MRS. BECTORS FOOD SPECIALITIES LIMITED

24TH ANNUAL REPORT 2018-2019

BOARD OF DIRECTORS	
Sh. Subhash Agarwal	Chairman & Independent Director
Sh. Anoop Bector	Managing Director
Smt. Rajni Bector	Director
Sh. Ishaan Bector	Wholetime Director
Sh. Nem Chand Jain	Independent Director
Sh. Rajiv Dewan	Independent Director
Sh. Parveen Kumar Goel	Wholetime Director
Sh. Rahul Goswamy	Nominee Director
CHIEF FINANCIAL OFFICER:	**Sh. Parveen Kumar Goel**
COMPANY SECRETARY:	**Sh. Atul Sud**
SHARE TRANSFER AGENTS	**Link Intime India Pvt. Ltd.** **CIN : U67190MH1999PTC118368** C- 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel. : +91 22 4918 6000 Fax : +91 22 4918 6060 E-mail : mumbai@linkintime.co.in Website : www.linkintime.co.in
AUDITORS	M/s. B S R & Co. LLP (ICAI Firm registration number 101248W/ W100022)
REGISTERED OFFICE	**Theing Road, Phillaur-144410**

Mrs.Bectors Food Specialities Limited
Regd. Office: Theing Road, Phillaur-144410
Corporate office: - 8th Floor, Vatika Towers, Golf Course Road, Gurgaon 122003
(CIN: U74899PB1995PLC033417)
Tel No. 01826- 225418, Fax No.01826 – 222915, E-mail: cs.bis@cremica.in, website: www.cremica.in

NOTICE OF 24TH ANNUAL GENERAL MEETING OF THE MEMBERS

NOTICE is hereby given that the 24th Annual General Meeting of the members of **MRS. BECTORS FOOD SPECIALITIES LIMITED ('The Company')** will be held on Friday, 20th Day of September, 2019 at 16:00 hours (IST) at the registered office of the Company situated at Theing Road, Phillaur, Distt. Jalandhar, Punjab – 144410 to transact the following Business:

ORDINARY BUSINESS

1. **To receive, consider and adopt:**

   (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2019, comprising Audited Balance Sheet as at March 31, 2019, the Statement of Profit & Loss for the financial year ended on March 31, 2019 along with Notes to Accounts and Cash Flow Statement appended thereto and Reports of the Board of directors and Statutory Auditors thereon and

   (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019, comprising Consolidated Audited Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit & Loss for the financial year ended on March 31, 2019 along with Notes to Accounts and Cash Flow Statement appended thereto and reports of the Statutory Auditors thereon:

2. To confirm the interim dividend of Re. 0.75/- per equity share paid during the year as the final dividend for the year ended March 31, 2019.

3. To Appoint Director in place of Mr. Anoop Bector, Director (DIN NO. 00108589) who retires by rotation and being eligible offers himself for reappointment.

4. **To appoint and fix the remuneration of Auditor:**

   To Consider and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. B S R & Co. LLP (ICAI Firm registration number 101248W/W100022), be and are hereby appointed as Auditors of the Company to hold office for a term of 5(five) consecutive years from the conclusion of this 24th Annual General Meeting (AGM) till the conclusion of the 29th AGM of the Company to be held in the year 2024 at such remuneration, out of pocket expenses and travelling expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

   "RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors in connection with the audit and that the remuneration may be paid on a progressive billing basis to be agreed between the Statutory Auditors and the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed proper, expedient or necessary in this behalf."

SPECIAL BUSINESS

5. To alter the Clause III (B) of Memorandum of Association.

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

"RESOLVED THAT pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and as agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee or one or more Directors), subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and the consent of the members of the Company be and is hereby accorded for alteration of the Clause III (B) of Objects Clause of the Memorandum of Association ("MOA") of the Company by inserting the following after point 23:

24. *to borrow money from any state financial corporations, banks or other financial institutions any term loans or other sums on such security and other charges as stipulated by the financial corporation or banks with mortgage of all or any of property of the company whether present or future or both.*

"RESOLVED FURTHER THAT Mr. Anoop Bector (DIN NO. 00108589), Managing Director and/or Mr. Ishaan Bector (DIN No. 02906180), Wholetime Director be and are hereby authorized to do all such acts, things, deeds and matters as may be necessary or expedient to give effect to the aforesaid resolution, including but not limited to filing of necessary statutory documents with concerned Registrar of Companies and other statutory authorities as applicable."

By order of the Board
For Mrs.Bectors Food Specialities Limited

sd/-
(ANOOP BECTOR)
Managing Director
DIN: 00108589
Address: H.No. C-13,
Convent School Road, Sarabha Nagar,
Ludhiana, PB. – 141001

Date: 29th July, 2019
Place: Gurgaon

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.**

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their Authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. The relative Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of Item No. 5 of the Notice as set out above, is annexed hereto.

4. Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 13, 2019 to Friday 20, 2019 (both days inclusive).

5. Copies of Notice of 24th AGM along with attendance slip & proxy form are being sent by electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

6. Members are requested to produce the attendance slip duly signed as per specimen signature recorded with the company for admission to the company hall.

7. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the 24th Annual General Meeting.

8. Members/Proxies are requested to bring to the meeting the Attendance slip duly filled in while attending the Annual General Meeting.

9. The Transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 125 of the Companies Act, 2013, during the current Financial Year is not applicable.

10. The relevant records and documents connected with the businesses set out in the Notice are available for inspection at the Registered Office of the Company between 12.00 Noon and 3.00 P.M. on all working days up to the day of the Annual General Meeting and will also be available at the meeting.

11. The Attendance Slip, Proxy Form and Route Map of the Venue of the above mentioned meeting is enclosed herewith.

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

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned under item no. 5 of the accompanying Notice:

ITEM NO. 5

The Object Clause of Memorandum of Association of the Company do not contain the borrowing powers necessary to carry out the Main Objects of the Company. Any act done beyond the powers conferred by the Memorandum of Association is ultra vires. So, there is a need to alter the Clause III (B) of the Object Clause of Memorandum of Association to borrow money from any state financial corporations, banks or other financial institutions any term loans or other sums on such security and other charges as stipulated by the financial corporation or banks with mortgage of all or any of property of the company whether present or future or both.

Since the alteration of Object Clause of Memorandum of Association requires the approval of members of the Company, the Board recommends the resolution as set out at Item No. 5 of the accompanying Notice for the approval by the Members of the Company by way of a Special Resolution.

None of the Directors, Manager, and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the proposed Resolution set out in Item No. 5 of the Notice.

By order of the Board
For Mrs.Bectors Food Specialities Limited

sd/-
(ANOOP BECTOR)
Managing Director
DIN: 00108589
Address: H.No. C-13,
Convent School Road, Sarabha Nagar,
Ludhiana, PB. – 141001

Date: 29th July, 2019
Place: Gurgaon

Details of director seeking re-appointment at the Annual General Meeting
[Pursuant to Paragraph 1.2.5 of Secretarial Standard on General Meetings]

Particulars	**Mr. Anoop Bector**
Date of Birth	05.10.1962
Date of first Appointment as Director	19.09.1995
Qualifications	Bachelor's degree in commerce from Satish Chander Dhawan Government College, Panjab University
Expertise in specific functional area	He has approx. 30 years of Industry experience
Directorships held in other body corporate as on 31st March 2019	Bakebest Foods Private Limited Mrs. Bectors' English Oven Limited Cremica Agro Foods Limited
Membership/ Chairmanship of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee) as on 31 March 2019	Member of Audit Committee and Stakeholders Relationship Committee of Cremica Agro Foods Limited
Number of equity shares held in the Company as on 31st March, 2019	2,28,48,674
Relationship with other Directors and KeyManagerial Personnel	Mr. Anoop Bector is son of Mrs. Rajni Bector (Director) and father of Mr. Ishaan Bector (Whole Time Director)
Remuneration Last Drawn from the Company	Rs. 2,99,65,500/-
No. of meetings of the Board attended during the year	12 (Twelve)

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this 24th Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2019.

