiality of events
11. Contact information of the Compliance Officer/ Nodal Officer of the Company who are responsible for assisting and handling investor grievances
12. Financial information including:
    (i) notice of meeting of the board of directors where financial results were discussed;
    (ii) financial results, on conclusion of the meeting of the board of directors where the financial results were approved;
    (iii) complete copy of the annual report including balance sheet, statement of profit and loss, directors report, corporate governance report etc;
13. Shareholding pattern
14. Schedule of analyst or institutional invest or meet and presentations made by the Company
15. Newspaper Publications Copies for items specified in Regulation 47(1) of LODR Regulations
16. Credit ratings obtained by the Company
17. Financial Statements of its subsidiaries

(x) Management

(i) The Management Discussion and Analysis Report as part of Directors' Report to the shareholders is provided elsewhere in the Annual Report.

(ii) For the year ended March 31, 2021, your Company's Board has obtained Senior Management affirmations that there has been no material, financial and commercial transactions where they have personal interest that may have a potential conflict with the interests of the Company at large.

(xi) Shareholders Information

The quarterly results are sent to the stock exchange on which the Company is listed and also displays the same on its web-site www.atfoods.com

(xii) Prohibition of Insider Trading

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted a Policy for prohibition of Insider Trading for Directors and specified employees and designated persons. The Policy provides for periodic disclosures and pre-clearance for dealing in Company's shares and prohibits such transaction by the Directors and specified employees while in possession of unpublished price sensitive information (UPSI) in relation to the Company and during the period when the Trading Window is closed. The Company has also formulated a policy on inquiry in case of leak of UPSI.

(xiii) Share Transfer Committee

The present Members of the Committee are Company Secretary and Compliance Officer of the Company, and the General Manager of M/s. KFin Technologies Private Limited, the Registrars and Share Transfer Agents. There were no share transfers request during the year 2020-21.

(xiv) Legal Proceedings

There are some pending cases relating to disputes over title to shares, in which the Company has been made a party. These cases are however not material in nature.

(xv) Code of Conduct

Code of Conduct approved by the Board of Directors has been communicated to all Board Members and Employees of the Company and also posted on Corporate Governance link of the Company's web site, www.atfoods.com. As required under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Certificate of Compliance with the Code of Conduct for Board Members and Senior Management Personnel

To
The Members of
Agro Tech Foods Limited.

I, Sachin Gopal, Managing Director & CEO of the Company, hereby certify that the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2021.

For **Agro Tech Foods Limited**
Place: Gurugram Sachin Gopal
Date : April 29, 2021 Managing Director & CEO

(xvi) CEO/ CFO CERTIFICATION

The CEO (Managing Director) and CFO certification for the year ended March 31,2021 has been annexed at the end of this Report. Similarly, the CEO and CFO have also given quarterly certification on financial results while placing the quarterly financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

13. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

Discretionary requirements under Part E of Schedule II of the Listing Regulations are as under:

i) Chairperson of the Board

The present Chairman of the Board is a foreign national and Non-Executive Director. The expenses in connection with his official foreign travel to India is to be borne by Conagra Brands Inc., where he is currently employed.

ii) Shareholder rights

The quarterly, half-yearly and annual financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's website,www.atfoods.com. Significant events if any are also posted on this website under the 'Investor relations' section. The complete Annual Report is sent to every Shareholder of the Company.

iii) Separate posts of Chairperson and Chief Executive Officer

The Chairman of the Company and Managing Director & CEO are both different persons appointed in the Company to carry out individual responsibilities.

iv) Reporting of Internal Auditor

M/s. Grant Thornton Bharat LLP, the Internal Auditor reports directly to the Audit Committee based on the inputs provided by the Management on their observations on a quarterly basis.

The Company has complied, to the extent applicable to it, and unless otherwise stated, with all the corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of the Listing Regulations as amended, covering the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Vigil Mechanism, Related Party Transactions, obligations with respect to the Directors, Independent Directors and senior management, other Corporate Governance requirements and disclosures on the website of the Company.

14. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As required under Regulation 34(3) read with Part E Schedule V of the Listing Regulations, the statutory auditor's certificate that the Company has complied with the conditions of corporate governance is given as an annexure to the Boards' Report.

Agro Tech Foods Limited

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

In compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Sachin Gopal, Managing Director & CEO and KPN Srinivas, Chief Financial Officer of Agro Tech Foods Limited, to the best of our knowledge and belief certify to the Board that :

a. We have reviewed the financial statements and the cashflow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading

   ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations

b. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

d. We have indicated to the auditors and the Audit Committee

   i) Significant changes in internal control over financial reporting during the year ended March 31, 2021;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) Instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sachin Gopal
Managing Director & CEO

KPN Srinivas
Chief Financial Officer

Place : Gurugram
Date : April 29, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Agro Tech Foods Limited
31, Sarojini Devi Road, Secunderabad – 500 003

I B V Saravana Kumar, Company Secretary in Practice, Partner of Tumuluru & Company, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Agro Tech Foods Limited having CIN L15142TG1986PLC006957 and having registered office at 31, Sarojini Devi Road, Secunderabad – 500 003, Telangana India (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	DIN	Name of the Director	Designation
1.	08773594	James Patrick Kinnerk	Non-Executive Chairman
2.	07583110	Denise Lynn Hansen	Non-Executive Director
3.	07439079	Sachin Gopal	Managing Director and CEO
4.	00239637	Dharam Bir Singh	Independent Director
5.	00024276	Arun Madhav Bewoor	Independent Director
6.	00102575	Sanjay Shrikrishna Kulkarni	Independent Director
7.	00236658	Narendra Kumar Anand Ambwani	Independent Director
8.	06890544	Veena Vishindas Gidwani	Independent Director

For **Tumuluru & Company**
Company Secretaries

Sd/-
B V Saravana Kumar
Partner
ACS No.: 26944
C P No.: 11727
UDIN : A026944B000222568
Peer Review Certificate: 1159/2021

Place : Hyderabad
Date : 29th April, 2021

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of
AGRO TECH FOODS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated October 16, 2020.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Agro Tech Foods Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(FRN. 117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
UDIN : 21209354AAAAFW9403

Place : Secunderabad
Date : April 29, 2021

BUSINESS RESPONSIBILITY REPORT

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates inclusion of Business Responsibility Report (BRR) as part of the Annual Report for top 1000 listed entities based on market capitalization. In compliance with the Regulation, the BRR is provided as part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

(Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Company Information
1.	Corporate Identity Number (CIN) of the Company	L15142TG1986PLC006957
2.	Name of the Company	Agro Tech Foods Limited
3.	Registered address	31, Sarojini Devi Road, Secunderabad-500003, Telangana.
4.	Website	www.atfoods.com
5.	E-mail id	InvestorRedressal@atfoods.com
6.	Financial Year reported	April 1, 2020 to March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)*	Edible Oil-NIC Code 10402 Processing of edible nuts-NIC Code 10793 Other semi-processed, processed or instant foods n.e.c.- NIC Code 10799
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Edible Oils, Ready to Cook Snacks, Ready to Eat Snacks and Spreads
9.	Total number of locations where business activity is undertaken by the Company (a) Number of international locations : (b) Number of national locations	**(a) Number of international locations :** Bangladesh & Sri Lanka **(b) Number of national locations:** Registered Office : Secunderabad Corporate Office: Gurugram Manufacturing Units: Jhagadia, Kashipur, Unnao, Mangaldoi, Kothur, Chittoor Regional offices: Secunderabad, Mumbai, Kolkata, Gurugram
10.	Markets served by the Company	Local/State/National/International: National & International

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital	₹243,692,640
2.	Total Turnover/ Total Income	₹8,935.90 Millions
3.	Total profit after taxes	₹303.02 Millions
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹Nil
5.	List of activities in which expenditure in 4 above has been incurred	Project Poshan : This project is aimed at improving nutrition among children at Anganwadi centers. In few selected Anganwadis, each child is given 32 gms of Peanut Butter every day to supplement their nutrition requirements. This has been an ongoing project for the last 10 years with some proven impact. However, in FY 21, the project did not reach the expected expenditure due to COVID 19. Most of the Anganwadis were closed during the year as the children did not report. Overall CSR spent during the year amount to ₹17,06,662. However the Company has not claimed this spending as a mandatory CSR spent as required under Companies Act, 2013. Hence the total unspent CSR amount will be transferred to the Govt. fund as prescribed.

SECTION C : OTHER DETAILS

1.	Does the Company have any subsidiary company/companies	Yes
2.	Do the subsidiary company/companies participate in the BR initiatives of the parent company ? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/entities? (Less than 30%, 30-60%, More than 60%)	No

SECTION D : BR INFORMATION

1.	Details of Director/Directors responsible for BR		Mr. Sachin Gopal Managing Director DIN: 07439079								
2.	Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility Policy/policies		Details of compliance (Reply in Yes/No)								
	No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P 9
	1.	Do you have a policy/policies for :	Y	Y	Y	Y	Y	Y	Y	Y	Y
	2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	3.	Does the policy conform to any national/international standards?	The Policies are aligned to the legal requirements.								
	4	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/CEO/appropriate Board Director?	The policies are noted by the Board of Directors of the Company. Implementation of policy decision is carried out by the management.								
	5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	6	Indicate the link for the policy to be viewed online?	Policies which are internal to the Company are available on the intranet portal of the Company. Other policies are available on the website of the Company, www.atfoods.com and the links are as follows: http://atfoods.com/pdf/codeofconduct/codeofconductsep-16a.pdf http://atfoods.com/pdf/codeofconduct/ATFL%20CSR%20POLICY.pdf								
	7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
	9	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Internal Audit of the Company which is performed by an independent external auditor periodically looks at the implementation of the relevant policies.								

2(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	1	The company has not understood the Principles	
	2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	
	3	The company does not have financial or manpower resources available for the task	
	4	It is planned to be done within next 6 months	
	5	It is planned to be done within the next 1 year	
	6	Any other reason (please specify)	
3.	Governance related to BR: (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?		In compliance with SEBI (LODR) (Fifth Amendment) Regulations, 2019 notified on December 26, 2019, the Company is publishing its Business Responsibility Report as part of the Annual Report for FY 2020-21. It is also available on the Company's website www.atfoods.com. It is proposed to be assessed annually.

SECTION E : PRINCIPLE-WISE PERFORMANCE

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Agro Tech Foods Limited is committed to adhere to the highest standards of integrity and ethics. In order to maintain these standards, it has adopted the 'Code of Conduct', which lays down the principles and standards in its dealing with all its stakeholders, including employees, customers, suppliers, government and the community. The Code sets out the principle guidelines that should govern the actions of the employees and the Board of Directors in the course of conduct of business of the Company. The Company has adopted a 'Whistle blower policy' to highlight any concerns and for a proper redressal of the same.

The COC Policy provides guidelines on ethics, bribery and corruption to be abided by all the members of the group. It is mandatory for all employees to undergo the COC Policy. The Guidelines are communicated to our key associates like vendors, suppliers and it is expected that they will follow it during their interaction with Agro Tech. Any actual or potential violation of the Code, would receive appropriate intervention by the Company.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company is committed to develop and produce wholesome and safe food products to deliver against its vision of being amongst "India's Best Performing Most Respected Food Companies". The Company's commitment is to ensure compliance with relevant standards of environment, health and safety commencing at the product research & development stage itself and is extended to the entire life cycle of product. The Environment Management practices of the Company focus on conservation of natural resources and waste management. The Company's environmental commitment is demonstrated through its Guidelines for management of health, safety and environment, extended to all our manufacturing units and business associates. Further, at the factory locations, the Company endeavors to create jobs for the local communities. The Company is committed to promoting its brands in ways that educate consumers through product labeling, advertising and promotion of safe usage of Products.

Sustainable Products : The Company endeavors to embed the principles of sustainability, as far as practicable, into the various stages of product life-cycle, including procurement of raw material/service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers.

Maximizing Resource Efficiency: The Company has been continuously improving its resource use efficiencies, especially that of common resources such as water and energy. Resource efficiency is integrated into product and process design and is a critical component in the creation of physical infrastructure, operations, logistics and waste management.

Sustainable Sourcing: Vendors/service providers and large outsourced manufacturing facilities are encouraged to adopt management practices detailed under International Standards such as ISO 9001, ISO 14001, ISO 22001 and ATFL's Corporate Environment, Health and Safety (EHS) Guidelines. Contract manufacturing agreements provide for compliance with accepted standards on issues related to EHS, human rights and labour practices. Most of the outsourced manufacturing units of the Foods Business are HACCP (Hazard Analysis and Critical Control Point) based and continue to focus on improvement in energy efficiency. These interventions are some of the examples of the Company's sustainability practices being adopted by its supply chain network partners.

Responsible Sourcing: The Company procures a significant amount of input materials from local farmers and intermediate processors of agricultural commodities. The Company puts efforts in driving the growth of local economy and continue to work with the local producers and communities. For example, factories are located across India to optimize logistics and give employment to local people.

The Company always endeavors to minimize the waste generation from its manufacturing operations. The Company has initiated well documented process and executed agreement with the certified Vendor to ensure compliance with the Extended Producer Responsibility (EPR) defined under the Plastic Waste Management Rules. In FY 20-21, the Company completed collection and disposal of 75% its post-consumer multi-layer plastic packaging waste. Though the Company planned to achieve 100% target, but due to Covid-19 situation and nationwide lockdown, the Company could not complete this activity in the first quarter from March 2020 to June 2020 . The Company has also established well defined Waste Management System at the manufacturing sites and all hazardous and non-hazardous waste are disposed through appropriate channels and approved vendors.

Principle 3 : Businesses should promote the well being of all employees

The Company considers human resource as the most valuable assets and essential for persistent growth of business. Being one of the core components of the Company's philosophy, the same reflects in its approach towards health and safety of employees at the work place. The Company's systems and processes are designed to enhance employee capability, engagement, vitality and well-being to ensure that employees add superior value which help business stay competitive and enabling the Company to achieve its ambitious growth plans. ATFL's Code of Conduct provides the guidelines for employee's well-being related to participation, benefits, medical assistance, freedom, gender equality, good environment and harassment free workplace. A strong mechanism is in place for deployment of guidelines and grievance redressal.

The Company follows the philosophy of "Grow our own timber" to promote its personnel internally based on their knowledge/skills vis-à-vis the job/role requirements. ATFL conducts every year an employee engagement survey to assess the work place sentiment and views of the employees. In FY'21 your Company successfully achieved an Engagement Score of 74%.

Information with reference to BRR framework :

1. Please indicate the Total number of employees- 539
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis- 211
3. Please indicate the Number of permanent women employees- 27
4. Please indicate the Number of permanent employees with disabilities- Nil
5. Do you have an employee association that is recognized by management? - No
6. What percentage of your permanent employees is members of this recognized employee association?- N/A
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
   (a) Permanent Employees- Skill upgradation: 60% and COVID safety 100%
   (b) Permanent Women Employees- Skill up gradation: 40% and COVID safety 100%
   (c) Casual/Temporary/Contractual Employees-COVID safety 100%
   (d) Employees with Disabilities-NA

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company has mapped its internal and external stakeholders in a structured way and carries out engagements with employees, shareholders, customers, suppliers, business partners, communities, society and Government etc. The Company has put in place systems and procedures to identify, prioritise and address the needs and concerns of its stakeholders across businesses and units in a continuous, consistent and systematic manner. It also identifies the interests of its internal stakeholders like employees through feedback surveys and other periodic reviews. The external stakeholders are mapped through various sales and marketing activities such as customer contact programs, channel partner meetings, trainings, etc. Being in Foods business and the manufacturers of healthy foods like Peanut Butter etc, the Company contributes to the society in addressing social issues like Malnourishment. The Company has developed a program named 'Poshan' and continues to partner with Government to provide Peanut Butter at Anganwadis run by the Government and Child Malnourishment Treatment Centers in various States. The Company also support other programs like Shekina Foundation, Hyderabad for providing Mid-day meal to students.

Principle 5: Businesses should respect and promote human rights

The Company's Code of Conduct covers the guidelines on human rights and are applicable to all the employees and associates of company. There have been no complaints received in the past financial year. The Company promotes the Code of Conduct which apart from other things ensures that there are no instances of sexual harassment, child labour or discriminatory practices. With a view to building awareness and educating employees on policies on human rights, the Company's Code of Conduct is briefed and made part of the induction programs to be rolled out to employees.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

All the Company's manufacturing units have policies on environment, health and safety measures in line with the Environment, Health and Safety Guidelines adopted by the Company and it extends to all Suppliers, Contractors and others. The Company pro-actively addresses issues such as global warming which is impacted by global consumption of plastics and addressed by the Company through comprehensive EPR implementation. The Company has mechanism in place to identify and assess potential environmental risks. The Company also monitors hazardous wastes and emissions in its manufacturing units and the wastes and emissions are within permissible limits as laid down by the regulators. The Company does not have project related to Clean Development Mechanism.

The Company has undertaken initiatives on clean technology, energy efficiency, renewable energy. Some of the initiatives are highlighted below:

- Reduction on dependency on diesel, furnace oil with a focus to shift to clean fuel.
- Energy efficiency initiatives include- implementing energy efficient lighting fixtures, retrofitting high efficiency motors and installation of variable frequency drives at all manufacturing units.
- Opportunities in the field of renewable energy source are being implemented such as rooftop solar etc.

The Emissions/Waste generated by the company is within the permissible limits given by CPCB/SPCB for the financial year being reported. There are no pending EHS show cause notices as at the end of the financial year.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company is a member of the following trade/ chamber/association:

a) Federation of Indian Chamber of Commerce and Industry

b) The Federation of Telangana Chambers of Commerce and Industry

c) Confederation of Indian Industry

d) Bombay Chamber of Commerce and Industry

e) The Indian Society of Advertisers

f) Indian Vanaspati Producers Association

g) Kumaun Garhwal Chamber of Commerce & Industry

The Company participates in various seminars, conferences organized by these associations from time to time with an intention of mutual learning and awareness about regulatory changes and contribution in development of processes. The Company contributes in development of industry and government bodies in regulatory, operational and other areas by working along with these institutions.

Principle 8 : Businesses should support inclusive growth and equitable development

The Company has specified programmes in pursuit of the Corporate Social Responsibility (CSR) Policy and the focus areas at present is eradicating malnutrition and promoting healthcare. The Company has developed a program named 'Poshan' and continues to partner with Government to provide one of Company's Product "Peanut Butter" at Anganwadis run by the Government and Child Malnourishment Treatment Centers in various States, as the Peanut Butter is a rich source of protein and highly effective to fight malnutrition and it has proved to be a good supplement in addressing malnourishment in various parts of the world. The Company identifies areas where the malnourishment is prevalent and through Anganwadi centers it provides Peanut Butter for the children attending Anganwadi centers. Each child gets 32 gms of Peanut Butter every day for 3 months. Since it is rich in protein, the product works effectively in addressing malnourishment especially in the areas of stunting and wasting. The Company has started this program in 2012 and so far, covered 1,33,500 children. The Company's factory is situated in Jhagadia, Gujarat so majority of the children are from the surrounding areas of Jhagadia. Apart from Gujarat, this program has also been extended to West Bengal, Uttarakhand, Telangana and Delhi.

These initiatives are implemented by the Company's internal teams or in partnership with non-profit organizations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. The CSR project have been constantly evaluated and tracked to ensure maximum impact. The government machinery attached Anganwadi centers in Gujarat conducted an internal assessment centers on the efficacy of the intervention and on finding positive results, they recommended to continue with the program. The in-house committee organizing these activities monitors the implementation closely in such a way that the community adopts these programs successfully.

The financial and impact details are covered in the Directors' Report in the CSR section of the report and CSR section of this report as above.

Principle 9: Businesses should engage with and provide value to their customers in a responsible manner

The Company always endeavors to educate consumers on healthy lifestyle and nutritional values. The Company promotes taglines for good health such as **Strong Banne ka Tasty Tareeka (Tastier Way to get Stronger)**. The Company values the consumer opinion, concerns and feedback provided. For receiving and resolving customer complaints, there are adequate systems in place to address them. Customers may register their grievances over the dedicated helpline.

There is one consumer case pending as at the end of the financial year which are being dealt with appropriately before the respective consumer forums. The Company adheres to all applicable laws and regulations on product labelling. Additional information about the product is displayed over and above the mandated law wherever applicable. There is no case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti competitive behaviour during the last five years. The Company generally do not conduct any consumer survey/ consumer satisfaction trends but do conduct consumer testing before launching the new products and keep in mind consumer's feedback and perception.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRO TECH FOODS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Agro Tech Foods Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Srl. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition – Sale of goods** Refer Note 3 (h) "Revenue Recognition" of the Standalone Financial Statements under Significant Accounting Policies. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations. The timing of revenue recognition is relevant to the reported performance of the Company. The Management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under: • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. • Evaluating the integrity of the general information and technology ("IT") control environment and testing the operating effectiveness of key IT application controls. • Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut-off at year end.

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (continued)

	• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued subsequent to the year end to determine whether revenue was recognised in correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing
2 **Assessment of impairment in the investment in a subsidiary** The Company has investments in subsidiaries and the Management assessed that there are impairment indicators in respect of its investment in Agro Tech Foods (Bangladesh) Pvt. Ltd. Accordingly, the Management estimated the recoverable value of investment in Agro Tech Foods (Bangladesh) Pvt. Ltd., the carrying value of which as at March 31, 2021 is ₹158.59 million. The evaluation of the recoverable amount involves determination of the most appropriate valuation method and the inputs used in the valuation model (also refer Note 7 of the standalone financial statements).	We have performed the following principal audit procedures, including involving our valuation specialists, in relation to assessment of impairment of investment in Agro Tech Foods (Bangladesh) Pvt. Ltd: • Assessed whether the methodology established by Management to identify indicators of impairment, identifying the Cash Generating Unit (CGU) to which such investment belongs, and the quantification thereof was appropriate. • Evaluated the design and implementation of control relating to Management's estimation of recoverable amount of the CGU. • Evaluated the Management's valuation method used and the accuracy of the inputs used in the model to determine the recoverable value. • Evaluated the inputs used to assess their reasonableness, tested the sensitivity of the recoverable value to the change in the inputs used and tested the arithmetical accuracy of the model.

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (continued)

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

ii. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

iii. If, based on the work we have performed. we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section134(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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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.

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

Auditor's Responsibility 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (continued)

- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including 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 Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (continued)

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(F.R.N. 117366W/W-100018)

Sumit Trivedi

Partner

Membership No. 209354

UDIN: 21209354AAAAFU3787

Place : Secunderabad

Date : April 29, 2021

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Agro Tech Foods Limited** ("the Company") as of March 31, 2021 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (Continued)

controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting 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.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N. 117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
UDIN: 21209354AAAAFU3787

Place : Secunderabad
Date : April 29, 2021

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except for immovable property of land at Jhagadia admeasuring 1,00,000 sq. mtrs., having a carrying value of ₹ 58.88 million as at March 31, 2021, in respect of which the lease deed is pending execution.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provisions of Section 73 to 76 of the Companies Act, 2013. There are no unclaimed deposits.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for manufacture of edible oils. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax,Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (Continued)

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Million)	Amount Unpaid (₹ in Million)
Income Tax Act, 1961	Income-tax	Commissioner of Income-tax Appeals	2016-17	8.63	8.63
			2017-18	15.77	15.77
Central Excise Act, 1944	Excise Duty	Central Excise and Service Tax Appellate Tribunal	2009-12	28.10	27.10
			2015-16	2.22	2.00
Gujarat Sales Tax Act, 1970	Sales Tax	Deputy Commissioner of Sales Tax (Appeals), Ahmedabad	1998-99	0.22	0.12
Gujarat Sales Tax Act, 1970	Sales Tax	Sales Tax Appellate Tribunal, Ahmedabad	1999-2000	0.12	0.12
Bihar Sales Tax Act, 1981	Sales Tax	Joint Commissioner of Commercial Taxes (Appeals), Patna	2001-02	0.82	0.62
Tamil Nadu, Sales Tax Act, 1959	Sales Tax	Assistant Commissioner (Appeals), Commercial Taxes, Chennai	2002-03	0.26	0.26
Delhi Sales Tax Act, 1975	Sales Tax	Additional Commissioner, Commercial Taxes, Delhi	2003-04	0.95	0.95
Central Sales Tax Act, 1956	Central Sales Tax	Additional Commissioner, Commercial Taxes, Delhi	2004-05	2.03	1.63
Central Sales Tax Act, 1956	Central Sales Tax	Superintendent of Taxes, Guwahati	2009-10	0.36	0.36
		Deputy Commissioner of Taxes (Appeal), Guwahati	2015-16	0.12	0.09
		Additional Commissioner of Sales Tax, West Bengal	2016-17 & 2017-18	1.00	0.91
Andhra Pradesh General Sales Tax Act, 1956	Sales Tax	Sales Tax Appellate Tribunal, Hyderabad	1997-98	2.16	0.10
West Bengal Sales Tax Act, 1994	Sales Tax	Sales Tax Appellate Tribunal, Kolkata	2001-02	0.72	0.72
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Deputy Commissioner Appeals, Ghaziabad	2014-15	0.12	0.10
Uttarakhand Value Added Tax, 2005	Value Added Tax	Joint Commissioner (Appeals), Dehradun	2012-13	0.57	0.46

There are no dues of Service Tax as on March 31, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loan to bank. The Company has not taken any loans or borrowings from financial institutions and Government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the term loan has been applied by the Company during the year for the purposes for which it was taken. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or further term loans.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N. 117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
UDIN: 21209354AAAAFU3787

Place : Secunderabad
Date : April 29, 2021

BALANCE SHEET AS AT MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
I Assets			
Non-current assets			
Property, plant and equipment	4	**2,500.89**	1,626.21
Capital work-in-progress	4	**78.33**	549.93
Right of use assets	5	**193.71**	221.16
Intangible assets	6	**172.08**	191.82
Financial assets			
(i) Investments	7	**184.14**	185.22
(ii) Other financial assets	8	**27.98**	24.04
Other non-current assets	9	**221.35**	268.06
Total non-current assets		**3,378.48**	3,066.44
Current assets			
Inventories	10	**1,213.65**	774.69
Financial assets			
(i) Investments	11	**60.01**	139.24
(ii) Trade receivables	12	**370.98**	747.04
(iii) Cash and cash equivalents	13 (a)	**84.12**	29.51
(iv) Bank balances other than (iii) above	13 (b)	**4.21**	4.24
(v) Other financial assets	14	**131.96**	121.68
Other current assets	15	**251.48**	227.59
Total current assets		**2,116.41**	2,043.99
Total assets		**5,494.89**	5,110.43
II Equity and liabilities			
Equity			
Equity share capital	16	**243.69**	243.69
Other equity	17	**4,095.72**	3,831.60
Total equity		**4,339.41**	4,075.29
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	**-**	37.60
(ii) Lease liabilities	19	**124.48**	144.59
Provisions	20	**16.87**	15.73
Deferred tax liabilities (net)	34	**109.69**	91.94
Total non-current liabilities		**251.04**	289.86
Current liabilities			
Financial liabilities			
(i) Trade payables	21		
- Total outstanding dues of micro enterprises and small enterprises		**143.09**	64.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**549.72**	484.50
(ii) Lease liabilities	22	**20.11**	16.86
(iii) Other financial liabilities	23	**94.00**	90.72
Other current liabilities	24	**67.63**	51.66
Provisions	25	**29.89**	37.14
Total current liabilities		**904.44**	745.28
Total equity and liabilities		**5,494.89**	5,110.43

The accompanying notes 1 to 51 are an integral part of the standalone financial statements.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354
Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**Revenue from operations**			
	Sale of products	26	**8,913.31**	8,343.63
	Other operating revenues		**3.56**	7.18
			8,916.87	8,350.81
II	**Other income**	27	**19.03**	33.95
III	**Total income (I+II)**		**8,935.90**	8,384.76
IV	**Expenses**			
	Cost of materials consumed	28	**5,122.55**	4,306.59
	Purchases of stock-in-trade	29	**1,188.21**	1,324.65
	Changes in inventories of finished goods and stock-in-trade	30	**(131.87)**	77.33
	Employee benefit expense	31	**481.63**	436.26
	Finance costs	32	**17.74**	17.68
	Depreciation and amortisation expense	4, 5, 6	**180.04**	188.35
	Other expenses	33	**1,658.07**	1,624.76
	Total expenses		**8,516.37**	7,975.62
V	**Profit before tax (III-IV)**		**419.53**	409.14
VI	**Tax expense**	34 (a)		
	Current tax		**98.76**	109.72
	Deferred tax charge / (credit)		**17.75**	(39.79)
	Total tax expense		**116.51**	69.93
VII	**Profit for the year (V-VI)**		**303.02**	339.21
VIII	**Other comprehensive income/(loss)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the net defined benefit plans		**10.24**	(4.09)
	(ii) Income-tax relating to above	34 (b)	**(2.58)**	1.03
	Total Other comprehensive income/(loss)		**7.66**	(3.06)
IX	**Total comprehensive income for the year (VII+VIII)**		**310.68**	336.15
	Earnings per share (of ₹ 10 each)	40		
	Basic (in ₹)		**12.81**	14.38
	Diluted (in ₹)		**12.77**	14.38

The accompanying notes 1 to 51 are an integral part of the standalone financial statements.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354

Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash flow from operating activities**		
	Profit before tax	**419.53**	409.14
	Adjustments for:		
	Depreciation and amortisation expense	**180.04**	188.35
	Loss/ (gain) on sale/ retirement of property, plant and equipment (net)	**(0.23)**	1.49
	Gain on disposal of investments in mutual funds units	**(2.99)**	(31.80)
	Fair value gain on financial assets mandatorily measured at fair value through profit and loss	**(0.01)**	(0.24)
	Provision for impairment in value of investment in subsidiary	**18.40**	-
	Interest income	**(4.36)**	(1.91)
	Finance costs	**17.74**	17.68
	Employee share based payment	**-**	(13.22)
	Liabilities no longer required written back	**(1.15)**	-
	Provision for doubtful debts (net)	**29.36**	0.55
	Operating profit before working capital changes	**656.33**	570.04
	Movement in working capital		
	Adjustments for (increase) / decrease in operating assets		
	Trade receivables	**346.70**	61.27
	Inventories	**(438.96)**	63.16
	Other financial assets	**(12.74)**	29.03
	Other assets	**(11.27)**	(42.61)
	Adjustments for increase / (decrease) in operating liabilities		
	Trade payables and other financial liabilities	**169.63**	(124.34)
	Provisions	**3.21**	(20.01)
	Other liabilities	**15.97**	21.82
	Cash generated from operations	**728.87**	558.36
	Income taxes paid (net)	**(102.04)**	(118.17)
	Net cash generated from operating activities (A)	**626.83**	440.19
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	**(513.46)**	(678.00)
	Proceeds from sale of property, plant and equipment	**4.26**	2.49
	Interest received	**2.88**	0.12
	Investments in subsidiary	**(17.32)**	(16.88)
	Purchase of investments in mutual funds	**(1,110.00)**	(3,620.50)
	Proceeds from sale of investments in mutual funds	**1,192.21**	3,863.96
	Net cash (used in) investing activities (B)	**(441.43)**	(448.81)

CASH FLOW STATEMENT (Continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash flows from financing activities		
Proceeds of term loan availed from bank	**-**	47.00
Repayment of term loan availed from bank	**(47.00)**	-
Proceeds from sale of treasury shares	**24.38**	65.88
Dividend paid (including dividend distribution tax)	**(70.94)**	(71.29)
Finance costs (including in relation to lease liability)	**(20.37)**	(20.97)
Repayment of lease liability	**(16.86)**	(14.84)
Net cash (used in) / from financing activities (C)	**(130.79)**	5.78
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**54.61**	(2.84)
Cash and cash equivalents at the beginning of the financial year	**29.51**	32.35
Cash and cash equivalents at end of the year (Refer Note 13 (a))	**84.12**	29.51

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
2. Reconciliation of liabilities from financing activities

Particulars	As at March 31, 2020	Ind AS 116 adoption	Cash inflow/ (outflow)	Non cash changes Current / Non current	As at March 31, 2021
Borrowings - Non current	**37.60**	**-**	**(37.60)**	**-**	**-**
Other financial liabilities	**9.40**	**-**	**(9.40)**	**-**	**-**
Lease liabilities	**161.45**	**-**	**(32.16)**	**15.30**	**144.59**

Particulars	As at March 31, 2019	Ind AS 116 adoption	Cash inflow/ (outflow)	Non cash changes Current / Non current	As at March 31, 2020
Borrowings - Non current	-	-	47.00	(9.40)	37.60
Other financial liabilities	-	-	-	9.40	9.40
Lease liabilities	-	176.29	(31.78)	16.94	161.45

The accompanying notes 1 to 51 are an integral part of the standalone financial statements.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354

Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

Statement of changes in equity for the year ended March 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

Equity share capital	Amount
Balance at March 31, 2019	**243.69**
Changes in equity share capital during the year	-
Balance at March 31, 2020	**243.69**
Changes in equity share capital during the year	-
Balance at March 31, 2021	**243.69**

Particulars	Reserves and surplus						Total
	General Reserve	Securities premium	Retained earnings	Treasury Shares	Share options outstanding account	Agro Tech ESOP Trust (ATET) reserve	
Balance at March 31, 2019	145.75	721.29	2,902.53	(437.07)	163.51	18.07	3,514.08
Dividends (including dividend distribution tax) (Refer Note below)	-	-	(71.29)	-	-	-	(71.29)
Employee Share based payment (Refer note 16 (e))	-	-	-	-	(13.22)	-	(13.22)
Remeasurement of the net defined benefit obligation, net of tax effect	-	-	(3.06)	-	-	-	(3.06)
Loss on sale of shares transferred by Trust	-	-	-	-	-	(3.78)	(3.78)
Sale of treasury shares during the year	-	-	-	69.66	-	-	69.66
Exercise of share options	1.46	-	-	-	(1.46)	-	-
Profit for the year	-	-	339.21	-	-	-	339.21
Balance at March 31, 2020	147.21	721.29	3,167.39	(367.41)	148.83	14.29	3,831.60
Dividends (Refer Note below)	**-**	**-**	**(70.94)**	**-**	**-**	**-**	**(70.94)**
Remeasurement of the net defined benefit obligation, net of tax effect	**-**	**-**	**7.66**	**-**	**-**	**-**	**7.66**
Profit on sale of shares transferred by Trust	**-**	**-**	**-**	**-**	**-**	**2.55**	**2.55**
Sale of treasury shares during the year	**-**	**-**	**-**	**21.83**	**-**	**-**	**21.83**
Exercise of share options	**8.80**	**-**	**-**	**-**	**(8.80)**	**-**	**-**
Profit for the year	**-**	**-**	**303.02**	**-**	**-**	**-**	**303.02**
Balance as at March 31, 2021	**156.01**	**721.29**	**3,407.13**	**(345.58)**	**140.03**	**16.84**	**4,095.72**

Note

Dividend on Equity shares paid during the year	2020-21	2019-20
(i) Final dividend for FY 2019-20 (₹ 3 per equity share of ₹ 10 each) (For FY 2018-19 ₹ 2.50 per equity share of ₹ 10 each)	**70.94**	58.77
(ii) Dividend distribution tax thereon*	**-**	12.52
	70.94	71.29

*The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is also subject to withholding tax at applicable rates.

The Board of Directors at its meeting held on April 29, 2021 have recommended a final dividend of ₹ 3 per equity share of face value of ₹ 10 each for the financial year ended March 31, 2021. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

The accompanying notes 1 to 51 are an integral part of the standalone financial statements.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018
Sumit Trivedi
Partner
Membership No.209354
Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ millions, except share data and where otherwise stated)

1 Corporate Information

Agro Tech Foods Limited (the 'Company') is a Company domiciled in India, with its registered office situated at 31, Sarojini Devi Road, Secunderabad, Telangana - 500 003, India. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily engaged in the business of manufacturing and trading of edible oils and food products.

2 Basis of preparation

A. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest millions, unless otherwise indicated.

C. Basis of preparation and presentation

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

D. Operating Cycle

All assets have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

E. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements.

i) Useful lives 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 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 is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Revision to accounting estmates on such reassessment are recognised in the period in which the estmate is revised if that revision effects only that period or in the period of the revision and future periods if the revision effects both current and future periods.

ii) Actuarial valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion

(All amounts are in ₹ millions, except share data and where otherwise stated)

and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

iii) Impairment of intangible assets having indefinite useful life

Intangible assets with indefinite life are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

iv) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 16 (e) - Share based payments;

- Note 47 - Financial instruments.

v) Income Taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

vi) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period.

Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

vii) Estimation uncertainty relating to COVID-19 outbreak:

The Company has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables, intangible assets, investments and inventories. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

3. Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment, are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes (other than those subsequently recoverable from the tax authorities), after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful life of assets estimated by internal assessment and technical valuation carried out wherever necessary, and is recognised in the statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Nature of Assets	Useful Life
Buildings	
Buildings (other than factory buildings)	
other than RCC frame structure	30 years
Factory buildings*	30 years to 40 years
Fences, wells, tube-wells	5 years
Roads	
Carpeted Roads - RCC	10 years
Plant and Machinery	
Plant and Machinery other than continuous process plant*	15 years to 20 years
Furniture and fittings	10 years
Motor vehicles	
Motor buses, motor lorries and motor cars*	5 years
Office equipment	5 years
Computers and data processing units servers and networks*	5 years
End-user devices such as desktops, laptops etc.*	2 to 5 years
Laboratory Equipment	10 years
Electrical installations and equipment	10 years
Servers and networks*	5 years
Handsets*	2 years
Assets given to employees under a scheme*	5 years

* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment and technical evaluation carried out where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Freehold land is not depreciated.

Leasehold improvements are amortised over a period of the lease or useful life of asset whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end. If as a result of this reassessment there is change from previous estimate, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

(b) Intangible assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Useful life and Amortisation

Amortisation of intangible assets having finite useful lives is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

Asset	Useful life
Computer software	5 to 10 years

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Intangible assets that have an indefinite useful life are not subjected to amortisation and are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

(c) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an

(All amounts are in ₹ millions, except share data and where otherwise stated)

individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(d) Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(e) Inventories

Inventories are valued at the lower of weighted average cost (including direct cost, non recoverable taxes / duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value. The provision for inventory

(All amounts are in ₹ millions, except share data and where otherwise stated)

obsolescence is assessed regularly based on estimated usage and shelf life of products.

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Work-in-progress is valued at input material cost plus conversion cost as applicable.

Stock-in-trade is valued at the lower of net realisable value and cost (including direct cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a moving weighted average basis.

Finished goods are valued at lower of net realisable value and cost (including direct cost, duties and other overheads incurred in bringing the inventories to their present location and condition).

Goods-in-transit/with third parties and at godowns are valued at cost which represents the costs incurred up to the stage at which the goods are in transit with third parties and at godowns.

(f) Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(g) Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognised in statement of profit or loss. The net gain or loss recognised in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item.

Financial liabilities

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability.

Other financial liabilities are subsequently carried at amortised cost using the effective interest method.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from

(All amounts are in ₹ millions, except share data and where otherwise stated)

the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. 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 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.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(h) Revenue recognition

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations.

Revenue is measured at fair value of the consideration received or receivable, after deducting any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Returns, discounts, allowances and rebates are estimated using judgement based on historical experience and the specific terms of the arrangement with the customers.