1. **Financial summary or performance of the company**

1A. Standalone Financial Summary or performance of the company:

(Amount in Rs. Million)

Particulars	**Year Ended 31.03.2019**	**Year Ended 31.03.2018**
Revenue from operations (Net)	7358.89	6533.31
Other Income	76.03	35.91
Total Income	**7434.92**	**6569.22**
Less: Expenses	**6527.36**	**5797.05**
Profit before Financial Expenses, Depreciation and Taxation	**907.56**	**772.17**
Less: Financial expenses(Finance Cost)	123.39	55.29
Less: Depreciation and amortization	308.61	244.11
Profit before Taxation	**475.56**	**472.77**
Less : Tax Expense (Deferred & Current)	151.79	152.25
Profit for the year	**323.77**	**320.52**
Add: Other Comprehensive Income / (loss) for the year	0.14	1.71
Total comprehensive income for the year	323.91	322.23
Earnings Per Share		
Basic	5.65	5.60
Diluted	5.65	5.59

1B. Consolidated Financial Summary or performance of the company:

(Amount in Rs. Million)

Particulars	**Year Ended 31.03.2019**	**Year Ended 31.03.2018**
Revenue from operations (Net)	7836.65	6939.65
Other Income	23.64	17.90
Total Income	**7860.29**	**6957.55**
Less: Expenses	**6892.96**	**6096.23**
Profit before Financial Expenses, Depreciation and Taxation	**967.33**	**861.32**
Less: Financial expenses(Finance Cost)	123.39	57.78
Less: Depreciation and amortization expense	337.13	272.93
Add: Profit before share of equity accounted investees and tax share of net profit of associates accounted for using the equity method	0.68	0.17
Profit before Taxation	**507.49**	**530.78**
Less : Tax Expense (Deferred & Current)	175.39	170.30
Profit for the year	**332.10**	**360.48**

Add: Other Comprehensive Income / (loss) for the year	**0.27**	1.75
Total comprehensive income for the year	**332.37**	**362.23**
Earnings Per Share		
Basic	**5.80**	6.30
Diluted	**5.79**	6.29

2. Indian Accounting Standard

The Ministry of Corporate Affairs (MCA) vide its notification dated 16th February, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of Companies. The Company has adopted Indian Accounting Standards (Ind AS) and the financial statements have been prepared as per the Indian Accounting Standard Rules, 2015, as prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and the other accounting principles generally accepted in India.

3. Operations

On Standalone Basis, the Company has reported revenue from operations of ₹ 7358.89 Mn. for the financial year 2018-2019 as compared to ₹6533.31 Mn. in the previous financial year 2017-2018, showing an increase of 12.64 % over the previous year. The profit before financial expenses, depreciation and taxation increased to ₹907.56 Mn as compared to ₹772.17 Mn in the previous year, showing an increase of 17.53%.The Net Profit for the year under review amounted to ₹ 323.77 Mn. as compared to ₹320.52 Mn. in the previous year, showing an increase of 1.01%.

On Consolidated basis, the Company has reported revenue from operations of ₹7836.65 Mn. for the financial year 2018-2019 as compared to ₹6939.65 Mn. in the previous financial year 2017-2018, showing an increase of 12.93% over the previous year. The profit before financial expenses, depreciation and taxation increased to ₹967.33 Mn as compared to ₹861.32 Mn in the previous year showing an increase of 12.31%. The Net Profit for the year under review amounted to ₹ 332.10 Mn. as compared to ₹360.48 Mn. in the previous year, showing a decrease of 7.87%.

The decrease in net profit is due to increase in depreciation and interest to ₹460.52 Mn as compared to ₹330.71 Mn in the previous year. This depreciation and interest in the current year is increased due to the set-up of new unit at Rajpura and expansion of Greater Noida Unit.

4. Transfer to reserves

The Company has not transferred any amount to reserves.

5. Dividend

Your Company in the month of March, 2019 declared an Interim Dividend of Re. 0.75 per equity share of face value of INR 10 each amounting to Rs. 42.95 Mn. for the current Financial Year 2018-2019 to the shareholders, who were on the register of members of the Company as on the closing hours of business on 25th March, 2019, being the record date fixed by the Board of Directors for this purpose. The Board of Directors recommend this interim dividend paid as the final dividend for the Financial Year 2018-2019.

6. Material Changes between the date of the Board report and end of financial year

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. Subsidiary Company/Joint Venture/Associate Company

At the close of financial year 2018-19, the company has two subsidiary companies viz.

i. Bakebest Foods Private Limited
ii. Mrs Bector's English Oven Limited

The company also has one associate company viz., Cremica Agro Foods Limited as on 31st March 2019.
As required under the provisions of section 129(3) read with Companies (Accounts) Rules, 2014, a consolidated financial statement of the company and its subsidiaries has been prepared and attached to the standalone financial statement of the company. The consolidated financial statement has been prepared in accordance with the relevant accounting standards.

A separate statement containing the salient features of the financial statement of subsidiaries for the financial year 2018-19, in form AOC-1, (Annexure- D) has been attached along with the financial statement of the company. A copy of separate audited financial statements in respect of the subsidiaries shall be provided upon request by a shareholder.

Further, there have been no such companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year under review.

9. Statutory Auditor & Audit Report

M/s B S R & Co. LLP Chartered Accountants, (Firm Registration No.101248W/W-100022) were appointed by the shareholders in the 20th Annual General Meeting as Statutory Auditors of the Company to hold office for the period of four years from Financial year 2015-16 to 2018-2019 i.e. (from the conclusion of 20th Annual General Meeting till the conclusion of 24th Annual General meeting). Since their term is expiring on the conclusion of the ensuing AGM, they are being proposed to be appointed in the ensuing AGM for another term of five years. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

There are no qualifications or observations or remarks made by the Auditors in their Report.

10. Change in the nature of business

As required to be reported pursuant to Section 134(3)(q) read with Rule 8(5) (ii) of Companies (Accounts) Rules, 2014, There is no change in the nature of business carried on by company during the financial year 2018-19.

11. Details of directors and key managerial personnel

The following is the constitution of the Board of Directors and Key Managerial personnel as on date:

1.	Mr. Subhash Agarwal	Chairman & Independent director
2.	Mr. Anoop Bector	Managing Director
3.	Mr. Parveen Kumar Goel	Chief Financial officer and Whole-time Director
4.	Mr. Ishaan Bector	Whole-time Director
5.	Mrs. Rajni Bector	Non-executive director
6.	Mr. Nem Chand Jain	Independent director
7.	Mr. Rajiv Dewan*	Independent director
8.	Mr. Rahul Goswamy	Nominee Director
9.	Mr. Atul Sud	Company Secretary and Compliance Officer

Mr. Anoop Bector, Director of the Company shall retire by rotation at Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

*Mr. Rajiv Dewan was appointed as an Independent Director on the board w.e.f. 10th July, 2018. Mr. Tarun Khanna ceased to be Nominee director w.e.f. 10th July, 2018 due to his resignation.

12. Deposits

(In Rupees)

Deposits accepted during the year (including renewed during the year)	Nil
Deposits remained unpaid or unclaimed at the end of the year	Nil
Default in repayment of deposits or payment of interest thereon during the year and if so number of such cases and the total amount involved (i) at the beginning of the year; (ii) maximum during the year (iii) at the end of the year	Nil
Deposits which are not in compliance with requirement of chapter V of the Companies Act, 2013	Nil

13. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is attached herewith as Annexure – A

14. Corporate Social Responsibility

As on the close of the financial year 2019, the Corporate Social Responsibility (CSR) Committee of the Board comprised of one Non-Executive Director, namely, Mrs. Rajni Bector as Chairman and Mr. Parveen Kumar Goel (Wholetime Director) and Mr. Subhash Agarwal (Independent Director) as Members.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy.

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013.

The Committee met 2 times during the year i.e., on 10.07.2018 and 22.03.2019 and recommended to the board a list of activities relating to Cleanliness, Donations to Relief funds, Trusts and foundations, Promoting health care and Eradicating poverty and malnutrition which has been stipulated in schedule VII of the Companies Act 2013 and to spend at least two percent of the average net profits of the Company made during the three immediately preceding financial years.

Average Net Profit of the Company for last three Financial Years

Average Net Profit of the Company for last three financial years is Rs.473.01 Mn. (Rupees Four hundred and seventy three Millions only) calculated according to provisions of Section 198 of the Companies Act, 2013.

Prescribed CSR Expenditure (2% of the amount as specified above)

Prescribed CSR Expenditure is Rs. 9.46 Mn. (Rupees Nine Millions four hundred sixty Thousand Only) approximately.

Details of CSR Spent during the Financial Year.

During the year under review, the company has spent Rs. 0.61 Million on the Maintenance of fountain near Rakhbagh Chowk, Rs. 0.04 Million on Donation of Filing Cabinet to Civil Hospital, Rs. 1.37 Millions on Donation of Biscuits for Kerala Relief Fund, Rs. 0.46 Million on Donation of Biscuits to CII (Confederation of Indian Industry) Foundation, Rs. 0.81 Million on Donation of Chapati Making Machine and Cooler to Om Shri Sai Sewa Trust (Sai Dham) and Rs. 0.1 Million on Vyakti Vikas Kendra India-Donation provided to the institution ("Art of Living" trust of Shri Shri Ravi Shankar). The Company was not able to spend the full amount of two percent of the average net profit of the last three financial years as recommended under the CSR Rule. However, the Company is already paying all its taxes on time whereby it is contributing to the society.

15. Number of meetings of the Board

During the year 2018-19, the Board of Directors met Twelve times on 20.04.2018, 25.06.2018, 10.07.2018, 01.08.2018, 22.08.2018, 14.09.2018, 09.10.2018, 21.11.2018, 10.12.2018, 25.01.2019, 21.02.2019 and 22.03.2019.

16. Directors' Responsibility Statement

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had 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 as at March 31, 2019 and of the profit and loss of the company for that period;

(iii) the directors had 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;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Declaration by Independent Directors

The Independent directors furnished a declaration that they meet the criteria of Independence as provided in sub section 6 of the section 149 of the Companies Act 2013 at Board meeting held on 20th day of April 2018.

18. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (*3*) of section 178

The Board of directors has constituted Nomination and Remuneration Committee of the Board consisting of Mr. Rajiv Dewan (Independent Director) as Chairman, Mr. Subhash Agarwal (Independent Director) as Member and Mr. Rahul Goswamy (Nominee Director) as Member, in terms of 178 of the Companies Act 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules 2014.

The Company considers human resources as its invaluable assets. Policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company objective and purpose of the policy.

The objectives and purpose of this policy are:

a) To identify persons who are qualified to become Directors and who may be appointed as KMPs and in senior management position in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
b) To carry out evaluation of every Director's performance;
c) To identify the criteria for determining qualifications, positive attributes and independence of a director;
d) To finalize the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel;
e) To assess the independence of Independent Directors; and
f) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder and the SEBI (LODR), whenever applicable.

A Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of directors attached herewith as Annexure –C.

19. Board Evaluation

The Nomination and Remuneration Committee of the Company had approved a Nomination and Remuneration policy containing the criteria for performance evaluation, which was approved & adopted by the Board of directors. The key features of this policy have also been included in the report. The policy provides for evaluation of the Board and the individual directors, including the Chairman of the Board and Independent Directors.

Subsequent to the year under review, the evaluation for the period 2018-19 was completed as per the policy adopted in compliance with the applicable provisions of the Act. The Board's assessment was discussed with the full Board evaluating, amongst other things, the full and common understanding of the roles and responsibilities of the Board, contribution towards development of the strategy and ensuring robust and effective risk management, understanding of the operational programmes being managed by the Company, receipt of regular inputs, receipt of reports by the Board on financial matters, budgets and, operations services, timely receipt of information with supporting papers, regular monitoring and evaluation of progress towards strategic goals and operational performance, number of board meetings, Committee structures and functioning etc.

The members concluded that the Board was operating in an effective and constructive manner.

20. Particulars of Employee:

There are two employees of the Company who have received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 i.e., employees who have received remuneration in excess of Rs. Eight Lacs and Fifty Thousand per month or Rs. One Crore Two Lacs per annum.

Name of the employee	Age	Qualification	Experience (in yrs.)	Nature of employment	Designation	Remuneration for the year (Rs.)	Date of Appointment as director	Previous Employment
Mr. Anoop Bector	56	B.Com	30	Permanent	Managing Director	2,99,65,500	19.09.1995	He was appointed as Managing Director in Cremica Agro Foods Ltd on 06.09.1989 and has a rich experience in the family business of Food processing.
Mr. Ishaan Bector	30	Bachelor's degree in Arts from Michigan State University	8	Permanent	Whole-time Director	1,35,44,500	15.02.2016	NIL

21. Extract of the annual return in Form MGT-9

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Extract of the annual return in form MGT-9 is attached with this report as Annexure –G

22. Secretarial Audit Report

M/s. Anuj Bansal & Associates, Practicing Company Secretaries Jalandhar has been appointed to conduct Secretarial Audit of the Company pursuant to section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014. A report submitted by them is attached herewith as Annexure –F. There was no qualification, reservation or adverse remark in the Report of the Secretarial Auditor.

23. Related Party Transactions

Details of related party transactions in Form AOC-2 pursuant to section 134 of the Companies Act 2013 read with rule 8(2) of the Companies (Accounts) Rules 2014 attached herewith as Annexure –E.

24. Share Capital and provision of money by Company for purchase of its own shares by trustees or employees for the benefit of employees

Your Company has not issued any equity shares with differential rights, sweat shares, employee stock options and made any provision of money for purchase of its own shares by trustees or employees for the benefit of employees.

25. Audit Committee and Vigil Mechanism

As required under Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules 2014, the Board of Directors have already constituted Audit committee, which as of the close of the financial year under review comprised of Mr. Rajiv Dewan, Independent Director as Chairman, Mr. Rahul Goswamy, Nominee Director as Member and Mr. Subhash Agarwal, Independent Director as Member.

The committee held five meetings during the year under review.

The Board of directors established a vigil mechanism to redress the genuine concerns/grievances of the employees and directors of the Company. Mr. Seeraj Beri, Manager Accounts has been designated as Whistle and Ethics Officer to hear the grievances of the employees and directors of the Company; however offences of serious nature may be brought to the attention of the Chairman of the Audit Committee of the Company who shall after hearing the concerned person award appropriate punishment to the offender. The Audit Committee regularly review the working of the mechanism. No complaint was received during the year under review.

26. Risk Management Policy

The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Management Policy is a step taken by the Company towards strengthening the existing controls. The business of the Company solely depends upon the agricultural produce which is highly seasonal and this is a major element of risk which may threaten the existence of the Company.

27. Disclosure regarding Issue of Equity Shares with Differential Rights

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any equity shares with differential rights.

28. Disclosure regarding issue of Sweat Equity Shares

The company under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity shares.

29. Disclosure regarding issue of Employee Stock Options

The Company has issued 300 employee stock options during the year.

The Board of directors, shall, inter alia, disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>141,742 as on 31st March, 2019
<table>
<tr><td>Date</td><td>Number of Grants</td></tr>
<tr><td>30th June, 2017</td><td>70871</td></tr>
<tr><td>14th July, 2017 (increased due to bonus issue in the ratio of 1:1)</td><td>70871</td></tr>
<tr><td>Total</td><td>141742</td></tr>
</table></td></tr>
<tr><td>The Pricing Formula</td><td>As per Black Scholes Method</td></tr>
<tr><td>Exercise Price (as of the date of grant of options)</td><td>Rs. 174.62</td></tr>
<tr><td>Vesting Period</td><td>Employees Stock Option Plan- 2017 (Grant 1):
2 years and 9 months service from grant date
<table>
<tr><td>Vesting Date</td><td>No. of Shares</td></tr>
<tr><td>1st July, 2018</td><td>42952</td></tr>
<tr><td>1st April, 2019</td><td>21472</td></tr>
<tr><td>1st April, 2020</td><td>21478</td></tr>
<tr><td>Total</td><td>85902</td></tr>
</table>
Employees Stock Option Plan- 2017 (Grant 2):
3 years and 9 months service from grant date:
<table>
<tr><td>Vesting Date</td><td>No. of Shares</td></tr>
<tr><td>1st April, 2019</td><td>18606</td></tr>
<tr><td>1st April, 2020</td><td>18628</td></tr>
<tr><td>1st April, 2021</td><td>18606</td></tr>
<tr><td>Total</td><td>55840</td></tr>
</table></td></tr>
<tr><td>Total Options vested (excluding forfeited/ lapsed/ cancelled/ and including excised options) till 31st March, 2019</td><td>42,952</td></tr>
<tr><td>Options forfeited/lapsed/cancelled till 31st March, 2019</td><td>NIL</td></tr>
<tr><td>Options exercised till 31st March, 2019</td><td>300</td></tr>
<tr><td>Total number of shares arising out of exercise of options as on 31st March, 2019</td><td>Existing Equity Shares: 57,267,622
Add: Shares arising due to options exercised: 300
Total No. of shares: 57,267,922</td></tr>
<tr><td>Variations in terms of options</td><td>No Variation till date</td></tr>
<tr><td>Money realized by exercise of options</td><td>INR 52,386</td></tr>
<tr><td>Total number of options in force (including vested options, excluding exercised options) as on 31st March, 2019</td><td>141,442</td></tr>
<tr><td>Employee wise details of options granted to;-

(i) key managerial personnel;</td><td>
<table>
<tr><td rowspan="2">Name of Employee</td><td colspan="3">Options</td></tr>
<tr><td>Granted</td><td>Exercised</td><td>Outstanding</td></tr>
<tr><td>Mr. Parveen</td><td>17,180</td><td>100</td><td>17,080</td></tr>
</table></td></tr>
</table>

<table>
<tr><td></td><td>

Kumar Goel			

</td></tr>
<tr><td>(ii) any employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.</td><td>

Name of Employee	Options		
	Granted	Exercised	Outstanding
Mr. Manoj Verma	28,634	100	28,534
Mr. Vishal Malik	22,908	-	22,908
Mr. Parveen Kumar Goel	17,180	100	17,080
Mr. Neeraj Aggarwal	17,180	100	17,080

</td></tr>
<tr><td>(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;</td><td>NIL</td></tr>
</table>

30. Voluntary revision of Financial Statements or Board's report

The Company is complying with the provisions of Section 129 or 134 of Companies Act, 2013, so there was no voluntary revision done by the company during financial year 2018-19.

31. Statement in respect of adequacy of Internal Financial Control with reference to the Financial Statements

Pursuant to Section 134 (3)(q) read with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, and ICAI guidance note on adequacy of internal financial controls with reference to financial statements – it is stated that there is adequate internal control system in the Company. The Company has an effective and reliable internal control system commensurate with the size of its operations. The internal control system provides for well-documented policies and procedures that are aligned with global standards and processes.