Other income:

Interest income is recognized using the effective interest rate (EIR) method. Dividend income on investments is recognised when the right to receive dividend is established.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

a. the gross carrying amount of financial asset; or

b. the amortised cost of financial liability

(i) Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(j) Income-tax

Income-tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set-off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(k) Provisions and contingent liabilities

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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, 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 recognised as a finance cost.

ii. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for onerous contracts i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be recognised to settle a present obligation as a result of an obligating event based on the reliable estimate of such an obligation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(l) Employee benefits

i. Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Other long-term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at 31st March every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

iv. Voluntary retirement scheme benefits

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

(m) Share-based payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

reviewed and adjusted to reflect changes to the level of options expected to vest. The Company has availed exemption given under Ind AS 101 and has not applied the fair value to the equity instruments that were vested before the date of transition to Ind AS i.e. 1 April 2016.

(n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities as on Balance Sheet date.

(o) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(p) Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the statement of profit and loss within finance costs of the period in which they are incurred.

(q) Treasury Shares

The Company has created an Employee Welfare Trust – Agro Tech ESOP Trust ('ATET') for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. ATET purchases shares of the Company out of funds borrowed from the Company. The Company treats ATET as its extension and shares held by ATET are treated as treasury shares. Own equity instruments (treasury shares) are recognised at cost and deducted from equity. Profit on sale of treasury shares by ATET is recognised in ATET reserve.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

Note 4 - Property, plant and equipment and capital work-in-progress

(All amounts are in ₹ millions, except share data and where otherwise stated)

Description	Gross carrying amount (at cost or deemed cost)				Accumulated depreciation				Net carrying amount
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Depre-ciation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Freehold land	92.83	-	-	92.83	-	-	-	-	92.83
Buildings	579.97	473.96	-	1,053.93	75.44	20.40	-	95.84	958.09
Roads	38.74	5.74	-	44.48	16.35	4.68	-	21.03	23.45
Plant and equipment	1,022.48	459.29	5.67	1,476.10	200.23	59.49	2.05	257.67	1,218.43
Laboratory equipment	25.25	5.80	0.02	31.03	11.57	3.28	0.01	14.84	16.19
Furniture and fixtures	104.11	12.43	0.01	116.53	34.11	11.70	0.01	45.80	70.73
Office equipment	35.89	10.58	-	46.47	22.07	4.10	-	26.17	20.30
Electrical equipment	98.05	19.49	-	117.54	44.11	12.75	-	56.86	60.68
Computer and data processing equipment	116.52	22.43	7.31	131.64	88.38	14.04	6.91	95.51	36.13
Leasehold improvements - Buildings	9.53	-	-	9.53	6.11	0.36	-	6.47	3.06
Leasehold improvements - Electrical equipment	4.13	-	-	4.13	3.85	0.04	-	3.89	0.24
Leasehold improvements - Furniture and fixtures	8.79	-	-	8.79	7.86	0.17	-	8.03	0.76
Total	**2,136.29**	**1,009.72**	**13.01**	**3,133.00**	**510.08**	**131.01**	**8.98**	**632.11**	**2,500.89**
Add: Capital work-in-progress									**78.33**
Grand Total									**2,579.22**

Description	Gross carrying amount (at cost or deemed cost)				Accumulated depreciation				Net carrying amount
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Depreciation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Freehold land	92.83	-	-	92.83	-	-	-	-	92.83
Buildings	566.58	14.50	1.11	579.97	54.88	20.71	0.15	75.44	504.53
Roads	38.74	-	-	38.74	11.94	4.41	-	16.35	22.39
Plant and equipment	830.52	195.14	3.18	1,022.48	134.85	66.42	1.04	200.23	822.25
Laboratory equipment	20.89	4.37	0.01	25.25	8.50	3.08	0.01	11.57	13.68
Furniture and fixtures	76.47	27.64	-	104.11	23.75	10.36	-	34.11	70.00
Office equipment	28.93	7.44	0.48	35.89	18.54	3.87	0.34	22.07	13.82
Electrical equipment	89.15	8.90	-	98.05	32.03	12.08	-	44.11	53.94
Computer and data processing equipment	110.09	9.49	3.06	116.52	74.48	16.75	2.85	88.38	28.14
Leasehold improvements - Buildings	9.48	0.29	0.24	9.53	5.82	0.49	0.20	6.11	3.42
Leasehold improvements - Electrical equipment	4.13	0.08	0.08	4.13	3.80	0.12	0.07	3.85	0.28
Leasehold improvements - Furniture and fixtures	8.82	0.01	0.04	8.79	7.50	0.40	0.04	7.86	0.93
Total	1,876.63	267.86	8.20	2,136.29	376.09	138.69	4.70	510.08	1,626.21
Add: Capital work-in-progress									549.93
Grand Total									2,176.14

Notes:

(a) The amount of revenue expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in progress) in the course of construction is ₹ 6.82 (March 31, 2020: ₹ 6.75).

(b) Property, plant and equipment includes borrowing cost of ₹ 2.22; March 31, 2020 - ₹ 3.70 included in Capital work-in-progress.

(c) Refer Note 35(i) for disclosure of contractual commitments for acquisitions of property, plant and equipment.

(d) The Management based on technical evaluation has reassessed and revised the useful lives of factory buildings and certain Plant and equipment. This change in useful lives of the said assets has been accounted for as a change in accounting estimate and has been recognised prospectively with effect from April 1, 2020. The impact of the change is lower depreciation of ₹ 25.40 for the year ended March 31, 2021.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

Note 5 - Right of use asset

(All amounts are in ₹ millions, except share data and where otherwise stated)

Description	Gross carrying amount				Accumulated Depreciation				Net Carrying amount
	As at April 1, 2020	Additions / Adjustments	Disposals	As at March 31, 2021	As at April 1, 2020	Depreciation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Leasehold land (Refer Note (i) below)	60.23	-	-	60.23	0.69	0.66	-	1.35	58.88
Buildings	188.48	-	-	188.48	26.86	26.79	-	53.65	134.83
Total	**248.71**	**-**	**-**	**248.71**	**27.55**	**27.45**	**-**	**55.00**	**193.71**

Description	Gross carrying amount				Accumulated Depreciation				Net Carrying amount
	As at April 1, 2019 on transition to Ind AS 116	Additions / Adjustments	Disposals	As at March 31, 2020	As at April 1, 2019	Depreciation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Leasehold land (Refer Note (i) below)	-	60.23	-	60.23	-	0.69	-	0.69	59.54
Buildings	188.48	-	-	188.48	-	26.86	-	26.86	161.62
Total	188.48	60.23	-	248.71	-	27.55	-	27.55	221.16

Notes:

(i) Leasehold land represents 1,00,000 sq. mts of land taken on lease for a period of 99 years under a license agreement from Gujarat Industrial Development Corporation (GIDC). The lease deed is in respect of the said land is pending registration.

(ii) Also Refer Note 36

Note 6 - Intangible assets

Description	Gross carrying amount (at cost or deemed cost)				Accumulated Amortisation				Net Carrying amount
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Trademarks (Refer Note below)	122.16	-	-	122.16	-	-	-	-	122.16
Computer software	179.72	1.84	-	181.56	110.06	21.58	-	131.64	49.92
Total	**301.88**	**1.84**	**-**	**303.72**	**110.06**	**21.58**	**-**	**131.64**	**172.08**

Description	Gross carrying amount (at cost or deemed cost)				Accumulated Amortisation				Net Carrying amount
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Amortisation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Trademarks (Refer Note below)	122.16	-	-	122.16	-	-	-	-	122.16
Computer software	179.72	-	-	179.72	87.95	22.11	-	110.06	69.66
Total	301.88	-	-	301.88	87.95	22.11	-	110.06	191.82

Note:

Trademarks represent the purchase consideration paid for the brand 'Sundrop'. As estimated by the Management, this trademark has an indefinite useful life. Hence, the same is not amortised as per Ind AS 36 "Impairment of Assets" and only tested for impairment annually. Also refer Note 37.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 7 - Non-current investments

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted investments (fully paid)		
Investment in equity instruments of subsidiaries (at cost unless otherwise stated)		
Sundrop Foods India Private Limited 2,000,000 (March 31, 2020: 2,000,000) of ₹ 10 each	**20.00**	20.00
Agro Tech Foods (Bangladesh) Pvt. Ltd* 19,979,541 (March 31, 2020: 17,979,541) of BDT ₹ 10 each	**158.59**	141.27
Sundrop Foods Lanka (Private) Limited 5,000,000 (March 31, 2020: 5,000,000) of LKR ₹ 10 each	**23.95**	23.95
Less: Provision for impairment in value of investments	**(18.40)**	-
Total	**184.14**	185.22
Aggregate carrying value of unquoted investments	**184.14**	185.22
Aggregate impairment in value of investment	**18.40**	-

*Includes share application money pending for allotment ₹ 17.32 (March 31, 2020: Nil) towards 2,000,000 equity shares (March 31, 2020: Nil equity shares) of BDT ₹ 10 each.

Note

Owing to the decline in the net worth of the wholly owned subsidiary Agro Tech Foods (Bangladesh) Pvt. Ltd. ('ATBD'), the Company has tested its investment in ATBD for impairment during the year. ATBD's operations of manufacture of instant popcorn (IPC) has been allocated to the IPC Cash Generating Unit ('CGU') of the Company, Accordingly, the valuation has been carried out for the IPC CGU. The following key assumptions were considered while performing impairment testing:

Particulars	Instant popcorn
Annual growth rate - 5% for 5 years and 15% for 6th year	
Terminal Growth Rate	10%
Weighted average cost of capital ('WACC') before tax (Discount rate)	19.70%

The projections cover a period of six years, as the Company believes this to be the most appropriate time scale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates used to estimate future performance are based on the estimates from past performance. Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company).

The Company has performed sensitivity analysis around the base assumptions and has concluded that no reasonable change in key assumptions would result in the recoverable amount of the IPC CGU to be less than the carrying value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 8 - Other non current financials assets		
Security deposits		
Unsecured, considered good	**27.98**	24.04
Unsecured, considered doubtful	**-**	0.56
Less: Allowance for doubtful deposits	**-**	(0.56)
Total	**27.98**	24.04
Note 9 - Other non-current assets		
Capital advances	**50.77**	86.48
Advances other than capital advances		
- Advances with Government, public bodies and others	**73.44**	72.38
- Other advances (includes commercial advances and prepaid expenses)	**0.41**	14.09
- Income-tax assets (net)	**96.73**	95.11
Considered doubtful:		
Advances with Government and public bodies	**-**	6.12
Other advances	**-**	34.32
Less: Allowance for doubtful advances	**-**	(40.44)
Total	**221.35**	268.06
Note 10 - Inventories		
Raw materials	**600.02**	359.79
Raw materials in transit	**37.04**	9.21
Packing materials	**131.61**	94.12
Packing materials in transit	**12.36**	10.82
Finished goods	**404.59**	271.27
Finished goods in transit	**26.39**	24.47
Stock-in-trade	**1.64**	5.01
Total	**1,213.65**	774.69

Notes:

(i) The consumption of inventories recognised as an expense during the year has been disclosed in Notes 28,29,30 and 33.

(ii) The consumption of inventories recognised as an expense includes ₹ 0.46 (during 2019-20: ₹ Nil) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2019-20 : ₹ Nil) in respect of reversal of such write-downs.

(iii) Refer note 3(e) for method of valuation for inventories.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 11 - Current investments		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
BNP Paribas Liquid Fund-Direct Growth 18,950.766 units of ₹ 3,166.8757 each (March 31, 2020: 26,174.429 units of ₹ 3,057.5713 each)	**60.01**	80.03
HDFC Liquid Fund-Direct Plan-Growth Option Nil (March 31, 2020:12,807.929 units of ₹ 3,906.6111 each)	**-**	50.04
Baroda Liquid Fund - Plan B Growth Nil (March 31, 2020: 4,004.776 units of ₹ 2,289.2695 each)	**-**	9.17
Total	**60.01**	139.24
Aggregate book value of quoted investments - at cost	**60.00**	139.00
Aggregate market value of quoted investments	**60.01**	139.24
Note 12 - Trade receivables		
Unsecured, considered good	**370.98**	747.04
Doubtful	**85.00**	55.64
Less: Allowance for doubtful receivable	**(85.00)**	(55.64)
Total	**370.98**	747.04

Notes:

(i) The average credit period for the customers is in the range of 7 days to 30 days depending on customer groups.

(ii) Of the trade receivables balance ₹ 143.48 (as at March 31, 2020 : ₹ 467.62) is due from two of the Company's large customers. There are no other customers who represent more than 10% of the total balance of trade receivables.

(iii) The Company has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provisioning matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

(iv) Movement in the expected credit loss allowance	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**55.64**	56.25
Movement in expected credit loss allowance on trade receivables (net)	**29.36**	(0.61)
Balance at the end of the year	**85.00**	55.64

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 13 -Cash and bank balances		
(a) Cash and cash equivalents:		
Balances with banks - in current accounts	**23.12**	22.36
Balances with banks - in deposit accounts	**61.00**	-
Cheques on hand	**-**	7.15
Total	**84.12**	29.51
(b) Other bank balances:		
Balances held as margin money against guarantees given	**0.87**	0.87
Unpaid dividend accounts	**3.34**	3.37
Total	**4.21**	4.24
Note 14 - Other financial assets		
Insurance claims receivable (Refer Note 38)	**113.79**	114.38
Other contractual receivable (Refer Note 42)	**11.38**	-
Others (including security deposits, loan to employees and interest accrued)	**6.79**	7.30
Total	**131.96**	121.68
Note 15 - Other current assets		
Balances with government authorities	**203.20**	175.86
Advances (includes commercial advances, employee advances and prepaid expenses)	**46.88**	51.73
Advances to related party (Refer Note 42)	**1.40**	-
Total	**251.48**	227.59

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 16 - Share capital		
Authorised		
Equity shares		
25,000,000 (March 31, 2020: 25,000,000), equity shares of ₹ 10 each	**250.00**	250.00
Preference shares		
1,000,000 (March 31, 2020: 1,000,000), cumulative redeemable preference shares of ₹ 100 each	**100.00**	100.00
	350.00	350.00
Issued		
Equity shares		
24,372,139 (March 31, 2020: 24,372,139), equity shares of ₹ 10 each	**243.72**	243.72
Subscribed and fully paid-up		
Equity shares fully paid		
24,369,264 (March 31, 2020: 24,369,264), equity shares of ₹ 10 each fully paid up	**243.69**	243.69
	243.69	243.69

Rights, preferences and restrictions attached to the equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to their share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes:

(a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount in ₹ millions	Number of shares	Amount in ₹ millions
Holding Company				
CAG Tech (Mauritius) Limited*	**12,616,619**	**126.17**	12,616,619	126.17
	12,616,619	**126.17**	12,616,619	126.17

* CAG Tech (Mauritius) Limited is the Holding Company and is an indirect subsidiary of Conagra Brands Inc. (formerly known as ConAgra Foods Inc.) (the Ultimate Holding Company).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(b) Details of shareholders holding more than 5% of total number of equity shares:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**% holding**	Number of shares	% holding
CAG Tech (Mauritius) Limited*	**12,616,619**	**51.77**	12,616,619	51.77
Pari Washington India Master Fund, Ltd.	**1,724,510**	**7.08**	1,902,565	7.81

* CAG Tech (Mauritius) Limited is the Holding Company and is an indirect subsidiary of Conagra Brands Inc. (formerly known as ConAgra Foods Inc.) (the Ultimate Holding Company).

(c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**Amount in ₹ millions**	Number of shares	Amount in ₹ millions
Balance at the beginning of the reporting year	**24,369,264**	**243.69**	24,369,264	243.69
Shares issued during the year	**-**	**-**	-	-
Balance at the end of the reporting year	**24,369,264**	**243.69**	24,369,264	243.69

(d) During the five previous financial years ended March 31, 2021, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

(e) Share based payments

The Company instituted the "Agro Tech Employee Stock Option Plan" ('Plan') to grant equity based incentives to its eligible employees. The Company has established a trust called the Agro Tech ESOP Trust ("Trust") to implement the Plan. The Company has given advance to the Trust for purchase of the Company's shares and such advance outstanding as at March 31, 2021 is ₹ 311.14 (₹ 333.11 as at March 31, 2020).

Under the plan a maximum of 23,436,926 options will be granted to the eligible employees. All these options are planned to be settled in equity at the time of exercise at the option of the employee. These options have an exercise price of ₹ 561.00, ₹ 597.55 and ₹ 589.75 per share granted during the years ended 31 March 2014, 31 March 2015 and 31 March 2016 respectively and vests on a graded basis as follows:

Vesting period from the grant date	Vesting schedule
On completion of 12 months	25%
On completion of 24 months	25%
On completion of 36 months	25%
On completion of 48 months	25%

Stock option activity under the plan was as follows:

Movement in the options under the scheme :	For the year ended March 31, 2021	For the year ended March 31, 2020
Options outstanding at the beginning of the year	**722,873**	791,927
Options granted during the year	**-**	-
Options exercised during the year	**(41,095)**	(5,750)
Options forfeited during the year	**(1,850)**	(63,304)
Options outstanding at the end of the year	**679,928**	722,873

Fair value Measurement:

The fair value of the employee share based payment is determined using the Black Scholes model on the date of grant. No new grants have been issued during the year ended March 31, 2021 and March 31, 2020.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 17 - Other equity		
(a) General reserve	**156.01**	147.21
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
(b) Securities premium	**721.29**	721.29
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(c) Retained earnings	**3,407.13**	3,167.39
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(d) Share options outstanding amount	**140.03**	148.83
Share option outstanding account relates to the share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise/forfeiture of the underlying options.		
(e) Treasury Shares	**(345.58)**	(367.41)
Represents the outstanding number of shares, options which are yet to be exercised by the employees to whom those share options have been granted.		
(f) Agro Tech ESOP Trust (ATET reserve)	**16.84**	14.29
Represents the profit/loss earned by the Agro Tech ESOP trust on exercise of the share options and on disposal of forfeited shares options.		
Total	**4,095.72**	3,831.60
Note 18 -Non-current borrowings		
Secured - at amortised cost		
- Term loan from bank	-	47.00
Less : Current maturities of long term borrowing disclosed under Note 23 - Other financial liabilities - current	-	9.40
Total	-	37.60

Term loan from bank taken for setting up plant at Chittoor was entirely repaid in the current year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 19 - Non-current lease liabilities		
Lease liabilities (Refer Note 36)	**124.48**	144.59
Total	**124.48**	144.59
Note 20 - Non-current provisions		
Provision for employee benefits		
- Compensated absences	**16.87**	15.73
Total	**16.87**	15.73
Note 21 - Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note (i) below)	**143.09**	64.40
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note (ii) below)	**549.72**	484.50
Total	**692.81**	548.90

Notes:

(i) The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at reporting date has been made in the standalone financial statements based on information received and available with the Company and has been relied upon by the auditors.

Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Principal amount due to suppliers under MSMED Act, as at the end of the year	**143.09**	64.40
(b) Interest accrued and due to suppliers under MSMED Act, on the above amount as at the end of the year	**-**	-
(c) Payment made to suppliers (other than interest) beyond the appointed date, during the year	**-**	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	**-**	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	**-**	-
(f) Interest due and payable to suppliers under MSMED Act, for payments already made	**-**	-
(g) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (b) + (f)	**-**	-

(ii) Includes payables to related parties as disclosed under Note 42.