32. Receipt of any commission/remuneration by MD / WTD of Company from its Holding or subsidiary

The Company do not have any Holding Company. Further no Subsidiary Company of the Company has paid any Commission/ remuneration to the Directors of the Company for the Financial Year 2018-19.

33. Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance, its Directors, and that of its Committees

In line with the provisions of the Companies Act, 2013, the Board evaluation was carried out through a structured evaluation process by all the Directors based on the criteria such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement, independence of judgement, decision making ability for safeguarding the interest of the company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and the results thereof.

34. Fraud Reporting

There was no fraud reported to the Board during the year under review.

35. Particulars of Loan, Guarantees or Investments (LGSI) under Section 186.

The Company has not given any loans, or provided any guarantees, or security as specified under section 186 of the Companies Act, 2013.

36. Internal Auditor

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed Grand Thornton India LLP, Gurgaon, as Internal Auditors for financial year 2018-19 to conduct internal audit for the financial year 2018-2019.

The Company has an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems. Internal Audit Reports are discussed with the management and are reviewed by the Audit Committee of the Board. Grand Thornton India LLP, Gurgaon conducted the internal audit for the financial year 2018-2019 and gave us report which did not had any objection in it.

37. Internal financial controls audit

During the financial year 2018-2019 under review, Company’s Internal Controls were tested by M/s Genikon Services Pvt. Ltd. and no reportable weakness in the system was observed.

38. Cost Auditors

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, appointment of Cost Auditor is not applicable to our company.

39. Secretarial Standards

The Secretarial Standards SS-1 and SS-2 issued and notified by the Institute of Company Secretaries of India as amended / replaced from time to time have been complied with by the Company during the financial year under review.

40. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to all associates for their valuable support and look forward to their continued co-operation in the years to come. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors
For Mrs.Bectors Food Specialities Limited

sd/-
(Subhash Agarwal)
Chairman
(DIN: 02782473)
ADDRESS: HNO. 400/1, Rani Jhansi Road, Civil Lines, Ludhiana 141001

Place: Gurgaon
Date: 29.07.2019

ANNEXURE –A

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 are provided below

The Company operates in a safe and environmentally responsible manner for the long- term benefit of all stakeholders. The Company is committed to take effective measures to conserve energy and drive energy efficiency in operations.

A. CONSERVATION OF ENERGY

(i) Measures taken for conservation of energy.

a) Replacement of florescent lamps with LED Lights in all plants/ units has been initiated
b) In-house training for energy conservation to the plant members and employees
c) Air pressure reduction in plants to reduce compressed air energy cost.
d) Installations of Wind ventilators on sheds of different units.

(ii) Steps taken by the Company for utilizing alternate source of energy.

The Company is exploring the option of installing solar panels for generation of electricity at all plant locations

(iii) Capital investment on energy conservation equipments

Adequate steps have been taken to keep the installed energy conservation equipments in prompt conditions. Exact expenditure incurred in this process is not ascertainable.

B. TECHNOLOGY ABSORPTION

The efforts made towards technology absorption:
The company is motivated to continuously work for the process of technology development on need basis. The team undertakes specific time – bound programmes to improve technology which are tried on pilot scale / lab basis to achieve desired results and then up scaled at the manufacturing level. The Team works in close co-ordination with other outside agencies to ensure smooth transfer of technology. Appropriate documents are created for quality control and food safety.

Benefits derived
The Company has not only improved its productivity quality and productivity but has also reduced its manufacturing costs. The Company has been able to build its Brand in the Word Markets as a Manufacturer of world class biscuits.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(In Million)

Particulars	2018-2019	2017-2018
Total Foreign Exchange Received (F.O.B. Value of Export)	2001.20	1927.96
Total Foreign Exchange used	230.81	455.54

For and on behalf of the Board of Directors
For Mrs.Bectors Food Specialities Limited

Sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road, Civil Lines.
Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

ANNEXURE- B

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY

Our philosophy is to undertake socially useful programmes for welfare and sustainable development of the Community at large. Our initiatives include those aimed at promoting health care including preventive health care for benefits of different segments of society and in particular in taking care of deprived, underprivileged persons having health constraints.

Driving with these initiatives the CSR Committee of the Board has recommended to the board a list of activities relating to Cleanliness, Donations to Relief funds, Trusts and foundations, Promoting health care and Eradicating poverty and malnutrition which have been stipulated in schedule VII of the Companies Act 2013 and to spend at least two percent of the average net profits of the Company made during the three immediately preceding financial years.

2. COMPOSITION OF THE CSR COMMITTEE.

Mrs. Rajni Bector (Chairperson and Director)
Mr. Subhash Agarwal (Independent Director) and
Mr. Parveen Kumar Goel (Wholetime Director)

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

Average Net Profit of the Company for last three financial years Rs.473.01 Mn. (Rupees Four hundred and seventy three Millions only) calculated according to provisions of Section 198 of the Companies Act, 2013.

4. PRESCRIBED CSR EXPENDITURE (TWO PER CENT OF THE AMOUNT AS IN ITEM 3 ABOVE)

Prescribed CSR Expenditure is Rs. 9.46 Mn. (Rupees Nine Millions four hundred sixty Thousand Only) approximately.

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR

(a)Total amount spent for the financial year: Rs. 3.39 Millions
(b) Amount unspent, if any: Rs. 6.07 Millions
(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified.	Sector in which the Project is covered.	Projects or programs (1)Local area or other (2)Specify the State and district where projects or programs were undertaken.	Amount outlay(budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1)Direct expenditure on projects or programs. (2)Overheads.	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
1.	**Maintenance of fountain near Rakhbagh Chowk**	**Ensuring Environmental Sustainability**	**1. Local Area 2. State-Punjab, Ludhiana**	**-**	**0.61 Million**	**0.61 Million**	**Direct**
2.	**Donation of Filing Cabinet to Civil Hospital**	**Promoting Preventive Health Care**	**1. Local Area 2. State-Punjab, Ludhiana**	**-**	**0.04 Million**	**0.65 Million**	**Direct**
3.	**Donation of Biscuits to CMO Civil Surgeon Office**	**Eradicating hunger and malnutrition by contributing to fund set up for relief**	**1. Local Area 2. State-Punjab, Ludhiana**	**-**	**1.37 Million**	**2.02 Million**	**Through implementing agency**
4.	**Donation of Biscuits to CII (Confederation of Indian Industry) Foundation**	**Eradicating hunger and malnutrition**	**1. Others 2. All Over India**	**-**	**0.46 Million**	**2.48 Million**	**Through implementing agency**
5.	**Donation of Chapati Making Machine and Cooler to Om Shri Sai Sewa Trust (Sai Dham)**	**Promoting Preventive Health Care**	**1. Local Area 2. State-Punjab, Ludhiana**	**-**	**0.81 Million**	**3.29 Million**	**Through implementing agency**
6.	**Vyakti Vikas Kendra India-Donation provided to the institution ("Art of Living" trust of Shri Shri Ravi Shankar)**	**Contribution for socio-economic development**	**1. Others 2. All over India**	**-**	**0.1 Million**	**3.39 Million**	**Through implementing agency**

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORT

During the year under review, the Company spent Rs. 3.39 Million on various CSR activities but the Company was not able to spend the full amount of two percent of the average net profit of the last three financial years as recommended under the CSR Rule. CSR Committee met 2 times during the period under review and made recommendation to provide scholarship to poor students and for the eradication of poverty for eligible persons. The CSR Committee had approved certain long term projects to improve the health and eradicate the poverty like construction of Schools, construction of shelter homes for the poor and needy. However due to non-availability of land for purchase, these projects got delayed. The Company is in a better position now to implement its CSR policy effectively.

7. A RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE THAT THE IMPLEMENTATION AND MONITORING OF CSR POLICY IS IN COMPLIANCE WITH CSR OBJECTIVES AND POLICY OF THE COMPANY

The CSR Committee confirms that implementation and monitoring of CSR Policy is in compliance with CSR policy of the Company framed pursuant to the provisions of the Companies Act, 2013 and rules made thereunder.

For and on behalf of the Board of Directors
For Mrs. Bectors Food Specialities Limited

Sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road,
Civil Lines, Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

ANNEXURE- C

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of directors.

Constitution of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board as of the close of financial year comprised of Mr. Rajiv Dewan, Independent Director as Chairman and Mr. Subhash Agarwal, Independent Director as Member and Mr. Rahul Goswamy, Nominee Director as Member.

The Committee met four times during the year under review.

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment. A person to be appointed as Director, KMP or senior management level 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. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to MBFSL, ability to contribute to MBFSL's growth. Independence of directors are decided on the basis of definition of independent director contained in sub section 6 of section 149 of the Companies Act, 2013.