(iii) Information about Company's exposure to currency and liquidity risks related to the trade payables are included in Note 47.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 22 - Lease liabilities		
Lease liabilities (Refer Note 36)	**20.11**	16.86
Total	**20.11**	16.86
Note 23 - Other financial liabilities		
Current maturities of long term borrowing (Refer Note 18)	-	9.40
Payables for purchase of property, plant and equipment	**6.03**	17.48
Unclaimed dividends	**3.34**	3.37
Payroll related liabilities	**30.66**	17.87
Other liabilities (includes outstanding liabilities for trade schemes etc.)	**53.97**	42.19
Interest accrued but not due	-	0.41
Total	**94.00**	90.72
Note: Information about Company's exposure to currency and liquidity risks related to the above financial liabilities are included in Note 47.		
Note 24 - Other current liabilities		
Advance from customers	**26.80**	28.87
Statutory liabilities (including GST, provident fund, TDS etc.)	**40.83**	22.79
Total	**67.63**	51.66
Note 25 -Provisions		
Provision for employee benefits:		
Gratuity (Refer Note 46)	-	10.47
Compensated absences	**7.16**	5.42
Others:		
Provision for indirect tax matters (Refer Note below)	**20.27**	19.71
Current tax liabilities (net)	**2.46**	1.54
Total	**29.89**	37.14
Note:		
Movement of provision for indirect tax matters		
Opening balance	**19.71**	41.88
Provision created/(utilised/reversed) (net)	**0.56**	(22.17)
Closing balance	**20.27**	19.71

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 26 - Revenue from operations		
Sale of products	**8,913.31**	8,343.63
Other operating revenues	**3.56**	7.18
Total	**8,916.87**	8,350.81

Notes:

(i) The Company disaggregates revenue from contracts with customers by geography. Disaggregation of revenue by geography is not an operating segment as disclosed in Note 41.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Location		
India	**8,880.41**	8,308.95
Outside India	**32.90**	34.68
Total	**8,913.31**	8,343.63

Geographical revenue is allocated based on the location of customers.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(ii) Reconciliation of gross revenue from contracts with customers		
Gross revenue	**9,294.02**	8,756.52
Less : Trade allowances and rebates	**380.71**	412.89
Net revenue recognised during the year	**8,913.31**	8,343.63
Note 27 - Other income		
Cross charge income	**10.29**	-
Gain on property, plant and equipment discarded/ sold (net)	**0.23**	-
Gain on disposal of mutual funds units	**2.99**	31.80
Provisions and liabilities no longer required written back, net	**1.15**	-
Fair value gain on financial assets mandatorily measured at fair value through profit and loss	**0.01**	0.24
Interest income from deposits with banks and others	**4.36**	1.91
Total	**19.03**	33.95
Note 28 - Cost of materials consumed		
Opening stock		
Raw materials (including material in transit)	**369.00**	365.20
Packing materials (including material in transit)	**104.94**	94.57
Add: Purchases		
Raw materials	**4,774.34**	3,731.22
Packing materials	**655.30**	589.54
Less: Closing stock		
Raw materials (including material in transit)	**637.06**	369.00
Packing materials (including material in transit)	**143.97**	104.94
Total	**5,122.55**	4,306.59
Note 29 - Purchase of stock-in-trade		
Stock-in-trade	**1,188.21**	1,324.65
Total	**1,188.21**	1,324.65
Note 30 - Changes in inventories of finished goods and stock-in-trade		
Opening stock:		
Finished goods (including material in transit)	**295.74**	373.39
Stock-in-trade	**5.01**	4.69
Closing stock:		
Finished goods (including material in transit)	**430.98**	295.74
Stock-in-trade	**1.64**	5.01
(Increase) / Decrease in finished goods and stock-in-trade	**(131.87)**	77.33

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 31 - Employee benefit expense		
Salaries, wages and bonus	**428.43**	396.45
Contribution to provident and other funds (Refer Note 46)	**39.22**	35.88
Employee share based payment expense	**-**	(13.22)
Staff welfare expenses	**13.98**	17.15
Total	**481.63**	436.26
Note 32 - Finance costs		
Interest on bank borrowings	**4.66**	4.44
Less: Amount capitalised (Refer Note 4)	**(2.22)**	(3.70)
Other interest expenses (Refer Note 36)	**15.30**	16.94
Total	**17.74**	17.68
Note 33 - Other expenses		
Consumption of stores and spares	**36.72**	24.74
Power and fuel	**67.98**	58.63
Processing charges	**113.86**	86.24
Rent	**197.58**	215.93
Rates and taxes	**23.07**	25.55
Repairs and maintenance:		
- Machinery	**5.12**	6.94
- Buildings	**0.64**	0.06
- Others	**20.50**	25.21
Insurance	**22.96**	18.78
Printing and stationery	**2.30**	2.93
Software expenses	**22.10**	23.30
Communication expenses	**14.30**	17.55
Travelling expenses	**11.23**	67.66
Auditors' remuneration (Refer Note 39)	**5.90**	5.88
Outward freight	**372.71**	369.26
Brokerage/ commission	**34.05**	29.75
Distribution expenses	**218.66**	286.31
Legal and professional charges	**33.51**	41.67
Advertisement and sales promotion	**231.22**	183.47
Royalty	**69.89**	29.82
Bad debts written off	**-**	1.16
Less: Provision reversed	**-**	(1.16)
Provision for doubtful debts (net)	**29.36**	0.55
Loss on sale/ retirement of property, plant and equipment (net)	**-**	1.49
Provision for impairment in value of investment in subsidiary	**18.40**	-
Advances written off	**39.85**	-
Less: Provision reversed	**(39.85)**	-
(Gain)/Loss on foreign currency transactions (net)	**1.48**	(0.42)
Bank charges	**0.56**	0.75
Miscellaneous expenses (See note below)	**103.97**	102.71
Total	**1,658.07**	1,624.76

Note: Refer Note 43 for details on Corporate Social Responsibility

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 34 - Income-tax		
(a) Amounts recognised in the statement of profit and loss		
Tax expense for the year		
Current tax	**100.34**	107.94
Tax charge / (reversal) in respect of earlier years	**(1.58)**	1.78
	98.76	109.72
Deferred tax charge / (credit)	**17.75**	(39.79)
	17.75	(39.79)
Total	**116.51**	69.93
(b) Amounts recognised in other comprehensive income		
Tax effect on remeasurement of defined benefit plans	**2.58**	(1.03)
Total	**2.58**	(1.03)
(c) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	**419.53**	409.14
Tax using the Company's domestic tax rate @ 25.168% (2020 @ 25.168%)*	**105.59**	102.97
Tax effect of:		
Change in income tax rate*	**-**	(36.85)
Adjustment of tax relating to the earlier years	**(1.58)**	1.78
Effect of available benefit	**(0.48)**	-
Tax effects of amounts which are not deductible in determining taxable profit	**12.98**	2.03
	116.51	69.93

*During the previous year, the Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognized provision for Income-tax for the year ended March 31, 2020 and re-measured its deferred tax liabilities (net) based on the rate of 22% plus surcharge and cess as prescribed in the Income Tax Act.

(d) Deferred tax liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet	**As at March 31, 2021**	As at March 31, 2020
Deferred tax assets	**36.36**	34.07
Deferred tax liabilities	**(146.05)**	(126.01)
Total	**(109.69)**	(91.94)

2020-21

Deferred tax (liabilities) / assets in relation to	**Opening balance**	**Recognised in Statement of Profit and Loss**	**Closing balance**
On provision for doubtful debts and advances	22.05	(0.66)	21.39
On expenditure allowed on payment basis	9.29	0.72	10.01
Property, plant and equipment	(126.01)	(20.04)	(146.05)
Others	2.73	2.23	4.96
Total	**(91.94)**	**(17.75)**	**(109.69)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

2019-20

Deferred tax (liabilities) / assets in relation to	Opening balance	Recognised in Statement of Profit and Loss	Closing balance
On provision for doubtful debts and advances	30.82	(8.77)	22.05
On expenditure allowed on payment basis	12.48	(3.19)	9.29
Property, plant and equipment	(175.09)	49.08	(126.01)
Others	0.06	2.67	2.73
Total	**(131.73)**	**39.79**	**(91.94)**

Note 35 - Contingent liabilities and commitments:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**61.67**	196.21
(ii) Contingent liabilities (to the extent not provided for):		
Claims against the Company not acknowledged as debts in respect of :		
- Indirect tax and direct tax matters, under dispute	**133.06**	252.65
- Other matters, under dispute	**0.50**	0.50

Note:

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before various tax authorities. The amounts included above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such dispute. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial conditions. The Company has accrued appropriate provision wherever required.

Note 36 - Leases

Effective April 1, 2019, the Company adopted Ind AS 116, Leases using the modified respective approach. On transition, the adoption of the new standard resulted in recognition of right-of-use assets amounting to ₹ 188.48 and lease liability amounting to ₹ 176.29. During the year ended March 31, 2021, the Company has recognised interest expense on lease amounting to ₹ 15.30 (2019-20 ₹ 16.94), and depreciation on right-of-use assets amounting to ₹ 27.45 (2019-20 ₹ 27.55).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) The following is the breakup of current and non current lease liabilities		
Current lease liabilities	**20.11**	16.86
Non current lease liabilities	**124.48**	144.59
	144.59	161.45
(ii) The following is the movement of lease liabilities during the year ended March 31, 2021		
Balance at the beginning	**161.45**	176.29
Finance cost accrued during the year	**15.30**	16.94
Payment of lease liabilities (including finance cost)	**(32.16)**	(31.78)
Balance at the end	**144.59**	161.45
(iii) Maturity analysis of lease liabilities as at March 31, 2021:		
Less than one year	**20.11**	16.86
One to five years	**78.15**	75.23
More than five years	**46.33**	69.36
Total lease liabilities as at March 31, 2021	**144.59**	161.45

Note 37- Intangible assets - Trademarks

Trademarks represent the purchase consideration paid for brand "Sundrop". Sundrop brand has been assessed to have an indefinite useful life and therefore measured at cost and not subject to amortisation, but tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. On the Balance Sheet date, the Management reassesses the value of brand through an independent valuer to ensure that the recoverable amount of the asset is not lower than its carrying amount. Key assumptions used in the estimation of the recoverable amount are set out below:

Particulars	As at March 31, 2021	As at March 31, 2020
Pre tax discount rate	**19.70%**	21.40%
Terminal growth rate	**4.00%**	4.00%

The Management believes that any reasonable possible change in the key assumptions that would not cause the carrying amount to exceed the recoverable amount of the asset.

Note 38 - Insurance claims receivable

On November 4, 2018, a fire broke out at one of the manufacturing facilities of the Company which caused damage to the Company's property, plant, and equipment and inventory. The Company lodged a claim with the insurance company for losses suffered which is under process by the insurance company. The Company had recorded a loss of ₹ 251.76 arising from such incident for the year ended March 31, 2019. Further, the Company had also recognised a minimum insurance claim receivable for equivalent amounts and disclosed these under other financial assets. The Company has received payment aggregating ₹126.48 from the insurance company and ₹ 6.77 from sale of scrap till March 31, 2021. The same has been adjusted with the amount recoverable from the insurance company. The Company has made its final submission to the Insurance Company and as confirmed by the insurance company, prima-facie, the claim submission and progress is satisfactory and they do not find any concern in processing of the claim.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 39 - Auditors' remuneration (excluding GST):

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
To Statutory auditor		
Statutory audit fee	**2.76**	2.76
Tax audit fee	**0.22**	0.22
Limited review fee*	**1.05**	0.97
Fees for certifications	**1.30**	1.10
Others*	**0.40**	0.31
Reimbursement of expenses	**0.17**	0.52
Total	**5.90**	5.88

* Previous year remuneration includes ₹ 0.27 in respect of limited review fees and ₹ 0.31 in respect of other services paid to the predecessor auditor.

Note 40 - Earnings per equity share ("EPS")

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Net profit attributable to the equity shareholders (₹ in Millions)	**303.02**	339.21
Weighted average number of equity shares outstanding during the year (No's)		
Basic outstanding shares	**24,369,264**	24,369,264
Less: Weighted average number of treasury shares	**707,446**	784,638
(b) Weighted average number of shares used for computing basic EPS (No's)	**23,661,818**	23,584,626
Add: Dilutive effect of stock options	**61,344**	499
(c) Weighted average number of shares used for computing diluted EPS (No's)	**23,723,162**	23,585,125
(d) Basic earnings per share (₹) (a/b)	**12.81**	14.38
(e) Diluted earnings per share (₹) (a/c)	**12.77**	14.38

Note 41 - Segmental information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators by industry classes. The operating segment of the Company has been identified as "Foods" as the CODM reviews the business performance at an overall Company level as one segment.

Information about major customers

Revenue from specific customers exceeding 10% of total revenue

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
One customer		
Revenue from top customer	**-**	1,133.79
Percentage of total revenue	**-**	13.59%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 42 - Related parties

Relationships	Name of related parties
1. Ultimate Holding Company	Conagra Brands Inc.
2. Holding Company	CAG Tech (Mauritius) Limited
3. Subsidiary Companies	Sundrop Foods India Private Limited
	Agro Tech Foods (Bangladesh) Pvt. Ltd.
	Sundrop Foods Lanka (Private) Limited
4. Fellow Subsidiary Company	Conagra Foods RDM, Inc.
5. Key Management Personnel (KMP)	
(i) Managing Director & Chief Executive Officer	Mr. Sachin Gopal
(ii) Chief Financial Officer	Mr. K P N Srinivas (w.e.f. August 1, 2019)
(iii) Company Secretary	Ms. Jyoti Chawla
(iv) Independent Directors	Lt. Gen. D.B. Singh
	Mr. Sanjaya Kulkarni
	Mr. Arun Bewoor
	Mr. Narendra Ambwani
	Ms. Veena Vishindas Gidwani
6. Post-employment benefit trusts	Agro Tech Foods Management Staff Gratuity Fund
	Agro Tech Foods Non-Management Gratuity Fund
	Agro Tech Foods Provident Fund
	Agro Tech Foods Superannuation Fund

Note: Related parties have been identified by the Management to the extent of transactions with such related parties.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(a) Related party transactions during the year

Particulars	Relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Sundrop Foods India Private Limited	Subsidiary		
Distribution services received		**133.18**	160.80
Cross-charge income		**10.29**	-
Sundrop Foods Lanka (Private) Limited	Subsidiary		
Sale of Goods		**-**	1.43
Purchase of Assets		**-**	3.71
Agro Tech Foods (Bangladesh) Pvt. Ltd.	Subsidiary		
Purchase of Goods		**8.81**	2.52
Investment in equity shares (Also refer Note 7)		**17.32**	16.88
Conagra Brands Inc.	Ultimate Holding Company		
Royalty*		**69.89**	29.82
CAG Tech (Mauritius) Limited	Holding Company		
Dividend paid		**37.85**	31.54
Key Managerial Personnel Compensation	Key Management Personnel		
Short-term employee benefits**		**31.52**	26.49
Post-employment defined benefits**		**1.96**	1.95
Sitting fees and commission to independent directors		**6.58**	6.20
Agro Tech Foods Management Staff Gratuity Fund	Post-employment benefit trusts		
Contribution during the year		**10.47**	6.38
Agro Tech Foods Provident Fund	Post-employment benefit trusts		
Contribution during the year		**36.19**	37.33
Agro Tech Foods Superannuation Fund	Post-employment benefit trusts		
Contribution during the year		**6.58**	6.97

*Conagra Brands Inc. has authorised Conagra Foods RDM, Inc. to collect the amount of royalty on its behalf.

**Remuneration as given above does not include long-term compensated absences benefit accrued, gratuity benefit accrued and insurance premium since the same are computed for all the employees together and the amounts attributable to the key managerial personnel cannot be ascertained separately. Exercise of stock options aggregating ₹ 0.13 by one of the key managerial personnel has not been included in the remuneration disclosed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(b) Balances receivable from/payable to related parties

Particulars	Relationship	As at March 31, 2021	As at March 31, 2020
Receivable from related parties			
Agro Tech Foods (Bangladesh) Pvt. Ltd.	Subsidiary	**1.40**	-
Sundrop Foods Lanka (Private) Limited	Subsidiary	**-**	0.55
Sundrop Foods India Private Limited	Subsidiary	**11.38**	-
Payable to related parties			
Agro Tech Foods Management Staff Gratuity Fund	Post-employment benefit trusts	**-**	10.47
Agro Tech Foods Provident Fund	Post-employment benefit trusts	**2.73**	2.64
Agro Tech Foods Superannuation Fund	Post-employment benefit trusts	**0.54**	0.56
Sundrop Foods India Private Limited	Subsidiary	**75.79**	72.71
Conagra Brands Inc.	Ultimate Holding Company	**9.93**	4.05
Key Managerial Personnel Compensation	Key Managerial Personnel	**2.56**	0.13
Independent Directors	Independent Directors	**3.20**	3.20

Note: The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Note 43 - Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Accordingly, the gross amount required to be spent during the year is ₹ 9.58 (March 31, 2020: ₹ 9.75). Of this, the amount spent during the year is ₹ Nil. In the previous year the Company had spent ₹ 6.86 on CSR activities, which included a social welfare programme "Poshan" which was designed to address malnutrition amongst children. The spend of the previous year also included ₹ 2 contributed to the PM CARES fund.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company intends to contribute the unspent amount of ₹ 9.58 of the current year, to a fund prescribed under Schedule VII of the Act before September 30, 2021.

Note 44 - Research and development expenses

Revenue expenditure on research and development is expensed as incurred. Capital expenditure incurred on research and development ('R&D') is capitalised as property, plant and equipment and depreciated in accordance with the depreciation policy of the Company. The details are as below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Capital expenditure	**9.67**	11.62
Revenue expenditure	**15.82**	22.64
	25.49	34.26

Note 45 - Capital management

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as the level of dividends of equity share holders. The Company aims to manage its capital efficiently so as to safe-guard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of Company's capital management, capital includes issued capital and all other equity reserves and debt includes long-term borrowings and short-term working capital demand loan.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The Company monitors capital on the basis of the following gearing ratio

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	**-**	47.00
Total Equity	**4,339.41**	4,075.29
Debt to equity ratio	**-**	0.01

Note 46 - Employee Benefits

a) The employee benefit schemes are as under:

i. Provident fund :

All employees of the Company receive benefits under the Provident Fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary. These contributions are made to the fund administered and managed by the Company's own Trust. (Refer Note 42).

ii. Superannuation fund:

The Company has a defined contribution scheme to provide pension to its eligible employees. The Company makes monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are administered by Company's own Trust which has subscribed to "Group Superannuation Policy" of ICICI Prudential Life Insurance Company Limited. The Company's monthly contributions are charged to the Statement of Profit and Loss.

iii. Compensated absences :

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the Statement of Profit and Loss.

iv. Gratuity :

In accordance with the 'The Payment of Gratuity Act, 1972' of India, the Company provides for Gratuity, a defined retirement benefit scheme (the Gratuity Plan), covering eligible employees. Liabilities with regard to such gratuity plan are determined by an actuarial valuation as at the end of the year. The gratuity plan is a funded plan administered by Company's own Trust which has subscribed to "Group Gratuity Scheme" of ICICI Prudential Life Insurance Company Limited.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses related to the expected return on any particular investment.