Policy relating to the remuneration for Directors, KMPs and other employees

The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director. Where any insurance is taken by the Company on behalf of its Managing Director 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. The remuneration and reward structure for employees depends upon their qualification and experience. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

For and on behalf of the Board of Directors
For Mrs. Bectors Food Specialities Limited

sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road,
Civil Lines, Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

MRS. BECTOR'S CREMICA
Baked with love. Just for you!

ANNEXURE- D

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

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

Subsidiary 1 **(Amount in Million)**

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Bakebest Foods Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company i.e. 31.03.2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Since the Company is Indian Company, this clause is not applicable
4.	Share capital	181.50
5.	Reserves & surplus	87.22
6.	Total assets	310.54
7.	Total Liabilities	41.82
8.	Investments	Nil
9.	Turnover	477.91
10.	Profit before taxation	85.73
11.	Provision for taxation	17.58
12.	Profit after taxation	62.13
13.	Proposed Dividend	Nil
14.	% of shareholding	100

Subsidary2 **(Amount in Million)**

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Mrs Bector's English Oven Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company i.e 31.03.2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Since the Company is Indian Company, this clause is not applicable
4.	Share capital	0.50
5.	Reserves & surplus	(0.00)

6.	Total assets	0.52
7.	Total Liabilities	0.02
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit before taxation	0.00
11.	Provision for taxation	0.00
12.	Profit after taxation	0.00
13.	Proposed Dividend	Nil
14.	% of shareholding	100

Part "B": Associates and Joint Ventures

Statement pursuant to first proviso Section 129 (3) of the Companies Act, 2013 relation to Associate Companies and Joint Ventures (Amount in Million)

Name of associates/Joint Ventures	Associate- Cremica Agro Foods Limited
1. Latest audited Balance Sheet Date	31.03.2019
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	1937268
Amount of Investment in Associates/Joint Venture	19.37
Extend of Holding%	43.09
3. Description of how there is significant influence	Mrs.Bectors Food Specialities Limited controls at least 20% of total voting power of Cremica Agro Foods Limited
4. Reason why the associate/joint venture is not consolidated	Controlling Right is not there
5. Net worth attributable to shareholding as per latest audited Balance Sheet	37.90 million
6. Profit/Loss for the year	
i. Considered in Consolidation	0.68 million
ii. Not Considered in Consolidation	-

For and on behalf of the Board of Directors
For Mrs. Bectors Food Specialities Limited

sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road, Civil Lines.
Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

ANNEXURE-E

(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 transactions under third proviso thereto

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

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

(A) Related Party Transactions with Bakebest Foods Private Limited

<table>
<tr><td>(a) Name(s) of the related party and nature of relationship</td><td>Bakebest Foods Private Limited hereinafter referred as BBFPL (a private company which is 100% wholly owned subsidiary of the company)</td></tr>
<tr><td>(b) Nature of contracts/arrangements/transactions</td><td>a) Sale of Raw material, Finished Goods and other material relating to food manufacturing
b) Purchase of Raw material, Finished Goods and other material relating to food manufacturing.
c) Sale of property, plant and equipment
d) Rent paid for taking portion of premises for purpose of Godown
e) Rent received by giving office on rent
f) To grant Loan</td></tr>
<tr><td>(c) Duration of the contracts/arrangements/transactions</td><td>Continuous Basis</td></tr>
<tr><td>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</td><td>Contracts or arrangements or transactions are at arm's length basis having value (in Rs) as follows
<table>
<tr><td>Sale to BBFPL</td><td>Raw Materials, finished goods and Fixed Assets for food production</td><td>Upto Rs 5 million</td></tr>
<tr><td>Purchase from BBFPL</td><td>Raw Materials and finished goods and other material relating to food manufacturing</td><td>Upto Rs 15 million</td></tr>
<tr><td>Sale to BBFPL</td><td>Property, plant and equipment</td><td>Rs 0.07 million</td></tr>
<tr><td>Rent Paid to BBFPL</td><td>Godown</td><td>Rs 0.06 million</td></tr>
</table></td></tr>
</table>

	Rent Received from BBFPL	Office	Rs 0.06 million
(e) Justification for entering into such contracts or arrangements or transactions	BBFPL is a company which deals in Breads and Buns Manufacturing and supply products to giants like Mcdonalds.		
(f) Date(s) of approval by the board	20.11.2017		

(B) Related Party Transactions with Ishaan Bector

<table>
<tr><td>(a) Name(s) of the related party and nature of relationship</td><td colspan="3">Ishaan Bector, Relative (son) of Mr. Anoop Bector, Managing Director</td></tr>
<tr><td>(b) Nature of contracts/arrangements/transactions</td><td colspan="3">Unsecured Loan Received</td></tr>
<tr><td>(c) Duration of the contracts/arrangements/transactions</td><td colspan="3">Contract for one year</td></tr>
<tr><td rowspan="3">(d) Salient terms of the contracts or arrangements or transactions including the value, if any</td><td colspan="3">Contracts or arrangements or transactions are at arm's length basis having value paid to him (in Rs) as follows</td></tr>
<tr><td>Unsecured Loan Repaid</td><td rowspan="2">Appointed as Whole time Director</td><td>Rs. 6.30 Million</td></tr>
<tr><td>Interest paid on Unsecured Loan</td><td>Rs. 0.25 Million</td></tr>
<tr><td>(e) Justification for entering into such contracts or arrangements or transactions</td><td colspan="3">Mr. Ishaan Bector is Well- Qualified young professional, holds a bachelor's degree in arts from Michigan State University and attended a management programme for family business from the Indian School of Business and is capable of handling bakery business of company</td></tr>
<tr><td>(f) Date(s) of approval by the board</td><td colspan="3">20.04.2018</td></tr>
</table>

(C) Related Party Transactions with Anoop Bector

(a) Name(s) of the related party and nature of relationship	Mr. Anoop Bector, Managing director of the company
(b) Nature of contracts/arrangements/transactions	Rental Services Unsecured Loan Received
(c) Duration of the contracts/arrangements/transactions	Contract for one year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value upto (in Rs)as follows

<table>
<tr><td></td><td><table>
<tr><td>Property at rent, rent paid to Mr. Anoop Bector</td><td rowspan="4">(Mr. Anoop Bector is Managing Director)</td><td>Rs.4.62 million</td></tr>
<tr><td>Borrow Money</td><td>Rs. 16.19 million</td></tr>
<tr><td>Unsecured Loan Repaid</td><td>Rs. 14.08 million</td></tr>
<tr><td>Interest paid</td><td>Rs. 0.90 million</td></tr>
</table></td></tr>
<tr><td>(e) Justification for entering into such contracts or arrangements or transactions</td><td>The property is situated in posh colony and is used for residence of directors</td></tr>
<tr><td>(f) Date(s) of approval by the board</td><td>20.11.2017, 20.04.2018</td></tr>
</table>

(D) Related Party Transactions with Anoop Bector, HUF

<table>
<tr><td>(a) Name(s) of the related party and nature of relationship</td><td>Anoop Bector HUF , (Substantial Interest as karta) of Mr. Anoop Bector, Managing director</td></tr>
<tr><td>(b) Nature of contracts/arrangements/transactions</td><td>Rental services</td></tr>
<tr><td>(c) Duration of the contracts/arrangements/transactions</td><td>Contract for one year</td></tr>
<tr><td>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</td><td>Contracts or arrangements or transactions are at arm's length basis having value paid to him (in Rs) as follows<table>
<tr><td>Property at rent, rent paid to Mr. Anoop Bector</td><td>(Substantial Interest as karta) of Mr. Anoop Bector, Managing director</td><td>Rs 3 Million</td></tr>
</table></td></tr>
<tr><td>(e) Justification for entering into such contracts or arrangements or transactions</td><td>The property is situated in Sarabha Nagar and is used for residence of directors</td></tr>
<tr><td>(f) Date(s) of approval by the board</td><td>20.11.2017</td></tr>
</table>

(E) Related Party Transactions with Mrs. Rajni Bector, Director

(a) Name(s) of the related party and nature of relationship	Rajni Bector, Director and Relative (mother) of Mr. Anoop Bector, Managing Director
(b) Nature of contracts/arrangements/transactions	Borrowed Money from Rajni Bector

<table>
<tr><td>(c) Duration of the contracts/arrangements/transactions</td><td>Contract for One Year</td></tr>
<tr><td>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</td><td>Contracts or arrangements or transactions are at arm’s length basis having value actually received (in Rs)as follows
<table>
<tr><td>Unsecured Loan Repaid</td><td rowspan="2">Director and Relative (mother) of Managing Director</td><td>Rs. 0.77 Million</td></tr>
<tr><td>Interest Paid</td><td>Rs. 0.04 Million</td></tr>
</table></td></tr>
<tr><td>(e) Justification for entering into such contracts or arrangements or transactions</td><td>In order to meet the working capital requirements of the Company</td></tr>
<tr><td>(f) Date(s) of approval by the board</td><td>20.04.2018</td></tr>
</table>