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.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

b) The following table sets out the particulars of the employee benefits as required under the Ind AS 19 "Employee Benefits"

i) The amounts recognised in the Balance Sheet and the movement in the defined benefit obligation for Gratuity is as follows:

Particulars	March 31, 2021			March 31, 2020		
	Present value of obligation	**Fair value of plan assets**	**Net Liability/ (asset)**	Present value of obligation	Fair value of plan assets	Net Liability/ (asset)
Opening balance (A)	**64.23**	**53.76**	**10.47**	59.01	52.63	6.38
Current service cost	**9.89**	**-**	**9.89**	6.09	-	6.09
Interest cost	**3.74**	**-**	**3.74**	3.81	-	3.81
Expected returns	**-**	**3.39**	**(3.39)**	-	3.52	(3.52)
Total amount recognised in the statement of profit and loss (B)	**13.63**	**3.39**	**10.24**	9.90	3.52	6.38
Remeasurements						
Loss/(gain) from change in financial assumptions	**(0.18)**	**-**	**(0.18)**	3.00	-	3.00
Experience losses - experience	**(3.21)**	**-**	**(3.21)**	0.43	-	0.43
Return on plan assets, greater/less than discount rate	**-**	**6.85**	**(6.85)**	-	(0.66)	0.66
Total amount recognised in other comprehensive income (C)	**(3.39)**	**6.85**	**(10.24)**	3.43	(0.66)	4.09
Contributions (D)	**-**	**10.47**	**(10.47)**	-	6.38	(6.38)
Benefit paid (E)	**(2.34)**	**(2.34)**	**-**	(8.11)	(8.11)	-
Closing Balance (A+B+C+D+E)	**72.13**	**72.13**	**-**	64.23	53.76	10.47

ii) The amounts recognised in the Balance Sheet and the movement in the defined benefit obligation for Provident Fund is as follows:

Particulars	March 31, 2021			March 31, 2020		
	Present value of obligation	**Fair value of plan assets**	**Net Liability/ (asset)**	Present value of obligation	Fair value of plan assets	Net Liability/ (asset)
Opening balance (A)	**327.24**	**336.66**	**(9.42)**	300.26	308.14	(7.88)
Current service cost	**9.76**	**-**	**9.76**	10.48	-	10.48
Interest cost	**28.46**	**-**	**28.46**	24.24	-	24.24
Expected returns	**-**	**29.33**	**(29.33)**	-	24.75	(24.75)
Remeasurements						
Actuarial loss / (gain)	**11.18**	**-**	**11.18**	11.63	-	11.63
Return on plan assets	**-**	**2.79**	**(2.79)**	-	12.66	(12.66)
Total amount to be recognised in the statement of profit and loss (B)	**49.40**	**32.12**	**17.28**	46.35	37.41	8.94
Contributions (C)	**26.43**	**36.19**	**(9.76)**	26.85	37.33	(10.48)
Transfer in (D)	**2.27**	**2.27**	**-**	0.89	0.89	-
Interest allocations (E)	**-**	**-**	**-**	27.59	27.59	-
Benefits paid (F)	**(21.73)**	**(21.73)**	**-**	(74.70)	(74.70)	-
Closing Balance (A+B+C+D+E+F)*	**383.61**	**385.51**	**(1.90)**	327.24	336.66	(9.42)

* The Company has not recognised an asset amounting to ₹ 1.90 (March 31, 2020: ₹ 9.42) as there are no future economic benefits available to the Company in the form of reduction in future contribution or a cash refund.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

iii) Significant estimates: Actuarial assumptions

The significant actuarial assumptions for defined benefit obligation are as follows:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Discount rate	**6.72%**	6.67%	**6.72%**	6.67%
Expected rate of return on plan assets	**6.72%**	6.67%	**8.50%**	8.50%
Salary escalation rate	**7.00%**	7.00%	**7.00%**	7.00%

Discount rate : The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets : This is based on the expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate : The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iv) Details of plan assets

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Government of India securities	**-**	-	**45.53%**	40.94%
PSU bonds	**-**	-	**43.96%**	42.58%
State Government securities	**-**	-	**10.51%**	16.48%
Fund managed by ICICI Prudential Life Insurance Company Limited*	**100%**	100%	**-**	-
Total	**100%**	100%	**100%**	100%

*The Company makes annual contribution to the ICICI Prudential Life Insurance Company Limited.

v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
A. Discount rate				
a. Discount rate - 100 basis points	**73.81**	68.47	**405.01**	336.45
b. Discount rate +100 basis points	**65.15**	60.43	**372.83**	326.38
B. Interest rate guarantee for planned asset				
a. Rate - 100 basis points	**65.11**	60.39	**372.91**	326.38
b. Rate +100 basis points	**73.78**	68.43	**403.40**	335.98

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions maybe correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

vi) Maturity profile of defined benefit obligation:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Year 1	**20.09**	16.23	**37.37**	34.42
Year 2	**4.39**	6.10	**56.36**	52.13
Year 3	**6.62**	4.11	**30.68**	28.38
Year 4	**4.06**	6.33	**25.27**	23.35
Year 5	**7.78**	3.73	**64.42**	59.64
Year 6 to 10	**22.36**	27.45	**169.74**	157.02

Note 47 - Financial instruments

The Company's principal financial liabilities comprise borrowings, trade payables and other liabilities. The Company's principal financial assets include loans, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company's activities expose it to a variety of financial risks viz. market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2021, including their levels in the fair value hierarchy.

Particulars	Carrying amount						Fair value			
	Note	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Investments in subsidiaries	7	-	-	184.14	-	184.14	-	-	-	-
Non current financial assets	8	-	-	27.98	-	27.98	-	-	-	-
Investments in mutual fund	11	60.01	-	-	-	60.01	60.01	-	-	60.01
Trade receivables	12	-	-	370.98	-	370.98	-	-	-	-
Cash and cash equivalents	13 (a)	-	-	84.12	-	84.12	-	-	-	-
Bank balances (other than cash and cash equivalents)	13 (b)	-	-	4.21	-	4.21	-	-	-	-
Other financial assets	14	-	-	131.96	-	131.96	-	-	-	-
		60.01	-	803.39	-	863.40	60.01	-	-	60.01
Financial liabilities										
Trade payables	21	-	-	-	692.81	692.81	-	-	-	-
Other financial liabilities	23	-	-	-	94.00	94.00	-	-	-	-
Lease liabilities	19,22	-	-	-	144.59	144.59	-	-	-	-
		-	-	-	931.40	931.40	-	-	-	-

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2020, including their levels in the fair value hierarchy.

Particulars	Carrying amount						Fair value			
	Note	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Investments in subsidiaries	7	-	-	185.22	-	185.22	-	-	-	-
Non current financial assets	8	-	-	24.04		24.04	-	-	-	-
Investments in mutual fund	11	139.24	-	-	-	139.24	139.24	-	-	139.24
Trade Receivables	12	-	-	747.04	-	747.04	-	-	-	-
Cash and cash equivalents	13 (a)	-	-	29.51	-	29.51	-	-	-	-
Bank balances (other than cash and cash equivalents)	13 (b)	-	-	4.24	-	4.24	-	-	-	-
Other financial assets	14	-	-	121.68	-	121.68	-	-	-	-
		139.24	-	1,111.73	-	1,250.97	139.24	-	-	139.24
Financial liabilities										
Borrowings	18	-	-	-	37.60	37.60	-	-	-	-
Trade payables	21	-	-	-	548.90	548.90	-	-	-	-
Other financial liabilities	23	-	-	-	90.72	90.72	-	-	-	-
Lease liabilities	19,22	-	-	-	161.45	161.45	-	-	-	-
		-	-	-	838.67	838.67	-	-	-	-

Fair value hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market

(All amounts are in ₹ millions, except share data and where otherwise stated)

• Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs

• Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

i. Credit Risk

ii. Liquidity Risk

iii. Market Risk

Risk Management framework:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is set by the Risk Management Committee. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. A summary of the risks have been given below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale, retail or institutional customers, their industry, trading history with the Company and existence of previous financial difficulties. The default in collection as a percentage to total receivable is low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or any other financial asset. 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 risk damage to the Company's reputation.

The Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2021			
	Carrying value	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities				
Trade payables	**692.81**	**692.81**	**-**	**-**
Other financial liabilities	**94.00**	**94.00**	**-**	**-**
Lease liabilities	**144.59**	**20.11**	**15.85**	**108.63**
	931.40	**806.92**	**15.85**	**108.63**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2020			
	Carrying value	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities				
Trade payables	548.90	548.90	-	-
Other financial liabilities	90.72	90.72	-	-
Lease liabilities	161.45	16.86	20.11	124.48
	801.07	656.48	20.11	124.48

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - 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.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

Currency risk

The Company is exposed to currency risk to the extent that there is mismatch between the currencies in which sales, purchase are denominated and the respective functional currencies of Company. The functional currency of the Company is INR and maximum sales transactions are denominated in INR itself. Foreign currency transactions are mainly denominated in USD.

Exposure to currency risk

The following is the nominal value of outstanding derivative contracts entered into by the Company for hedging currency related risks as at:

Particulars	**As at March 31, 2021**		As at March 31, 2020	
	Foreign Currency (USD)	**Amount in ₹ millions**	Foreign Currency (USD)	Amount in ₹ millions
Trade payables	**91,460**	**6.72**	93,976	6.83

The particulars of un-hedged foreign exposure as at balance sheet date is as under

Particulars	**As at March 31, 2021**		As at March 31, 2020	
	Foreign Currency (USD)	**Amount in ₹ millions**	Foreign Currency (USD)	Amount in ₹ millions
Trade payables	**390,202**	**28.68**	38,834	2.93
Trade receivables	**33,372**	**2.45**	18,400	1.39

Sensitivity Analysis:

The profit or loss is sensitive to foreign exchange gain/(loss) as a result of changes in foreign exchange rates.

Particulars	Impact on profit for the year ended	
	March 31, 2021	March 31, 2020
Foreign exchange rate - Increases by 5%	**(1.31)**	(0.08)
Foreign exchange rate - Decreases by 5%	**1.31**	0.08

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Price risk exposure

The Company's exposure to price risk arises from investments held by the Company in the mutual fund units and classified as fair value through profit or loss. To manage its price risk arising from investments in mutual fund units, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. The exposure of the Company's mutual fund investments to security price changes at the end of the reporting period are as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in mutual fund units	**60.01**	139.24

Sensitivity Analysis:

The profit or loss is sensitive to market price as a result of changes in price of mutual funds.

Particulars	Impact on profit for the year ended	
	March 31, 2021	March 31, 2020
Market price - Increases by 5%	**3.00**	6.96
Market price - Decreases by 5%	**(3.00)**	(6.96)

Note 48 - During the year ended March 31, 2021 and March 31, 2020 no material foreseeable loss was incurred for any long-term contract including derivative contracts.

Note 49 - The Management has considered the possible effects that may arise out of the COVID-19 pandemic in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, to the extent relevant, while preparing these financial statements as of and for the year ended March 31, 2021. There is no material impact on these financial statements for the year ended March 31, 2021 owing to the pandemic. The eventual outcome of impact of the COVID 19 pandemic may be different from those estimated as on the date of approval of these financial statements.

Note 50 - The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been enacted. However, the date on which the Code will come into effect has not been notified. The Management will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective.

Note 51 - The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on April 29, 2021.

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGRO TECH FOODS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Agro Tech Foods Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of two subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1.	**Revenue recognition – Sale of goods** Refer Note 3 (h) "Revenue Recognition" of the Consolidated Financial Statements under Significant Accounting Policies. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations. The timing of revenue recognition is relevant to the reported performance of the Company. The Management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under: • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. • Evaluating the integrity of the general information and technology ("IT") control environment and testing the operating effectiveness of key IT application controls. • Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	• Testing the effectiveness of such controls over revenue cut-off at year end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued subsequent to the year end to determine whether revenue was recognised in correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

Information Other than the Financial Statements and Auditor's Report Thereon

i. The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors and Management Discussion & Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

iii. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the two subsidiaries is traced from their financial statements audited by the other auditors.

iv. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 142.26 million as at March 31, 2021, total revenues of ₹ 17.20 million and net cash inflows amounting to ₹ 4.41 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it related to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above, we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors)

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Rules,2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(F.R.N. 117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
UDIN: 21209354AAAAFV8074

Place :Secunderabad
Date : April 29, 2021

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **Agro Tech Foods Limited** (hereinafter referred to as "Parent"), Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the subsidiary company, which is incorporated in India and the operating effectiveness of such controls, under Section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiary company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 Parent'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 internal financial controls over financial reporting of the Parent 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Parent's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Parent 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.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N.117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
UDIN:21209354AAAAFV8074

Place : Secunderabad
Date : April 29, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
I Assets			
Non-current assets			
Property, plant and equipment	4	**2,584.22**	1,715.81
Capital work-in-progress	4	**79.37**	549.47
Right of use assets	5	**193.71**	221.16
Intangible assets	6	**172.08**	191.82
Other financial assets	7	**28.70**	24.78
Deferred tax assets (net)	33	**24.04**	22.97
Other non-current assets	8	**223.77**	269.67
Total non-current assets		**3,305.89**	2,995.68
Current assets			
Inventories	9	**1,225.40**	779.88
Financial assets			
(i) Investments	10	**60.01**	139.24
(ii) Trade receivables	11	**372.21**	749.36
(iii) Cash and cash equivalents	12(a)	**116.51**	50.54
(iv) Bank balances other than (iii) above	12(b)	**4.21**	4.24
(v) Other financial assets	13	**120.60**	121.68
Other current assets	14	**253.66**	231.55
Total current assets		**2,152.60**	2,076.49
Total assets		**5,458.49**	5,072.17
II Equity and liabilities			
Equity			
Equity share capital	15	**243.69**	243.69
Other equity	16	**4,116.68**	3,843.74
Total equity attributable to owners of the Company		**4,360.37**	4,087.43
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	**-**	37.60
(ii) Lease liabilities	18	**124.48**	144.59
Provisions	19	**21.48**	20.64
Deferred tax liabilities (net)	33	**109.69**	91.94
Total non-current liabilities		**255.65**	294.77
Current liabilities			
Financial liabilities			
(i) Trade payables	20		
- Total outstanding dues of micro enterprises and small enterprises		**143.09**	64.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**477.17**	418.31
(ii) Lease liabilities	21	**20.11**	16.86
(iii) Other financial liabilities	22	**100.01**	95.74
Other current liabilities	23	**70.29**	55.40
Provisions	24	**31.80**	39.26
Total current liabilities		**842.47**	689.97
Total equity and liabilities		**5,458.49**	5,072.17

The accompanying notes 1 to 51 are an integral part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354

Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**Revenue from operations**			
	Sale of products	25	**8,921.72**	8,347.40
	Other operating revenues	25	**3.56**	7.22
			8,925.28	8,354.62
II	Other income	26	**8.92**	34.19
III	**Total income (I+II)**		**8,934.20**	8,388.81
IV	**Expenses**			
	Cost of materials consumed	27	**5,132.18**	4,310.16
	Purchases of stock-in-trade	28	**1,180.50**	1,324.77
	Changes in inventories of finished goods and stock-in-trade	29	**(131.31)**	76.86
	Employee benefit expense	30	**589.81**	547.58
	Finance costs	31	**17.74**	17.68
	Depreciation and amortisation expense	4, 5, 6	**186.08**	193.88
	Other expenses	32	**1,530.94**	1,511.53
	Total expenses		**8,505.94**	7,982.46
V	**Profit before tax (III-IV)**		**428.26**	406.35
VI	**Tax expense**	33(a)		
	Current tax		**98.86**	113.00
	Deferred tax charge / (credit)		**16.68**	(45.13)
	Total tax expense		**115.54**	67.87
VII	**Profit for the year (V-VI)**		**312.72**	338.48
VIII	**Other comprehensive income/(loss)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the net defined benefit plans		**11.51**	(4.40)
	(ii) Income-tax relating to above	33(b)	**(2.77)**	1.11
	Items that will be reclassified subsequently to the statement of profit or loss			
	(i) Exchange differences in translating the financial statements of foreign subsidiaries		**(1.96)**	6.97
	Total Other comprehensive income/(loss)		**6.78**	3.68
IX	**Total comprehensive income for the year (VII+VIII)***		**319.50**	342.16
	*Attributable to owners of the Company			
	Earnings per share (of ₹ 10 each)	39		
	Basic (in ₹)		**13.21**	14.35
	Diluted (in ₹)		**13.17**	14.35

The accompanying notes 1 to 51 are an integral part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354

Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	**428.26**	406.35
Adjustments for:		
Depreciation and amortisation expense	**186.08**	193.88
(Gain) / Loss on sale/ retirement of property, plant and equipment (net)	**(0.23)**	1.94
Gain on disposal of investments in mutual funds units	**(2.99)**	(31.80)
Fair value gain on financial assets mandatorily measured at fair value through profit and loss	**(0.01)**	(0.24)
Interest income	**(4.54)**	(2.15)
Finance costs	**17.74**	17.68
Employee share based payment	**-**	(13.22)
Liabilities no longer required written back	**(1.15)**	-
Provision for doubtful debts (net)	**29.36**	0.55
Operating profit before working capital changes	**652.52**	572.99
Movement in working capital		
Adjustments for (increase) / decrease in operating assets		
Trade receivables	**347.79**	60.22
Inventories	**(445.52)**	60.37
Other financial assets	**(1.55)**	29.87
Other assets	**(9.49)**	(45.17)
Adjustments for increase / (decrease) in operating liabilitites		
Trade payables and other financial liabilities	**164.26**	(136.55)
Provisions	**3.97**	(17.53)
Other liabilities	**14.89**	22.86
Cash generated from operations	**726.87**	547.06
Income taxes paid (net)	**(102.95)**	(118.51)
Net cash generated from operating activities (A)	**623.92**	428.55
B. Cash flows from investing activities		
Purchase of property, plant and equipment	**(514.92)**	(685.04)
Proceeds from sale of property, plant and equipment	**4.26**	6.17
Interest received	**3.25**	0.37
Purchase of investments in mutual funds	**(1,110.00)**	(3,620.50)
Proceeds from sale of investments in mutual funds	**1,192.21**	3,863.96
Net cash (used in) investing activities (B)	**(425.20)**	(435.04)

CONSOLIDATED CASH FLOW STATEMENT (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash flows from financing activities		
Proceeds from term loans availed from bank	**-**	47.00
Repayment of term loan availed from bank	**(47.00)**	-
Proceeds from sale of treasury shares	**24.38**	65.88
Dividend paid (including dividend distribution tax)	**(70.94)**	(71.29)
Finance costs (including in relation to lease liability)	**(20.37)**	(20.97)
Repayment of lease liability	**(16.86)**	(14.84)
Net cash (used in) / from financing activities (C)	**(130.79)**	5.78
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**67.93**	(0.71)
Cash and cash equivalents at the beginning of the year	**50.54**	44.28
Exchange differences on translation of foreign currency	**(1.96)**	6.97
Cash and cash equivalents at end of the year (Refer Note 12 (a))	**116.51**	50.54

Notes:

1. The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
2. Reconciliation of liabilities from financing activities

Particulars	As at March 31, 2020	Ind AS 116 adoption	Cash inflow/ (outflow)	Non cash changes Current / Non current	As at March 31, 2021
Borrowings - Non current	**37.60**	**-**	**(37.60)**	**-**	**-**
Other financial liabilities	**9.40**	**-**	**(9.40)**	**-**	**-**
Lease liabilities	**161.45**	**-**	**(32.16)**	**15.30**	**144.59**

Particulars	As at March 31, 2019	Ind AS 116 adoption	Cash inflow/ (outflow)	Non cash changes Current / Non current	As at March 31, 2020
Borrowings - Non current	-	-	47.00	(9.40)	37.60
Other financial liabilities	-	-	-	9.40	9.40
Lease liabilities	-	176.29	(31.78)	16.94	161.45

The accompanying notes 1 to 51 are an integral part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018

Sumit Trivedi
Partner
Membership No.209354

Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

Consolidated Statement of changes in equity for the year ended March 31, 2021

(All amounts are in ₹ millions, except share data and where otherwise stated)

Equity share capital	Amount
Balance at March 31, 2019	**243.69**
Changes in equity share capital during the year	-
Balance at March 31, 2020	**243.69**
Changes in equity share capital during the year	-
Balance at March 31, 2021	**243.69**

Particulars	Reserves and surplus							Total equity attributable toequity holders of the Company	Total
	General Reserve	Securities premium	Retained earnings	Treasury Shares	Foreign currency translation reserve	Share options outstanding account	Agro Tech ESOP Trust (ATET) reserve		
Balance at March 31, 2019	145.75	721.29	2,904.54	(437.07)	4.12	163.51	18.07	3,520.21	3,520.21
Dividends (including dividend distribution tax) (Refer Note below)	-	-	(71.29)	-	-	-	-	(71.29)	(71.29)
Employee Share based payment (Refer Note 15(e))	-	-	-	-	-	(13.22)	-	(13.22)	(13.22)
Remeasurement of the net defined benefit obligation, net of tax effect	-	-	(3.29)	-	-	-	-	(3.29)	(3.29)
Loss on sale of shares transferred by trust	-	-	-	-	-	-	(3.78)	(3.78)	(3.78)
Sale of treasury shares during the year	-	-	-	69.66	-	-	-	69.66	69.66
Exercise of share options	1.46	-	-	-	-	(1.46)	-	-	-
Profit for the year	-	-	338.48	-	-	-	-	338.48	338.48
Exchange differences in translating the financial statements of foreign subsidiaries	-	-	-	-	6.97	-	-	6.97	6.97
Balance at March 31, 2020	147.21	721.29	3,168.44	(367.41)	11.09	148.83	14.29	3,843.74	3,843.74
Dividends (Refer Note below)	-	-	**(70.94)**	-	-	-	-	**(70.94)**	**(70.94)**
Remeasurement of the net defined benefit obligation, net of tax effect	-	-	**8.74**	-	-	-	-	**8.74**	**8.74**
Profit on sale of shares transferred by trust	-	-	-	-	-	-	**2.55**	**2.55**	**2.55**
Sale of treasury shares during the year	-	-	-	**21.83**	-	-	-	**21.83**	**21.83**
Exercise of share options	**8.80**	-	-	-	-	**(8.80)**	-	-	-
Profit for the year	-	-	**312.72**	-	-	-	-	**312.72**	**312.72**
Exchange differences in translating the financial statements of foreign subsidiaries	-	-	-	-	**(1.96)**	-	-	**(1.96)**	**(1.96)**
Balance at March 31, 2021	**156.01**	**721.29**	**3,418.96**	**(345.58)**	**9.13**	**140.03**	**16.84**	**4,116.68**	**4,116.68**

Note

Dividend on equity shares paid during the year	2020-21	2019-20
(i) Final dividend for FY 2019-20 (₹ 3 per equity share of ₹ 10 each) (For FY 2018-19 ₹ 2.50 per equity of ₹ 10 each)	**70.94**	58.77
(ii) Dividend distribution tax thereon *	-	12.52
	70.94	71.29

*The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is also subject to withholding tax at applicable rates.

The Board of Directors at its meeting held on April 29, 2021 have recommended a final dividend of ₹ 3 per equity share of face value of ₹ 10 each for the financial year ended March 31, 2021. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

The accompanying notes 1 to 51 are an integral part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
F.R.N: 117366W/W-100018
Sumit Trivedi
Partner
Membership No.209354
Place: Secunderabad
Date: April 29, 2021

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place: Gurugram
Date: April 29, 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ millions, except share data and where otherwise stated)

1 Group information

Agro Tech Foods Limited ('the Parent 'or 'the Company') is a company domiciled in India, with its registered office situated at 31, Sarojini Devi Road, Secunderabad, Telangana - 500 003, India. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily engaged in the business of manufacturing and trading of edible oils and food products.

The Consolidated Financial Statements of the Company for the year ended March 31, 2021 comprise the Company (Agro Tech Foods Limited) and its wholly owned subsidiaries - Sundrop Foods India Private Limited (incorporated in India), Agro Tech Foods (Bangladesh) Pvt. Ltd. (incorporated in Bangladesh) and Sundrop Foods Lanka (Private) Limited (incorporated in Srilanka). These entities have together been referred to as the 'Group'.

2 Basis of preparation

A. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. The financial statements have also been prepared in accordance with the relevant presentation requirments of the Act.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest millions unless otherwise indicated.

C. Basis of prepratation and presentation

These consolidated financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

D. Operating Cycle

All assets have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

E. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements.

i) Useful lives 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 expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Revision to accounting estmates on such reassessment are recognised in the period in which the estmate is revised if that revision effects only that period or in the period of the revision and future periods if the revision effects both current and future periods.

(All amounts are in ₹ millions, except share data and where otherwise stated)

ii) Acturial valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the consolidated financial statements.

iii) Impairment of intangible assets having indefinite useful life

Intangible assets with indefinite life are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

iv) Fair value measurement of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Group also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 15 (e) - Share based payments;
- Note 46 - Financial instruments.

v) Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

vi) Other estimates

The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period.

Specifically, the Group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

vii) Estimation uncertainty relating to COVID-19 outbreak:

The Company has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables, intangible assets, investments and inventories. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

3. Significant accounting policies

(a) Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

ii. Transactions eliminated on consolidation

Intra - Group balances and transactions, and any unrealised income and expenses arising from intra - Group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the Investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

iii. Subsidiaries considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Ownership interest (in %)	
		As at March 31, 2021	As at March 31, 2020
Subsidiary companies:			
Sundrop Foods India Private Limited	India	**100**	100
Agro Tech Foods (Bangladesh) Pvt. Ltd	Bangladesh	**100**	100
Sundrop Foods Lanka (Private) Limited	Srilanka	**100**	100

iv. Principles of consolidation

These Consolidated Financial Statements have been prepared by consolidation of the financial statements of the Company and its subsidiaries on a line-by-line basis after fully eliminating the inter-company transactions.

(b) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment, are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes (other than those subsequently recoverable from the tax authorities), after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful life of assets estimated by internal assessment and technical valuation carried out wherever necessary, and is recognised in the statement of profit and loss. Depreciation for assets purchased/sold during the period is proportionately charged.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful Life
Buildings Buildings (other than factory buildings) other than RCC frame structure Factory buildings Fences, wells, tube-wells	 30 years 30 years to 40 years 5 years
Roads Carpeted Roads - RCC	 10 years
Plant and Machinery Plant and Machinery other than continuous process plant	 15 years to 20 years
Furniture and fittings	10 years
Motor vehicles Motor buses, motor lorries and motor cars*	 5 years
Office equipment	5 years
Computers and data processing units servers and networks* End-user devices such as desktops, laptops etc.*	 5 years 2 to 5 years
Laboratory Equipment	10 years
Electrical installations and equipment	10 years
Servers and networks*	5 years
Handsets*	2 years
Assets given to employees under a scheme*	5 years

* The Group believes the useful lives as given above best represent the useful life of these assets based on internal assessment and technical evaluation carried out where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Freehold land is not depreciated.

Leasehold improvements are amortised over a period of the lease or useful life of asset whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end. If as a result of this reassessment, there is a change from previous estimate, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

(c) Intangible assets

Intangible assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Useful life and Amortisation

Amortisation of intangible assets having finite useful lives is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

Asset	Useful life
Computer software	5 to 10 years

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Intangible assets that have an indefinite useful life are not subjected to amortisation and are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

(d) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(All amounts are in ₹ millions, except share data and where otherwise stated)

(e) Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether, (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

(f) Inventories

Inventories are valued at the lower of weighted average cost (including direct cost, non recoverable taxes / duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value. The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Work-in-progress is valued at input material cost plus conversion cost as applicable.

Stock-in-trade is valued at the lower of net realisable value and cost (including direct cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a moving weighted average basis.

Finished goods are valued at lower of net realisable value and cost (including direct cost, duties and other overheads incurred in bringing

(All amounts are in ₹ millions, except share data and where otherwise stated)

the inventories to their present location and condition).

Goods-in-transit/with third parties and at godowns are valued at cost which represents the costs incurred upto the stage at which the goods are in transit with third parties and at godowns.

(g) Financial instruments

i. Recognition and initial measurement

The Group initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognised in the Consolidated Statement of Profit or Loss. The net gain or loss recognised in the Consolidated Statement of Profit or Loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item.

Financial liabilities

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability.

Other financial liabilities are subsequently carried at amortised cost using the effective interest method.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Impairment

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group 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 Group 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 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.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(h) Revenue recognition

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations.

Revenue is measured at fair value of the consideration received or receivable, after deducting any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Returns, discounts, allowances and rebates are estimated using judgement based on historical experience and the specific terms of the arrangement with the customers.

Other income:

Interest income is recognized using the effective interest rate (EIR) method. Dividend income on investments is recognised when the right to receive dividend is established.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life"of the financial instrument to:

a. the gross carrying amount of financial asset; or
b. the amortised cost of financial liability

(i) Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date of the transaction. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. 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.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in consolidated statement of Other Comprehensive Income ('OCI'). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the Consolidated Statement of Profit and Loss.

(j) Income-tax

Income-tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set-off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and the relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(k) Provisions and contingent liabilities

i. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, 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 recognised as a finance cost.

ii. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous Contracts

Provision for onerous contracts i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be recognised to settle a present obligation as a result of an obligating event based on the reliable estimate of such an obligation.

(l) Employee benefits

i. Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Other long-term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at 31st March every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

iv. Voluntary retirement scheme benefits

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

(m) Share-based payments

Employees of the Parent Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. The Parent Company has availed exemption given under Ind AS 101 and has not

(All amounts are in ₹ millions, except share data and where otherwise stated)

applied the fair value to the equity instruments that were vested before the date of transition to Ind AS i.e. 1 April 2016.

(n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities as on Balance Sheet date.

(o) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(q) Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Group incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the statement of profit and loss within finance costs of the period in which they are incurred.

(r) Treasury shares

The Parent Company has created an Employee Welfare Trust – Agro Tech ESOP Trust (`ATET') for implementation of the schemes that are notified or may be notified from time to time by the Parent Company under the plan, providing share based payment to its employees. ATET purchases shares of the Parent Company out of funds borrowed from the Parent Company . The Parent Company treats ATET as its extension and shares held by ATET are treated as treasury shares. Own equity instruments (treasury shares) are recognised at cost and deducted from equity. Profit on sale of treasury shares by ATET is recognised in ATET reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 4 - Property, plant and equipment and capital work-in-progress

(All amounts are in ₹ millions, except share data and where otherwise stated)

Description	Gross carrying amount (at cost or deemed cost)					Accumulated depreciation					Net carrying amount
	As at 1 April 2020	Exchange differences	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	Exchange differences	Depreciation for the year	Disposals	As at 31 March 2021	As at 31 March 2021
Freehold land	111.75	(0.35)	-	-	111.40	-	-	-	-	-	111.40
Buildings	638.87	(1.02)	474.16	-	1,112.01	84.30	(0.17)	23.31	-	107.44	1,004.57
Roads	38.74	-	5.74	-	44.48	16.35	-	4.68	-	21.03	23.45
Plant and equipment	1,049.59	(0.50)	459.40	5.67	1,502.82	207.92	(0.15)	62.14	2.05	267.86	1,234.96
Laboratory equipment	25.25	-	5.80	0.02	31.03	11.57	-	3.28	0.01	14.84	16.19
Furniture and fixtures	104.66	(0.01)	12.43	0.01	117.07	34.40	(0.01)	11.81	0.01	46.19	70.88
Office equipment	35.99	-	10.58	-	46.57	22.13	-	4.12	-	26.25	20.32
Electrical equipment	98.05	-	19.49	-	117.54	44.11	-	12.75	-	56.86	60.68
Computer and data processing equipment	117.58	-	23.45	7.31	133.72	88.53	-	14.39	6.91	96.01	37.71
Leasehold improvements - Buildings	9.53	-	-	-	9.53	6.11	-	0.36	-	6.47	3.06
Leasehold improvements - Electrical equipment	4.13	-	-	-	4.13	3.85	-	0.04	-	3.89	0.24
Leasehold improvements - Furniture and fixtures	8.79	-	-	-	8.79	7.85	0.01	0.17	-	8.03	0.76
Total	**2,242.93**	**(1.88)**	**1,011.05**	**13.01**	**3,239.09**	**527.12**	**(0.32)**	**137.05**	**8.98**	**654.87**	**2,584.22**
Add: Capital work-in-progress											**79.37**
Grand Total											**2,663.59**

Description	Gross carrying amount (at cost or deemed cost)					Accumulated depreciation					Net Carrying amount
	As at 1 April 2019	Exchange differences	Additions	Disposals	As at 31 March 2020	As at 1 April 2019	Exchange differences	Depreciation for the year	Disposals	As at 31 March 2020	As at 31 March 2020
Freehold land	110.50	1.25	-	-	111.75	-	-	-	-	-	111.75
Buildings	621.59	3.89	14.50	1.11	638.87	60.40	0.55	23.50	0.15	84.30	554.57
Roads	38.74	-	-	-	38.74	11.94	-	4.41	-	16.35	22.39
Plant and equipment	855.70	1.91	195.16	3.18	1,049.59	139.54	0.47	68.95	1.04	207.92	841.67
Laboratory equipment	20.89	-	4.37	0.01	25.25	8.50	-	3.08	0.01	11.57	13.68
Furniture and fixtures	76.98	0.04	27.64	-	104.66	23.92	0.02	10.46	-	34.40	70.26
Office equipment	29.02	0.01	7.44	0.48	35.99	18.58	-	3.89	0.34	22.13	13.86
Electrical equipment	89.15	-	8.90	-	98.05	32.03	-	12.08	-	44.11	53.94
Computer and data processing equipment	110.29	0.02	10.33	3.06	117.58	74.53	0.01	16.84	2.85	88.53	29.05
Leasehold improvements - Buildings	9.48	-	0.29	0.24	9.53	5.82	-	0.49	0.20	6.11	3.42
Leasehold improvements - Electrical equipment	4.13	-	0.08	0.08	4.13	3.80	-	0.12	0.07	3.85	0.28
Leasehold improvements - Furniture and fixtures	8.82	-	0.01	0.04	8.79	7.49	-	0.40	0.04	7.85	0.94
Total	1,975.29	7.12	268.72	8.20	2,242.93	386.55	1.05	144.22	4.70	527.12	1,715.81
Add: Capital work-in-progress											549.47
Grand Total											2,265.28

Notes:
(a) The amount of revenue expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in progress) in the course of construction is ₹ 6.82 (March 31, 2020: ₹ 6.75) .

(b) Property, plant and equipment includes borrowing cost of ₹ 2.22; March 31, 2020 - ₹ 3.70 included in Capital work-in-progress.

(c) Refer Note 34 (i) for disclosure of contractual commitments for acquisitions of property, plant and equipment.

(d) The Management based on technical evaluation has reassessed and revised the useful lives of factory buildings and certain Plant and equipment. This change in useful lives of the said assets has been accounted for as a change in accounting estimate and has been recognised prospectively with effect from April 1, 2020. The impact of the change is lower depreciation of ₹ 25.40 for the year ended March 31, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 5 - Right of use asset

(All amounts are in ₹ millions, except share data and where otherwise stated)

Description	Gross carrying amount				Accumulated Depreciation				Net Carrying amount
	As at April 1, 2020	Additions / Adjustments	Disposals	As at March 31, 2021	As at April 1, 2020	Depreciation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Leasehold land (Refer Note (i) below)	60.23	-	-	60.23	0.69	0.66	-	1.35	58.88
Buildings	188.48	-	-	188.48	26.86	26.79	-	53.65	134.83
Total	**248.71**	-	-	**248.71**	**27.55**	**27.45**	-	**55.00**	**193.71**

Description	Gross carrying amount				Accumulated Depreciation				Net Carrying amount
	As at April 1, 2019 on transition to Ind AS 116	Additions / Adjustments	Disposals	As at March 31, 2020	As at April 1, 2019	Depreciation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Leasehold land (Refer Note (i) below)	-	60.23	-	60.23	-	0.69	-	0.69	59.54
Buildings	188.48	-	-	188.48	-	26.86	-	26.86	161.62
Total	188.48	60.23	-	248.71	-	27.55	-	27.55	221.16

Note:

(i) Leasehold land represents 1,00,000 sq. mts. of land taken on lease for a period of 99 years by the Parent Company under a license agreement from Gujarat Industrial Development Corporation (GIDC). The lease deed in respect of the said land is pending registration.

(ii) Also Refer Note 35

Note 6 - Intangible assets

Description	Gross carrying amount (at cost or deemed cost)				Accumulated Amortisation				Net Carrying amount
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Trademarks (Refer Note below)	122.16	-	-	122.16	-	-	-	-	122.16
Computer software	179.72	1.84	-	181.56	110.06	21.58	-	131.64	49.92
Total	**301.88**	**1.84**	-	**303.72**	**110.06**	**21.58**	-	**131.64**	**172.08**

Description	Gross carrying amount (at cost or deemed cost)				Accumulated Amortisation				Net Carrying amount
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Amortisation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Trademarks (Refer Note below)	122.16	-	-	122.16	-	-	-	-	122.16
Computer software	179.72	-	-	179.72	87.95	22.11	-	110.06	69.66
Total	301.88	-	-	301.88	87.95	22.11	-	110.06	191.82

Notes:

Trademarks represent the purchase consideration paid for the brand 'Sundrop'. As estimated by the Management, this trademark has an indefinite useful life. Hence, the same is not amortised as per Ind AS 36 "Impairment of Assets" and only tested for impairment annually. Also refer Note 36.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 7 - Other non current financials assets		
Security deposits		
Unsecured, considered good	**28.70**	24.78
Unsecured, considered doubtful	**-**	0.56
Less: Allowance for doubtful deposits	**-**	(0.56)
Total	**28.70**	24.78
Note 8 - Other non-current assets		
Capital advances	**51.01**	86.53
Advances other than capital advances		
- Advances with Government, public bodies and others	**73.44**	72.38
- Other advances (includes commercial advances and prepaid expenses)	**0.41**	14.09
- Income-tax assets (net)	**98.91**	96.67
Considered doubtful:		
Advances with Government and public bodies	**-**	6.12
Other advances	**-**	34.32
Less: Allowance for doubtful advances	**-**	(40.44)
Total	**223.77**	269.67
Note 9 - Inventories		
Raw materials	**607.84**	362.41
Raw materials in transit	**37.04**	9.21
Packing materials	**135.33**	95.92
Packing materials in transit	**12.36**	10.82
Finished goods	**404.83**	272.04
Finished goods in transit	**26.39**	24.47
Stock-in-trade	**1.61**	5.01
Total	**1,225.40**	779.88

Notes

(i) The consumption of inventories recognised as an expense during the year has been disclosed in Notes 27, 28, 29 and 32.

(ii) The consumption of inventories recognised as an expense includes ₹ 0.46 (during 2019-20: ₹ Nil) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2019-20 : ₹ Nil) in respect of reversal of such write-downs.

(iii) Refer Note 3(f) for method of valuation for inventories.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 10 - Current investments		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
BNP Paribas Liquid Fund-Direct Growth 18,950.766 units of ₹ 3,166.8757 each (March 31, 2020: 26,174.429 units of ₹ 3,057.5713 each)	**60.01**	80.03
HDFC Liquid Fund-Direct Plan-Growth Option Nil (March 31, 2020: 12,807.929 units of ₹ 3,906.6111 each)	**-**	50.04
Baroda Liquid Fund - Plan B Growth Nil (March 31, 2020: 4,004.776 units of ₹ 2,289.2695 each)	**-**	9.17
Total	**60.01**	139.24
Aggregate book value of quoted investments - at cost	**60.00**	139.00
Aggregate market value of quoted investments	**60.01**	139.24
Note 11 - Trade receivables		
Unsecured, considered good	**372.21**	749.36
Doubtful	**85.00**	55.64
Less: Allowance for doubtful receivable	**(85.00)**	(55.64)
Total	**372.21**	749.36

Notes:

(i) The average credit period for the customers is in the range of 7 days to 30 days depending on customer groups.

(ii) Of the trade receivables balance ₹ 143.48 (as at March 31, 2020 : ₹ 467.62) is due from two of the Company's large customers. There are no other customers who represent more than 10% of the total balance of trade receivables.