(F) Related Party Transactions with Mrs Bector's English Oven Limited

<table>
<tr><td>(a) Name(s) of the related party and nature of relationship</td><td>Mrs Bector's English Oven Limited (a Limited company which is 100% wholly owned subsidiary of the company)</td></tr>
<tr><td>(b) Nature of contracts/arrangements/transactions</td><td>Rental services</td></tr>
<tr><td>(c) Duration of the contracts/arrangements/transactions</td><td>Contract for one year</td></tr>
<tr><td>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</td><td>Contracts or arrangements or transactions are at arm’s length basis having value received as rent (in Rs)as follows
<table>
<tr><td>Property given at rent, Rent received</td><td>Wholly owned subsidiary of Mrs. Bectors Food Specialities Limited</td><td>Rs 0.01 Million</td></tr>
</table></td></tr>
<tr><td>(e) Justification for entering into such contracts or arrangements or transactions</td><td>The property taken on rent by Mrs Bector's English Oven Limited for using as its registered office</td></tr>
<tr><td>(f) Date(s) of approval by the board</td><td>20.11.2017</td></tr>
</table>

(G) Related Party Transactions with Cremica Agro Foods Limited

(a) Name(s) of the related party and nature of relationship	Cremica Agro Foods Limited (a Limited company which is an Associate of Mrs. Bectors Food Specialities Limited)
(b) Nature of contracts/arrangements/transactions	Rental services
(c) Duration of the contracts/arrangements/transactions	Contract for one year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value received as rent (in Rs) as follows Property given at rent, Rent received — Associate of Mrs. Bectors Food Specialities Limited — Rs 0.06 Million
(e) Justification for entering into such contracts or arrangements or transactions	The property taken on rent by Cremica Agro Foods Limited for using as its corporate office
(f) Date(s) of approval by the board	05.03.2018

For and on behalf of the Board of Directors
For Mrs. Bectors Food Specialities Limited

Sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road,
Civil Lines, Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

*Please note that besides above the directors have been paid remunerations as mentioned in MGT-9

ANNEXURE-F

Form No. MR-3
Secretarial Audit Report

(For the Financial Year Ending 31.3.2019)
[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 Board of Directors
Mrs. Bectors Food Specialities Limited,
Theing Road, Phillaur,
Distt.Jalandhar-144410
Punjab India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mrs. Bectors Food Specialities Limited, having registered office at Theing Road, Phillaur, Distt. Jalandhar-144410 Punjab India, Corporate Identification No. U74899PB1995PLC033417 **(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 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 ended on 31.03.2019**, 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:

1. We have examined the books, papers, minute books, forms and returns filed and their records maintained by (**"The Company"**) for the period ended on 31.3.2019 according to the provisions of:

I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
II. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
III. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;

IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act') are not applicable to the Company being the unlisted entity**:-

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, 1992;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)
Regulations, 2009;
d. 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;
e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
g. Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
h. Listing Obligation and Disclosure Requirements Regulation, 2015.

VI. As informed to us, the other laws specifically applicable to the Company have been complied with. In this regard, we have relied on the information/records produced by the Company during the course of Audit on test check and randomly basis and limited to that extent only for the following acts:

- Food Safety& Standards Act, 2006
- The Factories Act, 1948.
- The Payment of Wages Act, 1936.
- The Minimum Wages Act, 1948.
- Employees Provident Fund and Misc. Provisions Act, 1952.
- Employers State Insurance Act, 1948.
- The Payment of Bonus Act, 1965.
- The Environment (Protection) Act, 1986.
- Electricity Act 2003.
- Payment of Gratuity Act, 1972.
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder.
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.

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

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

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

2. We further report that the Company has, in our opinion, complied with provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

a) Maintenance of various statutory registers and documents and making necessary entries therein;
b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
d) Notice of Board meetings and Committee meetings of Directors;
e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
f) The Annual General Meeting held on 01.08.2018 including the provisions related to extension of time;
g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
j) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
k) Appointment and remuneration of Auditors and Cost Auditors;
l) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
m) Declaration and payment of dividends;
n) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs, if any;
o) Borrowings and registration, modification and satisfaction of charges wherever applicable;
p) Investment of the Company's funds including investments and loans to others;
q) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
r) Directors' report;
s) Related Party Transactions.

t) Contracts, common seal, registered office and publication of name of the Company; and
u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. We further report that:

a. 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.
b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at reasonable gap 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.
c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
d. The Company has obtained all necessary approvals under the various provisions of the Act; and
e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, Depositories Act, and any other Act against/on the Company, its Directors and Officers.

f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being Independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding, being the Unlisted Public Company.

5. The Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization /rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. We further report that:

a. the Company is **not required to comply (being the Unlisted Public Company)** with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited;
b. the Company is **not required to comply (being the Unlisted Public Company)** with the provisions of the Securities and Exchange Board of India(Substantial

Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company is **not required to comply (being the Unlisted Public Company)** with the provisions of the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

7. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

8. **We further report that** based on the information received and records maintained 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.

For Anuj Bansal & Associates
Practicing Company Secretaries

sd/-
Anuj Rai Bansal
B.Com, FCS, LLB
M.No. 5166
C.P.No. 3667

Date: 29th Day of July, 2019.
Place: Jalandhar.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

(Forming Integral Part of Secretarial Audit Report for the financial year ending 31.3.2019)

To
The Members,
Mrs. Bectors Food Specialities Limited,
Theing Road, Phillaur,
Distt.Jalandhar-144410
Punjab India

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process 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. which forms the integral part to express our opinion in Form MR-3.
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 procedure on test basis as the Secretarial Auditors.
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 Anuj Bansal & Associates
Practicing Company Secretaries

sd/-
Anuj Rai Bansal
B.Com, FCS, LLB
M.No. 5166
C.P.No. 3667

Date: 29th Day of July, 2019.
Place: Jalandhar.

ANNEXURE- G

FORM MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	**U74899PB1995PLC033417**
ii.	Registration Date	**15/09/1995**
iii.	Name of the Company	**MRS.BECTORS FOOD SPECIALITIES LIMITED**
iv.	Category/Sub-Category of the Company	**Company limited by shares / Indian Non-Government company**
v.	Address of the Registered office and contact details	**Theing Road, Phillaur, Distt. Jalandhar-144410, Punjab, India Contact No. (+91-1826)225418, 222826 Fax No. (+91-1826)222915**
vi.	Whether Listed Company	**No**
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Link Intime India Private Limited,** Address: - 247 Park, C-101 , Lal Bahadur Shastri Marg, Vikhroli West, Mumbai, Maharashtra 400083 Tel.: 022 49186000, 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	**Manufacture of Bakery Products which includes Biscuits, Breads etc.**	1071	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No.	Name and address of company	CIN/GLN	Holding/Subsidiary /Associate	% of share held	Applicable section
1.	Bakebest Foods Private Ltd, Theing Road, Phillaur	U15412PB2009PTC033442	Subsidiary	100	2(87)(ii)
2.	Mrs. Bectors English oven Limited, Theing Road, Phillaur	U15412PB2013PLC037958	Subsidiary	100	2(87)(ii)
3.	Cremica Agro Foods Limited, B XXX III 324G T Road West Ludhiana	L15146PB1989PLC009676	Associate	43.09	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	22848674	Nil	22848674	39.90	22848674	Nil	22848674	39.90	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(1):-	22848674	Nil	22848674	39.90	22848674	Nil	22848674	39.90	Nil
2) Foreign									
g) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
k) Any Other….	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	26770976	Nil	26770976	46.75	26770976	Nil	26770976	46.75	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(1)	26770976	Nil	26770976	46.75	26770976	Nil	26770976	46.75	Nil
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	300	Nil	300	0.00	0.00
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7647972	Nil	7647972	13.35	7647972	Nil	7647972	13.35	Nil
c) Others(Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(2)	7647972	Nil	7647972	13.35	7648272	Nil	7648272	13.35	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	34418948	Nil	34418948	60.10	34419248	Nil	34419248	60.10	Nil
C. Shares held by Custodian for GDRs &ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	57267622	Nil	57267622	100.00	57267922	Nil	57267922	100.00	0.00

ii.Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumber-red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anoop Bector	22848674	39.90	Nil	22848674	39.90	Nil	Nil
	Total	22848674	39.90	Nil	22848674	39.90	Nil	Nil

iii.Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholder Name	Shareholding at the beginning of the year		Change in Shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of shares Increase/(Decrease)	Reason	No. of shares	% of total shares of the company
				----No Change----				

iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Linus Private Limited	13120790	22.91	13120790	22.91
2.	GW Crown Pte Ltd.	11170496	19.51	11170496	19.51
3.	Anoop Bector HUF	2005970	3.50	2005970	3.50
4.	Suvir Bector	1585156	2.77	1585156	2.77
5.	Mabel Private Limited	1380150	2.41	1380150	2.41
6.	Rashmi Bector	1212596	2.12	1212596	2.12
7.	GW Confectionary Pte ltd	1099540	1.92	1099540	1.92
8.	Ajay Bector	457892	0.79	457892	0.79
9.	Manoj Verma	Nil	Nil	100	0.00
10.	Neeraj Aggarwal	Nil	Nil	100	0.00