(iii) The Group has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provisioning matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

(iv) Movement in the expected credit loss allowance	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**55.64**	56.25
Movement in expected credit loss allowance on trade receivables (net)	**29.36**	(0.61)
Balance at the end of the year	**85.00**	55.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 12 - Cash and bank balances		
(a) Cash and cash equivalents:		
Balances with banks - in current accounts	**49.61**	42.99
Balances with banks- in deposit accounts	**66.90**	0.40
Cheques on hand	**-**	7.15
Total	**116.51**	50.54
(b) Other bank balances:		
Balances held as margin money against guarantees given	**0.87**	0.87
Unpaid dividend accounts	**3.34**	3.37
Total	**4.21**	4.24
Note 13 - Other financial assets		
Insurance claims receivable (Refer Note 37)	**113.79**	114.38
Others (including security deposits, loan to employees and interest accrued)	**6.81**	7.30
Total	**120.60**	121.68
Note 14 - Other current assets		
Balances with government authorities	**205.15**	177.17
Advances (includes commercial advances, employee advances and prepaid expenses)	**48.51**	54.38
Total	**253.66**	231.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 15 - Share capital		
Authorised		
Equity shares 25,000,000 (March 31, 2020: 25,000,000), equity shares of ₹ 10 each	**250.00**	250.00
Preference shares 1,000,000 (March 31, 2020: 1,000,000), cumulative redeemable preference shares of ₹ 100 each	**100.00**	100.00
	350.00	350.00
Issued		
Equity shares 24,372,139 (March 31, 2020: 24,372,139), equity shares of ₹ 10 each	**243.72**	243.72
	243.72	243.72
Subscribed and fully paid-up		
Equity shares fully paid 24,369,264 (March 31, 2020: 24,369,264), equity shares of ₹ 10 each fully paid up	**243.69**	243.69
	243.69	243.69

Rights, preferences and restrictions attached to the equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to their share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes:

(a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**Amount in ₹ millions**	Number of shares	Amount in ₹ millions
Holding Company				
CAG Tech (Mauritius) Limited*	**12,616,619**	**126.17**	12,616,619	126.17
	12,616,619	**126.17**	12,616,619	126.17

* CAG Tech (Mauritius) Limited is the Holding Company and is an indirect subsidiary of Conagra Brands Inc. (formerly known as ConAgra Foods Inc.) (The Ultimate Holding Company).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(b) Details of shareholders holding more than 5% of total number of equity shares:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**% of holding**	Number of shares	% of holding
CAG Tech (Mauritius) Limited*	**12,616,619**	**51.77**	12,616,619	51.77
Pari Washington India Master Fund, Ltd.	**1,724,510**	**7.08**	1,902,565	7.81

* CAG Tech (Mauritius) Limited is the Holding Company and is an indirect subsidiary of Conagra Brands Inc. (formerly known as ConAgra Foods Inc.) (The Ultimate Holding Company).

(c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	**Amount in ₹ millions**	Number of shares	Amount in ₹ millions
Balance at the beginning of the reporting year	**24,369,264**	**243.69**	24,369,264	243.69
Shares issued during the year	**-**	**-**	-	-
Balance at the end of the reporting year	**24,369,264**	**243.69**	24,369,264	243.69

(d) During the five previous financial years ended March 31, 2021, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

(e) Share based payments

The Company instituted the "Agro Tech Employee Stock Option Plan" ('Plan') to grant equity based incentives to its eligible employees. The Company has established a trust called the Agro Tech ESOP Trust ("Trust") to implement the Plan. The Company has given advance to the Trust for purchase of the Company's shares and such advance outstanding as at March 31, 2021 is ₹ 311.14 (₹ 333.11 as at March 31, 2020).

Under the plan a maximum of 23,436,926 options will be granted to the eligible employees. All these options are planned to be settled in equity at the time of exercise at the option of the employee. These options have an exercise price of ₹ 561.00, ₹ 597.55 and ₹ 589.75 per share granted during the years ended March 31, 2014, March 31, 2015 and March 31, 2016 respectively and vests on a graded basis as follows:

Vesting period from the grant date	**Vesting schedule**
On completion of 12 months	25%
On completion of 24 months	25%
On completion of 36 months	25%
On completion of 48 months	25%

Stock option activity under the plan was as follows:

Movement in the options under the scheme:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Options outstanding at the beginning of the year	**722,873**	791,927
Options granted during the year	**-**	-
Options exercised during the year	**(41,095)**	(5,750)
Options forfeited during the year	**(1,850)**	(63,304)
Options outstanding at the end of the year	**679,928**	722,873

Fair value Measurement:

The fair value of the employee share based payment is determined using the Black Scholes model on the date of grant. No new grants have been issued during the year ended March 31, 2021 and March 31, 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 16 - Other equity		
(a) General reserve	**156.01**	147.21
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
(b) Securities premium	**721.29**	721.29
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(c) Retained earnings	**3,418.96**	3,168.44
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(d) Share options outstanding amount	**140.03**	148.83
Share option outstanding account relates to the share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise/forfeiture of the underlying options.		
(e) Treasury Shares	**(345.58)**	(367.41)
Represents the outstanding number of shares options which are yet to be exercised by the employees to whom those share options have been granted.		
(f) Agro Tech ESOP Trust (ATET reserve)	**16.84**	14.29
Represents the profit/loss earned by the Agro Tech ESOP trust on exercise of the share options and on disposal of forfeited share options.		
(g) Foreign currency translation reserve	**9.13**	11.09
This reserve contains balance of foreign exchange differences from translation of financial statements of the Group's foreign subsidiaries arising at time of consolidation of such subsidiaries. Exchange differences accounted in this reserve are reclassified to profit or loss on the disposal of the foreign subsidiaries.		
Total	**4,116.68**	3,843.74

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 17 - Non-current borrowings		
Secured - at amortised cost		
Term loan from bank	-	47.00
Less: Current maturities of long term borrowing disclosed under Note 22 - Other financial liabilities - Current	-	9.40
Total	-	37.60

Note:

Term loan from bank taken for setting up plant at Chittoor was entirely repaid in the current year.

Particulars	As at March 31, 2021	As at March 31, 2020
Note 18 - Non-current lease liabilities		
Lease liabilities (Refer Note 35)	**124.48**	144.59
Total	**124.48**	144.59
Note 19 - Non-current provisions		
Provision for employee benefits		
Compensated absences	**21.48**	19.92
Gratuity (Refer Note 45)	-	0.72
Total	**21.48**	20.64
Note 20 - Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note (i) below)	**143.09**	64.40
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note (ii) below)	**477.17**	418.31
Total	**620.26**	482.71

Notes:

(i) The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at reporting date has been made in the consolidated financial statements based on information received and available with the Group and has been relied upon by the auditors.

Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") is not expected to be material. The Group has not received any claim for interest from any supplier under the said Act.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Based on and to the extent of information available with the Group under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Principal amount due to suppliers under MSMED Act, as at the end of the year	**143.09**	64.40
(b) Interest accrued and due to suppliers under MSMED Act, on the above amount as at the end of the year	**-**	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	**-**	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	**-**	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	**-**	-
(f) Interest due and payable to suppliers under MSMED Act, for payments already made	**-**	-
(g) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (b) + (f)	**-**	-

(ii) Includes payables to related parties as disclosed under Note 41.
(iii) Information about Group exposure to currency and liquidity risks related to the trade payables are included in Note 46.

Note 21 - Lease liabilities

Lease liabilities (Refer Note 35)	**20.11**	16.86
Total	**20.11**	16.86

Note 22 - Other financial liabilities

Current maturities of long term borrowing (Refer Note 17)	**-**	9.40
Payables for purchase of property, plant and equipment	**6.03**	17.48
Unclaimed dividends	**3.34**	3.37
Payroll related liabilities	**36.67**	22.89
Other liabilities (includes outstanding liabilities for trade schemes etc.)	**53.97**	42.19
Interest accrued but not due	**-**	0.41
Total	**100.01**	95.74

Information about Group's exposure to currency and liquidity risks related to the above financial liabilities are included in Note 46.

Note 23 - Other current liabilities

Advance from customers	**26.80**	28.87
Statutory liabilities (including GST, provident fund, TDS etc.)	**43.49**	26.53
Total	**70.29**	55.40

Note 24 - Provisions

Provision for employee benefits:		
Gratuity (Refer Note 45)	**1.12**	11.79
Compensated absences	**7.95**	6.22
Others:		
Provision for indirect tax matters (Refer Note below)	**20.27**	19.71
Current tax liabilities (net)	**2.46**	1.54
Total	**31.80**	39.26

Note:

Movement of provision for indirect tax matters

Opening balance	**19.71**	41.88
Provision created/(utilised) (net)	**0.56**	(22.17)
Closing balance	**20.27**	19.71

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 25 - Revenue from operations		
Sale of products	**8,921.72**	8,347.40
Other operating revenues	**3.56**	7.22
Total	**8,925.28**	8,354.62
Note:		
(i) The Company disaggregates revenue from contracts with customers by geography. Disaggregation of revenue by geography is not an operating segment as disclosed in Note 40.		
Location		
India	**8,880.41**	8,308.95
Outside India	**41.31**	38.45
Total	**8,921.72**	8,347.40
Geographical revenue is allocated based on the location of customers.		
(ii) Reconciliation of gross revenue from contracts with customers		
Gross Revenue	**9,302.43**	8,760.29
Less : Trade allowances and rebates	**380.71**	412.89
Net revenue recognised during the year	**8,921.72**	8,347.40
Note 26 - Other income		
Gain on property, plant and equipment discarded/sold (net)	**0.23**	-
Gain on disposal of mutual funds units	**2.99**	31.80
Provisions and liabilities no longer required written back, (net)	**1.15**	-
Fair value gain on financial assets mandatorily measured at fair value through profit and loss	**0.01**	0.24
Interest income from deposits with banks and others	**4.54**	2.15
Total	**8.92**	34.19
Note 27 - Cost of materials consumed		
Opening stock		
Raw materials (including material in transit)	**371.62**	366.53
Packing materials (including material in transit)	**106.74**	95.34
Add: Purchases		
Raw materials	**4,786.51**	3,735.10
Packing materials	**659.88**	591.55
Less: Closing stock		
Raw materials (including materials in transit)	**644.88**	371.62
Packing materials (including materials in transit)	**147.69**	106.74
Total	**5,132.18**	4,310.16
Note 28 - Purchase of stock-in-trade		
Stock-in-trade	**1,180.50**	1,324.77
Total	**1,180.50**	1,324.77
Note 29 - Changes in inventories of finished goods and stock-in-trade		
Opening stock:		
Finished goods (including materials in transit)	**296.51**	373.69
Stock-in-trade	**5.01**	4.69
Closing stock:		
Finished goods (including materials in transit)	**431.22**	296.51
Stock-in-trade	**1.61**	5.01
(Increase)/Decrease in finished goods and stock-in-trade	**(131.31)**	76.86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 30 - Employee benefit expense		
Salaries, wages and bonus	**523.62**	494.39
Contribution to provident and other funds (Refer Note 45)	**52.19**	49.23
Employee share based payment expense	**-**	(13.22)
Staff welfare expenses	**14.00**	17.18
Total	**589.81**	547.58
Note 31 - Finance costs		
Interest on bank borrowings	**4.66**	4.44
Less: Amount capitalised (Refer Note 4)	**(2.22)**	(3.70)
Other interest expenses (Refer Note 35)	**15.30**	16.94
Total	**17.74**	17.68
Note 32 - Other expenses		
Consumption of stores and spares	**36.75**	24.77
Power and fuel	**68.55**	59.10
Processing charges	**113.86**	86.24
Rent	**197.81**	217.21
Rates and taxes	**23.16**	25.69
Repairs and maintenance:		
- Machinery	**5.12**	6.94
- Buildings	**0.64**	0.06
- Others	**20.55**	25.32
Insurance	**24.33**	19.73
Printing and stationery	**2.35**	3.04
Software expenses	**22.15**	23.30
Communication expenses	**14.59**	17.94
Travelling expenses	**25.63**	101.78
Auditors' remuneration (Refer Note 38)	**6.60**	6.66
Outward freight	**372.78**	369.33
Brokerage/commission	**34.05**	29.75
Distribution expenses	**86.30**	125.73
Legal and professional charges	**37.58**	46.27
Advertisement and sales promotion	**231.88**	186.46
Royalty	**69.89**	29.82
Bad debts written off	**-**	1.16
Less: Provision reversed	**-**	(1.16)
Provision for doubtful debts	**29.36**	0.55
Loss on sale/retirement of property, plant and equipment (net)	**-**	1.94
Advances written off	**39.85**	-
Less: Provision reversed	**(39.85)**	-
(Gain)/Loss on foreign currency transactions (net)	**1.59**	(0.39)
Bank charges	**0.72**	0.87
Miscellaneous expenses (See Note below)	**104.70**	103.42
Total	**1,530.94**	1,511.53

Note: Refer Note 42 for details on Corporate Social Responsibility

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 33 - Income-tax

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Amounts recognised in the statement of profit and loss		
Tax expense for the year		
Current Tax	**100.44**	110.49
Tax in respect of earlier years	**(1.58)**	2.51
	98.86	113.00
Deferred tax charge / (credit)	**16.88**	(45.13)
MAT credit	**(0.20)**	-
Total	**115.54**	67.87
(b) Amounts recognised in other comprehensive income		
Tax effect on remeasurement of defined benefit plans	**2.77**	(1.11)
Total	**2.77**	(1.11)
(c) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	**428.26**	406.35
Tax using the Group's domestic tax rate	**105.68**	102.08
Tax effect of:		
Change in income tax rate*	**1.00**	(38.12)
Adjustment of tax relating to the earlier years	**(1.58)**	2.51
Effect of available benefit	**(0.48)**	-
MAT credit entitlement	**(0.20)**	-
Deferred tax credit for deduction of Section 80JJAA of the Income-tax Act,1961	**-**	(0.84)
Tax effects of amounts which are not deductible in determining taxable profit	**11.12**	2.24
	115.54	67.87

Note:

*During the current year, the corporate tax rate in Bangladesh was reduced from 35% to 32.5% through Finance Act, 2020. Accordingly, the subsidiary has re-measured its deferred tax asset (net) based on the rate of 32.5% as prescribed in the Act. The Parent Company, during the previous year elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Parent Company had recognized provision for Income-tax for the year ended March 31, 2020 and re-measured its deferred tax liabilities (net) based on the rate of 22% plus surcharge and cess as prescribed in the Income Tax Act.

(d) Deferred tax liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	**24.04**	22.97
Deferred tax liabilities	**(109.69)**	(91.94)
Total	**(85.65)**	(68.97)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

2020-21

Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in Statement of Profit and Loss	Closing balance
On provision for doubtful debts and advances	**22.05**	**(0.66)**	**21.39**
On expenditure allowed on payment basis	**11.83**	**0.97**	**12.80**
Property, plant and equipment	**(138.12)**	**(8.06)**	**(146.18)**
Others	**2.75**	**2.21**	**4.96**
MAT credit entitlement	**2.31**	**0.20**	**2.51**
Unabsorbed loss of Agro Tech Foods (Bangladesh) Pvt. Ltd.	**26.11**	**(12.18)**	**13.93**
Unabsorbed loss of Sundrop Foods Lanka (Private) Limited	**4.10**	**0.84**	**4.94**
Total	**(68.97)**	**(16.68)**	**(85.65)**

2019-20

Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in Statement of Profit and Loss	Closing balance
On provision for doubtful debts and advances	30.82	(8.77)	22.05
On expenditure allowed on payment basis	15.48	(3.65)	11.83
Property, plant and equipment	(184.11)	45.99	(138.12)
Others	0.06	2.69	2.75
MAT credit entitlement	2.31	-	2.31
Unabsorbed loss of Agro Tech Foods (Bangladesh) Pvt. Ltd.	20.07	6.04	26.11
Unabsorbed loss of Sundrop Foods Lanka (Private) Limited	1.27	2.83	4.10
Total	(114.10)	45.13	(68.97)

Note 34 - Contingent liabilities and commitments:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**61.67**	196.21
(ii) Contingent liabilities (to the extent not provided for):		
Contingent liabilities:		
Claims against the Group not acknowledged as debts in respect of :		
- Indirect tax and direct tax matters, under dispute	**133.06**	252.65
- Other matters, under dispute	**0.50**	0.50

Note:

The Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before various tax authorities. The amounts included above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such dispute. The Groups's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial conditions. The Group has accrued appropriate provision wherever required.

Note 35 - Leases

Effective April 1, 2019, the Group adopted Ind AS 116, Leases using the modified respective approach. On transition, the adoption of the new standard resulted in recognition of right-of-use assets amounting to ₹ 188.48 and lease liability amounting to ₹ 176.29. During the year ended March 31, 2021, the Group has recognised interest expense on lease amounting to ₹ 15.30 (2019-20 ₹ 16.94), and depreciation on right-of-use assets amounting to ₹ 27.45 (2019-20 ₹ 27.55).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) The following is the breakup of current and non current lease liabilities as on March 31, 2021		
Current lease liabilities	**20.11**	16.86
Non current lease liabilities	**124.48**	144.59
	144.59	161.45
(ii) The following is the movement in the lease liabilities during the year ended March 31, 2021		
Balance at the beginning	**161.45**	176.29
Finance cost accrued during the year	**15.30**	16.94
Payment of lease liabilities (including finance cost)	**(32.16)**	(31.78)
Balance at the end	**144.59**	161.45
(iii) Maturity analysis of lease liabilities as at March 31, 2021		
Less than one year	**20.11**	16.86
One to five years	**78.15**	75.23
More than five years	**46.33**	69.36
Total lease liabilities as at March 31, 2021	**144.59**	161.45

Note 36 - Intangible assets - Trademarks

Trademarks represent the purchase consideration paid for brand "Sundrop". Sundrop brand has been assessed to have an indefinite useful life and therefore measured at cost and not subject to amortisation, but tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. On the Balance Sheet date, the Management reassesses the value of brand through an independent valuer to ensure that the recoverable amount of the asset is not lower than its carrying amount. Key assumptions used in the estimation of the recoverable amount are set out below:

Particulars	As at March 31, 2021	As at March 31, 2020
Pre tax discount rate	**19.70%**	21.40%
Terminal growth rate	**4.00%**	4.00%

The Management believes that any reasonable possible change in the key assumptions that would not cause the carrying amount to exceed the recoverable amount of the asset.

Note 37 - Insurance claims receivable

On November 4, 2018, a fire broke out at one of the manufacturing facilities of the Parent Company which caused damage to the Parent Company's property, plant, and equipment and inventory. The Parent Company lodged a claim with the insurance company for losses suffered which is under process by the insurance company. The Parent Company had recorded a loss of ₹ 251.76 arising from such incident for the year ended March 31, 2019. Further, the Parent Company had also recognised a minimum insurance claim receivable for equivalent amounts and disclosed these under other financial assets. The Parent Company has received payment aggregating ₹ 126.48 from the insurance company and ₹ 6.77 from sale of scrap till March 31, 2021. The same has been adjusted with the amount recoverable from the insurance company. The Parent Company has made final submission to the Insurance Company and as confirmed by the insurance company, prima-facie, the claim submission and progress is satisfactory and they do not find any concern in processing of the claim.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 38 - Auditors' remuneration (excluding GST):

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
To Statutory auditor		
Statutory audit fee#	**3.33**	3.37
Tax audit fee#	**0.35**	0.35
Limited review fee*	**1.05**	0.97
Fees for certifications	**1.30**	1.10
Others*	**0.40**	0.31
Reimbursement of expenses	**0.17**	0.56
Total	**6.60**	6.66

* Previous year remuneration includes ₹ 0.27 in respect of limited review fees and ₹ 0.31 in respect of other services paid to the predecessor auditor of the Parent Company.

Includes statutory audit fees and tax audit fees of ₹ 0.57 and ₹ 0.13 respectively, (March 31, 2020: ₹ 0.61 and ₹ 0.13), paid to statutory auditors of the subsidiary companies.

Note 39 - Earnings per equity share ("EPS")

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Net profit attributable to the equity shareholders (₹ in Million)	**312.72**	338.48
Weighted average number of equity shares outstanding during the year (No's)		
Basic outstanding shares	**24,369,264**	24,369,264
Less: Weighted average number of treasury shares	**707,446**	784,638
(b) Weighted average number of shares used for computing basic EPS (No's)	**23,661,818**	23,584,626
Add: Dilutive effect of stock options	**61,344**	499
(c) Weighted average number of shares used for computing diluted EPS (No's)	**23,723,162**	23,585,125
(d) Basic earnings per share (₹) (a/b)	**13.21**	14.35
(e) Diluted earnings per share (₹) (a/c)	**13.17**	14.35

Note 40 - Segmental information

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on analysis of various performance indicators by industry classes. The operating segment of the Group has been identified as "Foods" as the CODM reviews the business performance at an overall Group level as one segment.

Information about major customers

Revenue from specific customers exceeding 10% of total revenue

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
One customer		
Revenue from top customer	**-**	1,133.79
Percentage of total revenue	**-**	13.58%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 41 - Related parties

Relationships	Name of related parties
1. Ultimate Holding Company	Conagra Brands Inc.
2. Holding Company	CAG Tech (Mauritius) Limited
3. Fellow Subsidiary Company	Conagra Foods RDM, Inc.
4. Key Management Personnel (KMP)	
(i) Managing Director & Chief Executive Officer	Mr. Sachin Gopal
(ii) Chief Financial Officer	Mr. K P N Srinivas (w.e.f. August 1, 2019)
(iii) Company Secretary	Ms. Jyoti Chawla
(iv) Independent Directors	Lt.Gen. D.B. Singh
	Mr. Sanjaya Kulkarni
	Mr. Arun Bewoor
	Mr. Narendra Ambwani
	Ms. Veena Vishindas Gidwani
5. Post-employment benefit trusts	Agro Tech Foods Management Staff Gratuity Fund
	Agro Tech Foods Non-Management Gratuity Fund
	Agro Tech Foods Provident Fund
	Agro Tech Foods Superannuation Fund

Note: Related parties have been identified by the Management to the extent of transactions with such related parties.

(a) Related party transactions during the year

Particulars	Relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Conagra Brands Inc.	Ultimate Holding Company		
Royalty*		**69.89**	29.82
CAG Tech (Mauritius) Limited	Holding Company		
Dividend paid		**37.85**	31.54
Key Managerial Personnel Compensation	Key Management Personnel		
Short-term employee benefits**		**31.52**	26.49
Post-employment defined benefits**		**1.96**	1.95
Sitting fees and commission to independent directors		**6.58**	6.20
Agro Tech Foods Management Staff Gratuity Fund	Post-employment benefit trusts		
Contribution during the year		**10.47**	6.38
Agro Tech Foods Provident Fund	Post-employment benefit trusts		
Contribution during the year		**36.19**	37.33
Agro Tech Foods Superannuation Fund	Post-employment benefit trusts		
Contribution during the year		**6.58**	6.97

*Conagra Brands Inc. has authorised Conagra Foods RDM, Inc. to collect the amount of royalty on its behalf.

**Remuneration as given above does not include long-term compensated absences benefit accrued, gratuity benefit accrued and insurance premium since the same are computed for all the employees together and the amounts attributable to the key managerial personnel cannot be ascertained separately. Exercise of stock options aggregating ₹ 0.13 by one of the key managerial personnel has not been included in the remuneration disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

(b) Balances receivable from/payable to related parties

Particulars	Relationship	As at March 31, 2021	As at March 31, 2020
Payable to related parties			
Agro Tech Foods Management Staff Gratuity Fund	Post-employment benefit trusts	**-**	10.47
Agro Tech Foods Provident Fund	Post-employment benefit trusts	**2.73**	2.64
Agro Tech Foods Superannuation Fund	Post-employment benefit trusts	**0.54**	0.56
Conagra Brands Inc.	Ultimate Holding Company	**9.93**	4.05
Key Managerial Personnel Compensation	Key Managerial Personnel	**2.56**	0.13
Independent Directors	Independent Directors	**3.20**	3.20

Note: The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors

Note 42 - Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Accordingly, the gross amount required to be spent during the year is ₹ 9.58 (March 31, 2020: ₹ 9.75). Of this, the amount spent during the year is ₹ Nil. In the previous year the Parent Company had spent ₹ 6.86 on CSR activities, which included a social welfare programme "Poshan" which was designed to address malnutrition amongst children. The spend of the previous year also included ₹ 2 contributed to the PM CARES fund.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Parent Company intends to contribute the unspent amount of ₹ 9.58 of the current year, to a fund prescribed under Schedule VII of the Act before September 30, 2021.

Note 43 - Research and development expenses

Revenue expenditure on research and development is expensed as incurred. Capital expenditure incurred on research and development ('R&D') is capitalised as property, plant and equipment and depreciated in accordance with the depreciation policy of the Group. The details are as below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Capital expenditure	**9.67**	11.62
Revenue expenditure	**15.82**	22.64
	25.49	34.26

Note 44 - Capital management

The Group's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the group monitors the return on capital, as well as the level of dividends of equity share holders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of Group's capital management, capital includes issued capital and all other equity reserves and debt includes long term borrowings and short-term working capital demand loan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The group monitors capital on the basis of the following gearing ratio

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	**-**	47.00
Total Equity	**4,360.37**	4,087.43
Debt to equity ratio	**-**	0.01

Note 45 - Employee Benefits

a) The employee benefit schemes are as under:

i. Provident fund :

All employees of the Group receive benefits under the Provident Fund which is a defined benefit plan wherein the Group provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Group equal to 12% of the employees' salary. These contributions are made to the fund administered and managed by the Group's own Trust. (Refer Note 41).

ii. Superannuation fund:

The Company has a defined contribution scheme to provide pension to its eligible employees. The Parent Company makes monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are administered by Company's own Trust which has subscribed to "Group Superannuation Policy" of ICICI Prudential Life Insurance Company Limited. The Company's monthly contributions are charged to the Consolidated Statement of Profit and Loss.

iii. Compensated absences :

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the Consolidated Statement of Profit and Loss.

iv. Gratuity :

In accordance with the 'The Payment of Gratuity Act, 1972' of India, the Company provides for Gratuity, a defined retirement benefit scheme (the Gratuity Plan), covering eligible employees. Liabilities with regard to such gratuity plan are determined by an actuarial valuation as at the end of the year. The gratuity plan is a funded plan administered by Group's own Trust which has subscribed to "Group Gratuity Scheme" of ICICI Prudential Life Insurance Company Limited.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses related to the expected return on any particular investment.

Interest rate risk - The plan exposes the Group 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.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

b) The following table sets out the particulars of the employee benefits as required under the Ind AS 19-."Employee Benefits".

i) The amounts recognised in the Balance Sheet and the movement in the defined benefit obligation for Gratuity is as follows:

Particulars	March 31, 2021			March 31, 2020		
	Present value of obligation	Fair value of plan assets	Net liability/ (asset)	Present value of obligation	Fair value of plan assets	Net liability/ (asset)
Opening balance (A)	**68.97**	**56.46**	**12.51**	62.14	55.04	7.10
Current service cost	**12.15**	**-**	**12.15**	7.76	-	7.76
Interest cost	**4.05**	**-**	**4.05**	4.05	-	4.05
Expected returns	**-**	**3.57**	**(3.57)**	-	3.70	(3.70)
Total amount recognised in the statement of profit and loss (B)	**16.20**	**3.57**	**12.63**	11.81	3.70	8.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Particulars	March 31, 2021			March 31, 2020		
	Present value of obligation	**Fair value of plan assets**	**Net liability/ (asset)**	Present value of obligation	Fair value of plan assets	Net liability/ (asset)
Remeasurements						
Loss/(gain) from change in financial assumptions	**(0.11)**	**-**	**(0.11)**	3.42	-	3.42
Experience (gains)/losses - experience	**(4.12)**	**-**	**(4.12)**	0.28	-	0.28
Return on plan assets, greater/less than discount rate	**-**	**7.28**	**(7.28)**	-	(0.70)	0.70
Total amount recognised in other comprehensive income (C)	**(4.23)**	**7.28**	**(11.51)**	3.70	(0.70)	4.40
Contributions (D)	**-**	**12.51**	**(12.51)**	-	7.10	(7.10)
Benefit paid (E)	**(2.76)**	**(2.76)**	**-**	(8.68)	(8.68)	-
Closing Balance (A+B+C+D+E)	**78.18**	**77.06**	**1.12**	68.97	56.46	12.51

ii) The amounts recognised in the Balance Sheet and the movement in the defined benefit obligation for Provident Fund is as follows:

Particulars	March 31, 2021			March 31, 2020		
	Present value of obligation	**Fair value of plan assets**	**Net liability/ (asset)**	Present value of obligation	Fair value of plan assets	Net liability/ (asset)
Opening balance (A)	**327.24**	**336.66**	**(9.42)**	300.26	308.14	(7.88)
Current service cost	**9.76**	**-**	**9.76**	10.48	-	10.48
Interest cost	**28.46**	**-**	**28.46**	24.24	-	24.24
Expected returns	**-**	**29.33**	**(29.33)**	-	24.75	(24.75)
Remeasurements						
Actuarial (gain)/ loss	**11.18**	**-**	**11.18**	11.63	-	11.63
Return on plan assets	**-**	**2.79**	**(2.79)**	-	12.66	(12.66)
Total amount to be recognised in statement of profit and loss (B)	**49.40**	**32.12**	**17.28**	46.35	37.41	8.94
Contributions (C)	**26.43**	**36.19**	**(9.76)**	26.85	37.33	(10.48)
Transfer in (D)	**2.27**	**2.27**	**-**	0.89	0.89	-
Interest allocations (E)	**-**	**-**	**-**	27.59	27.59	-
Benefits paid (F)	**(21.73)**	**(21.73)**	**-**	(74.70)	(74.70)	-
Closing Balance (A+B+C+D+E+F)*	**383.61**	**385.51**	**(1.90)**	327.24	336.66	(9.42)

* The Parent Company has not recognised an asset amounting to ₹ 1.90 (March 31, 2020: ₹ 9.42) as there are no future economic benefits available to the Parent Company in the form of reduction in future contribution or a cash refund.

iii) Significant estimates: Actuarial assumptions

The significant actuarial assumptions for defined benefit obligation are as follows:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Discount rate	**6.72%**	6.67%	**6.72%**	6.67%
Expected rate of return on plan assets	**6.72%**	6.67%	**8.50%**	8.50%
Salary escalation rate	**7.00%**	7.00%	**7.00%**	7.00%

Discount rate : The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets : This is based on the expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Salary escalation rate : The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iv) Details of plan assets

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Government of India securities	**-**	-	**45.53%**	40.94%
PSU bonds	**-**	-	**43.96%**	42.58%
State Government securities	**-**	-	**10.51%**	16.48%
Fund managed by ICICI Prudential Life Insurance Company Limited*	**100%**	100%	**-**	-
Total	**100%**	100%	**100%**	100%

*The Group makes annual contribution to the ICICI Prudential Life Insurance Company Limited.

v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
A. Discount rate				
a. Discount rate - 100 basis points	**80.67**	73.85	**405.01**	336.45
b. Discount rate +100 basis points	**70.52**	64.63	**372.83**	326.38
B. Salary increase Rate				
a. Rate - 100 basis points	**70.47**	64.59	**372.91**	326.38
b. Rate +100 basis points	**80.63**	73.80	**403.40**	335.98

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions maybe corelated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected units credit method at the end of the reporting period) has been applied when calculating the defined benefit liability regrouped in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

vi) Maturity profile of defined benefit obligation:

Particulars	Gratuity		Provident Fund	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Year 1	**20.29**	16.34	**37.37**	34.42
Year 2	**4.71**	6.30	**56.36**	52.13
Year 3	**7.08**	4.42	**30.68**	28.38
Year 4	**4.59**	6.74	**25.27**	23.35
Year 5	**8.27**	4.17	**64.42**	59.64
Year 6 to 10	**24.11**	29.03	**169.74**	157.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 46 - Financial instruments

The Group's principal financial liabilities comprise borrowings, trade payables and other liabilities. The Group's principal financial assets include loans, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group's activities expose it to a variety of financial risks viz. market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivative for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2021, including their levels in the fair value hierarchy.

Particulars		Carrying amount					Fair value			
	Note	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Non current financial assets	7	-	-	28.70	-	28.70	-	-	-	-
Investments in mutual fund units	10	60.01	-	-	-	60.01	60.01	-	-	60.01
Trade receivables	11	-	-	372.21	-	372.21	-	-	-	-
Cash and cash equivalents	12(a)	-	-	116.51	-	116.51	-	-	-	-
Bank balances (other than cash and cash equivalents)	12(b)	-	-	4.21	-	4.21	-	-	-	-
Other financial assets	13	-	-	120.60	-	120.60	-	-	-	-
		60.01	-	642.23	-	702.24	60.01	-	-	60.01
Financial liabilities										
Trade payables	20	-	-	-	620.26	620.26	-	-	-	-
Other financial liabilities	22	-	-	-	100.01	100.01	-	-	-	-
Lease liabilities	18, 21	-	-	-	144.59	144.59	-	-	-	-
		-	-	-	864.86	864.86	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2020, including their levels in the fair value hierarchy.

Particulars	Carrying amount						Fair value			
	Note	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets										
Non current financial assets	7	-	-	24.78	-	24.78	-	-	-	-
Investments in mutual fund units	10	139.24	-	-	-	139.24	139.24	-	-	139.24
Trade receivables	11	-	-	749.36	-	749.36	-	-	-	-
Cash and cash equivalents	12(a)	-	-	50.54	-	50.54	-	-	-	-
Bank balances (other than cash and cash equivalents)	12(b)	-	-	4.24	-	4.24	-	-	-	-
Other financial assets	13	-	-	121.68	-	121.68	-	-	-	-
		139.24	-	950.60	-	1,089.84	139.24	-	-	139.24
Financial liabilities										
Borrowings	17	-	-	-	37.60	37.60	-	-	-	-
Trade payables	20	-	-	-	482.71	482.71	-	-	-	-
Other financial liabilities	22	-	-	-	95.74	95.74	-	-	-	-
Lease liabilities	18, 21	-	-	-	161.45	161.45	-	-	-	-
		-	-	-	777.50	777.50	-	-	-	-

Fair value hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing model based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

i. Credit Risk

ii. Liquidity Risk

iii. Market Risk

Risk Management framework:

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's risk management policy is set by the Risk Management Committee. The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

A summary of the risks have been given below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale, retail or institutional customers, their industry, trading history with the Group and existence of previous financial difficulties. The default in collection as a percentage to total receivable is low.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or any other financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Group's reputation.

The Group monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2021			
	Carrying value	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities				
Trade payables	**620.26**	**620.26**	**-**	**-**
Other financial liabilities	**100.01**	**100.01**	**-**	**-**
Lease liabilities	**144.59**	**20.11**	**15.85**	**108.63**
	864.86	**740.38**	**15.85**	**108.63**

Particulars	As at March 31, 2020			
	Carrying value	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities				
Trade payables	482.71	482.71	-	-
Other financial liabilities	95.74	95.74	-	-
Lease liabilities	161.45	16.86	20.11	124.48
	739.90	595.31	20.11	124.48

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Group has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Group has not used any interest rate derivatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Currency risk

The Group is exposed to currency risk to the extent that there is mismatch between the currencies in which sales, purchase are denominated and the respective functional currencies of Group. The functional currency of the Group is INR and maximum sales transactions are denominated in INR itself. Foreign currency transactions are mainly denominated in USD.

Exposure to currency risk

Particulars	As at March 31, 2021		As at March 31, 2020	
	Foreign Currency (USD)	**Amount in ₹ millions**	Foreign Currency (USD)	Amount in ₹ millions
The following is the nominal value of outstanding derivative contracts entered into by the Group for hedging currency:				
Trade payables	**91,460**	**6.72**	93,976	6.83

The particulars of un-hedged foreign currency exposure as at balance sheet date is as under

Particulars	As at March 31, 2021		As at March 31, 2020	
	Foreign Currency (USD)	**Amount in ₹ millions**	Foreign Currency (USD)	Amount in ₹ millions
Trade payables	**390,202**	**28.68**	38,834	2.93
Trade receivables	**33,372**	**2.45**	10,672	0.80

Sensitivity Analysis:

The profit or loss is sensitive to foreign exchange gain/(loss) as a result of changes in foreign exchange rates.

Particulars	Impact on profit for the year ended	
	March 31, 2021	March 31, 2020
Foreign exchange rate - Increases by 5%	**(1.31)**	(0.11)
Foreign exchange rate - Decreases by 5%	**1.31**	0.11

Price risk exposure

The Group's exposure to price risk arises from investments held by the Group in the mutual fund units and classified as fair value through profit or loss. To manage its price risk arising from investments in mutual fund units, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The exposure of the Group's mutual fund investments to security price changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in mutual funds	**60.01**	139.24

Sensitivity Analysis:

The profit or loss is sensitive to market price as a result of changes in price of mutual funds.

Particulars	Impact on profit for the year ended	
	March 31, 2021	March 31, 2020
Market price - Increases by 5%	**3.00**	6.96
Market price - Decreases by 5%	**(3.00)**	(6.96)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 47 - Additional information as required by paragraph 2 of general instructions for the preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:

(All amounts are in ₹ millions, except share data and where otherwise stated)

Name of the Entity	As at March 31, 2021							
	Net Assets		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Agro Tech Foods Limited	**99.52%**	**4,339.41**	**96.90%**	**303.02**	**112.98%**	**7.66**	**97.24%**	**310.68**
India Subsidiary								
Sundrop Foods India Private Limited	**1.57%**	**68.28**	**0.11%**	**0.34**	**15.93%**	**1.08**	**0.44%**	**1.42**
Foreign Subsidiaries								
Agro Tech Foods (Bangladesh) Pvt. Ltd.	**3.06%**	**133.28**	**(2.41%)**	**(7.52)**	**-**	**-**	**(2.35%)**	**(7.52)**
Sundrop Foods Lanka (Private) Limited	**0.14%**	**5.90**	**(0.54%)**	**(1.69)**	**-**	**-**	**(0.53%)**	**(1.69)**
Adjustments arising out of consolidation	**(4.29%)**	**(186.50)**	**5.94%**	**18.57**	**(28.91%)**	**(1.96)**	**5.20%**	**16.61**
Total	**100%**	**4360.37**	**100%**	**312.72**	**100%**	**6.78**	**100%**	**319.50**

Name of the Entity	As at March 31, 2020							
	Net Assets		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Agro Tech Foods Limited	99.70%	4,075.29	100.22%	339.21	(83.19%)	(3.06)	98.24%	336.15
India Subsidiary								
Sundrop Foods India Private Limited	1.64%	66.86	3.26%	11.03	(6.30%)	(0.23)	3.16%	10.80
Foreign Subsidiaries								
Agro Tech Foods (Bangladesh) Pvt. Ltd.	3.07%	125.30	(2.39%)	(8.09)	-	-	(2.36%)	(8.09)
Sundrop Foods Lanka (Private) Limited	0.19%	7.73	(1.03%)	(3.48)	-	-	(1.02%)	(3.48)
Adjustments arising out of consolidation	(4.60%)	(187.75)	(0.06%)	(0.19)	189.49%	6.97	1.98%	6.78
Total	100%	4,087.43	100%	338.48	100%	3.68	100%	342.16

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(All amounts are in ₹ millions, except share data and where otherwise stated)

Note 48 - During the year ended March 31, 2021 and March 31, 2020 no material foreseeable loss was incurred for any long-term contract including derivative contracts.

Note 49 - The Management has considered the possible effects that may arise out of the COVID-19 pandemic in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, to the extent relevant, while preparing these financial statements as of and for the year ended March 31, 2021. There is no material impact on these consolidated financial statements for the year ended March 31, 2021 owing to the pandemic. The eventual outcome of impact of the COVID 19 pandemic may be different from those estimated as on the date of approval of these consolidated financial statements.

Note 50 - The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been enacted. However, the date on which the Code will come into effect has not been notified. The Management will assess the impact of the Code and will give appropriate impact in the consolidated financial statements in the period in which, the Code becomes effective.

Note 51 - The consolidated financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on April 29, 2021.

For and on behalf of the Board of Directors

Sachin Gopal
Managing Director & CEO
DIN 07439079

Lt.Gen.D.B. Singh
Director
DIN 00239637

K P N Srinivas
Chief Financial Officer

Jyoti Chawla
Company Secretary

Place : Gurugram
Date : April 29, 2021