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anoop Bector	22848674	39.90	22848674	39.90
2.	Ishaan Bector	2386358	4.17	2386358	4.17
3.	Parveen Kumar Goel	Nil	Nil	100	0.00

V. INDEBTEDNESS

(Amount in Rs. Million)

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 1315.71 Nil 3.67	 25.12 Nil Nil	 Nil Nil Nil	 1340.83 Nil 3.67
Total (i+ii+iii)	1319.38	25.12	Nil	1344.50
Change in Indebtedness during the financial year - Addition - Reduction	 276.37 Nil	 Nil 3.90	 Nil Nil	 276.37 3.90
Net Change	276.37	3.90	Nil	272.47
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 1590.94 Nil 4.81	 21.22 Nil Nil	 Nil Nil Nil	 1612.16 Nil 4.81
Total (i+ii+iii)	1595.75	21.22	Nil	1616.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in Rs. Million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Anoop Bector (Managing Director)	Parveen Kumar Goel (Wholetime Director)	Ishaan Bector (Wholetime Director)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.96	5.23	13.54	48.73
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil*	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as% of profit - Others, specify…	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total(A)	29.96	5.23	13.54	48.73

*100 share were allotted to Mr. Parveen Kumar Goel under the ESOP Plan 2017 on 22.03.2019 upon the receipt of Rs. 17462, the price of valuation. Since the price of valuation and the price of allotment is same. Therefore it does not lead to income.

B. Remuneration to other Directors:

1. Independent Directors **(Amount in Rs. Million)**

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		Nem Chand Jain	Rajiv Dewan	Subhash Agarwal	

	▪Fee for attending board committee meetings ▪Commission ▪Others, please specify	0.3 Nil Nil	0.125 Nil Nil	0.225 Nil Nil	0.65 Nil Nil
	Total(1)	0.3	0.125	0.225	0.65

2. Other Non- Executive Director

(Amount in Rs. Million)

	Particulars of Remuneration	**Name of Director**	**Total Amount**
		Rajni Bector	
	Other Non-Executive Directors ▪Fee for attending board committee meetings ▪Commission ▪Others, (Consultancy Fees)	Nil Nil Nil	Nil Nil Nil
	Total (2)	Nil	Nil
	Total (B) = (1+2)		0.65
	Total Managerial Remuneration		49.38

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs. Million)

Sl. No.	**Particulars of Remuneration**	**Key Managerial Personnel**	
		Company Secretary	**Total**
		Atul Sud	
1.	Gross Salary (a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.87 Nil Nil	0.87 Nil Nil
2.	Stock Option	Nil	Nil

3.	Sweat Equity	Nil	Nil
4.	- Commission as % of profit - Others, specify…	Nil	Nil
5.	Others, please specify	Nil	Nil
6.	Total	0.87	0.87

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors
For Mrs. Bectors Food Specialities Limited

sd/-
(Subhash Agarwal)
Chairman
DIN: 02782473
HNO. 400/1 Rani Jhansi Road,
Civil Lines, Ludhiana 141001

Place: Gurugram
Date: 29.07.2019

Mrs. Bectors Food Specialities Limited

Standalone Financial Statements for the year ended

31 March 2019

B S R & Co. LLP
Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

INDEPENDENT AUDITOR'S REPORT

To the Members of Mrs. Bectors Food Specialities Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the standalone financial statements of **Mrs. Bectors Food Specialities Limited** ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Other Information

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

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

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

We have nothing to report in this regard.

4. Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on Other Legal and Regulatory Requirements

(A) As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

(B) As required by Section 143(3) of the Act, we report that:

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

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

c) The standalone balance sheet, the standalone statement of profit and loss, the standalone statement of changes in equity and the standalone statement of cash flows 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(B) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549
ICAI UDIN No.: 19094549AAAACJ2356

Place: Gurugram
Date: 29 July 2019

Annexure A referred to to the Independent Auditor's report to the Members of Mrs. Bectors Food Specialities Limited for on the standalone financial statements the year ended 31 March 2019, we report that:

(i) (a) According to information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and intangible assets).

(b) According to information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are physically verified by the management in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. In our opinion, the periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its assets. As informed to us, no discrepancies have been noticed on such verification.

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of the immovable properties are held in the name of the Company except for the following:-

S. No	Type of Immovable property	Location of Immovable Property	Gross block of property as on 31 March 2019 (Rs. in millions)	Net block of property as on 31 March 2019 (Rs. in millions)
1	Freehold land	Tahliwal, Himachal Pradesh.	3.07	3.07
2	Building	Noida, Uttar Pradesh	4.82	4.36

(ii) According to information and explanations given to us, the inventories, except goods in transit, have been physically verified by the management during the year. For goods in transit in respect of purchase and sales of material, all material is substantially received or delivered until the date of issuance of this report. In our opinion, the frequency of such verification is reasonable. Further, as informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to information and explanations given to us, the Company has not granted any loans secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company has not provided any loan, guarantee or security as specified under section 185 of the Act, Further, the Company has complied with the provisions of section 186 of the Act in relation to investment made.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records under section 148 (1) of the Act for any goods sold or services rendered by the company. Accordingly para 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Goods and Services Tax ('GST'), Duty of customs and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in deposit of income-tax, GST, welfare fund, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, GST, Duty of customs and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax.

Also refer note 41(A)(e) wherein it is explained that on account of the uncertainty with respect to the applicability of the Hon'ble Supreme Court judgement dated 28 February 2019 on provident fund matter, pending clarification from the department of Provident Fund, management has not recognized and deposited any additional provident fund amount with respect to the period prior to 28 February 2019.

(b) According to the information and explanations given to us, there are no dues of Income tax, GST, Sales tax, Service tax, Duty of excise, Duty of customs and Value added tax which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of Dues	Amount disputed* (Rs. in million)	Amount deposited (Rs. in million)	Period to which amount relates	Forum where dispute is pending
Punjab Value Added Tax Act, 2005	Sales tax	2.37 3.75	- -	2008-09 2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into Local Area Act, 2000	Entry tax	1.69	-	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry tax	0.54 7.57 8.73 7.44 15.15 11.70	46.33	2010-11 2011-12 2012-13 2013-14 2014-15 2015-16	High Court of Himachal Pradesh

Name of the Statute	Nature of Dues	Amount disputed* (Rs. in million)	Amount deposited (Rs. in million)	Period to which amount relates	Forum where dispute is pending
		7.10 1.02		2016-17 2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales tax	3.01	-	2005-06	VAT Tribunal of Himachal Pradesh
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	1.91 1.59	- -	2013-14 2014-15	Deputy Excise and Taxation Commissioner, Gautam Budh Nagar
Income Tax Act,1961	Income Tax	5.73 6.05 0.00 0.13 1.83	5.73# 6.05	2007-08 (A.Y.) 2009-10 (A.Y.) 2010-11 (A.Y.) 2011-12 (A.Y.) 2013-14 (A.Y.)	Income Tax Appellate Tribunal, Chandigarh
Income Tax Act,1961	Income Tax	0.18	-	2015-16 (A.Y.)	Commissioner of Income Tax (Appeals), Ludhiana

*amount as per demand orders including interest and penalty, wherever indicated in order.
#adjusted against refund dues.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to its bankers or to any financial institutions. The Company did not have any outstanding dues to any debenture holder.

(ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the term loans taken by the Company has been applied for the purposes for which they were obtained. As informed to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of Order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Accordingly para 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN No.: 19094549AAAACJ2356

Place: Gurugram
Date: 29 July 2019

Annexure B to the Independent Auditor's report on the standalone financial statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2019.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 6(B)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mrs. Bectors Food Specialities Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549
ICAI UDIN No.: 19094549AAAACJ2356

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Balance sheet as at 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,333.60	2,289.14
Capital work-in-progress	4	155.58	920.79
Intangible assets	5	11.97	17.81
Financial assets			
(i) Investments in subsidiaries	6	182.00	182.00
(ii) Investment accounted for using the equity method	7	17.09	17.48
(iii) Loans	8	34.82	31.63
(iv) Other financial assets	9	0.41	9.68
Non-current tax assets (net)	10	39.43	27.03
Other non-current assets	11	40.68	66.15
Total non-current assets		**3,815.58**	**3,561.71**
Current assets			
Inventories	12	332.89	344.20
Financial assets			
(i) Investments	13	-	0.18
(ii) Trade receivables	14	983.90	672.42
(iii) Cash and cash equivalents	15	50.93	51.81
(iv) Bank balances other than (iii) above	16	50.91	48.06
(v) Other financial assets	17	154.78	97.34
Other current assets	18	198.76	148.32
Total current assets		**1,772.17**	**1,362.33**
Total assets		**5,587.75**	**4,924.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	572.68	572.68
Other equity	20	2,265.19	1,979.78
Total equity		**2,837.87**	**2,552.46**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	1,081.90	956.93
Provisions	22	39.56	30.79
Deferred tax liabilities (net)	23	110.29	58.66
Other non-current liabilities	24	148.74	137.48
Total non-current liabilities		**1,380.49**	**1,183.86**

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Balance sheet as at 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
Current liabilities			
Financial liabilities			
(i) Borrowings	25	327.09	262.73
(ii) Trade payables	26		
(a) Total outstanding dues of micro enterprises and small enterprises		60.41	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		407.48	375.87
(iii) Other financial liabilities	27	296.64	295.65
Other current liabilities	28	123.30	100.67
Provisions	29	141.89	126.80
Current tax liabilities (net)	30	12.58	26.00
Total current liabilities		**1,369.39**	**1,187.72**
Total liabilities		**2,749.88**	**2,371.58**
Total equity and liabilities		**5,587.75**	**4,924.04**

Significant accounting policies 2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of**
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:-00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Statement of profit and loss for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	31	7,358.89	6,533.31
Other income	32	76.03	35.91
Total income		**7,434.92**	**6,569.22**
Expenses			
Cost of materials consumed	33	3,826.81	3,576.48
Purchase of stock-in-trade	34	134.14	126.39
Changes in inventories of finished goods, stock-in- trade and work-in-progress	35	38.28	(70.38)
Excise duty		-	33.30
Employee benefits expense	36	1,036.76	867.84
Finance costs	37	123.39	55.29
Depreciation and amortisation expense	38	308.61	244.11
Other expenses	39	1,491.37	1,263.42
Total expenses		**6,959.36**	**6,096.45**
Profit before tax		**475.56**	**472.77**
Tax expense:	23		
Current tax		100.24	148.96
Deferred tax		51.55	3.29
		151.79	**152.25**
Profit for the year (A)		**323.77**	**320.52**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		0.21	2.61
Income tax relating to remeasurement of defined benefit plans		(0.07)	(0.90)
Total other comprehensive income/ (loss) for the year (B)		**0.14**	**1.71**
Total comprehensive income for the year (A + B)		**323.91**	**322.23**
Earnings per equity share			
[nominal value of Rs. 10 (previous year Rs.10)]	40		
Basic		5.65	5.60
Diluted		5.65	5.59
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of**
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2019 Number of shares	As at 31 March 2019 Amount	As at 31 March 2018 Number of shares	As at 31 March 2018 Amount
Balance at the beginning of the year	57,267,622	572.68	28,633,811	286.34
Employee stock option exercised during the year*	300	0.00	-	-
Bonus shares issued	-	-	28,633,811	286.34
Balance at the end of the reporting year	**57,267,922**	**572.68**	**57,267,622**	**572.68**

*The total amount of shares issued in absolute value is Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million

(b) Other equity

Particulars	Note	Reserves & surplus: Share options outstanding account	Capital reserve	Securities premium	Retained earnings	Other Comprehensive Income (Remeasurement of defined benefit plans (net of tax))	Total
Balance at 1 April 2017		-	14.37	530.17	1,445.08	(1.56)	1,988.06
Profit for the year		-	-	-	320.52	-	320.52
Other comprehensive income for the year	20 d	-	-	-	-	1.71	1.71
Employee stock option expense	20 e	3.99	-	-	-	-	3.99
Less: Bonus shares issued	20 h	-	-	(286.34)	-	-	(286.34)
Less: Interim dividend	20 c	-	-	-	(42.95)	-	(42.95)
Less: Dividend distribution tax on interim dividend*	20 c	-	-	-	(5.21)	-	(5.21)
Total comprehensive income for the year		**3.99**	**-**	**(286.34)**	**272.36**	**1.71**	**(8.28)**
Balance at 31 March 2018		**3.99**	**14.37**	**243.83**	**1,717.44**	**0.15**	**1,979.78**
Profit for the year		-	-	-	323.77	-	323.77
Other comprehensive income for the year	20 d	-	-	-	-	0.14	0.14
Employee stock option expense	20 e	4.40	-	-	-	-	4.40
Employee stock option exercised during the year	20 e	(0.04)		0.09			0.05
Less: Interim dividend	20 c	-	-	-	(42.95)	-	(42.95)
Less: Dividend distribution tax on interim dividend*	20 c	-	-	-	-	-	-
Total comprehensive income for the year		**4.36**	**-**	**0.09**	**280.82**	**0.14**	**285.41**
Balance at 31 March 2019		**8.35**	**14.37**	**243.92**	**1,998.26**	**0.29**	**2,265.19**

* Tax on dividend paid is net of credit of Rs. 8.83 (Rs. 3.53 for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary company.

Significant accounting policies 2

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of**
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN: 07081333

Ishaan Bector
Director
DIN: 02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN: 00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Statement of cash flows for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flow from operating activities		
Net profit before taxation	475.56	472.77
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	308.61	244.11
Provision for doubtful debts and advances	36.59	4.64
Gain on sale/write off of investments (net)	(1.10)	(0.67)
Net change in fair value of financial assets at FVTPL	-	0.06
Bad debts written off	2.81	3.19
Dividend income	(54.45)	(18.15)
Net (profit)/loss on sale of property, plant and equipment	(0.27)	2.44
Employee share-based payment expense	4.40	3.99
Interest expense	123.30	55.29
Interest income	(4.58)	(5.94)
Operating profit before working capital changes	**890.87**	**761.94**
Movement in working capital:		
(Increase)/ decrease in Loans	(3.19)	5.40
(Increase) in other financial assets	(37.56)	(6.28)
Decrease/ (increase) in other assets	(50.44)	(85.64)
(Increase)/ decrease in inventories	11.31	(81.46)
(Increase) in trade receivables	(320.79)	(114.48)
Increase in provisions	24.07	16.61
Increase/(decrease) in other liabilities	13.81	(18.25)
Increase in trade payables	42.02	19.40
Increase in other financial liabilities	19.40	12.36
Cash generated from operations	**589.50**	**509.60**
Income tax paid	(126.06)	(136.91)
Net cash from operating activities (A)	**463.44**	**372.69**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(631.08)	(1,181.14)
Purchase of intangible assets (including intangible under development)	-	(0.81)
Proceeds from sale of property, plant and equipment (including capital work in progress)	2.54	3.62
Net proceeds of investments	1.67	48.69
Net redemption/(investments) in bank deposits (having original maturity of more than three months)	6.42	10.84
Dividend income	54.45	18.15
Interest received	4.70	5.82
Net cash used in investing activities (B)	**(561.30)**	**(1,094.83)**
C. Cash flows from financing activities		
Proceeds from issue of equity share capital	0.00	-
Share premium on exercise of employee stock option	0.05	-
Proceeds/(repayments) from/to non-current borrowings *	186.97	642.55
Proceeds/(repayments) from/to current borrowings	64.36	97.14
Interest paid	(122.25)	(54.52)
Dividend paid on equity shares (including dividend distribution tax)	(32.15)	(38.96)
Net cash from financing activities (C)	**96.98**	**646.21**
Net (decrease) in cash and cash equivalents (A+B+C)	**(0.88)**	**(75.93)**
Cash and cash equivalents at the beginning of the year	51.81	127.74
Cash and cash equivalents at the end of the year	**50.93**	**51.81**

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

* Also refer note 21 (c) for reconciliation of liabilities from financing activities.

Significant accounting policies 2

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited**

Anoop Bector
Managing Director
DIN: 00108589

Ishaan Bector
Director
DIN: 02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN: 00007297

Place: Gurugram
Date: 29 July 2019

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as "the Company" is domiciled in India. The Company's registered office is at Theing Road, Phillaur-144410, Punjab, India. The Company is engaged in the business of manufacturing and distribution of food products. The Company caters to both domestic and export markets.

2. Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Basis of preparation

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (India Accounting Standards) Amendment Rules, 2016 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 29 July 2019.

Effective 1 April 2017, the Company had adopted the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First- time adoption of Indian Accounting Standards, with 1 April 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

i) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded to the nearest millions, upto two places of decimal, unless otherwise stated.

ii) Basis of measurement

The financial statements have been prepared under the historical cost basis except for the following:

- Defined benefit liability/(assets): Fair value of the plan assets less present value of defined benefit obligations
- Certain financial assets and liabilities (including derivative instruments): measured at fair value
- Share-based payments: measured at fair value of share based payments.

Fair value measurement

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement

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is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

iii) Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Note 49 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 43 - classification of leases into finance and operating lease;
- Note 43 – leases: whether an arrangement contains lease.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Note 3 & 5 - useful life and residual value of property, plant and equipment and intangible assets;
- Note 46 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 48 - fair value of share based payments;
- Note 41 - recognition and measurement of provisions and contingencies;
- Note 49 - impairment of financial assets;
- Note 49 - Fair value measurement of financial instruments.
- Note 12 – write down of inventories
- Note 2m, 10 and 23 - recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

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iv) *Current versus non-current classification*

A number of the Company's accounting policies and **liabilities as current** and **non-current**

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax liabilities are classified as non-current liabilities.
The operating cycle is the time between the acquisition of the assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) **Property, plant and equipment**

i. **Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

Major machinery spares parts are classified as property, plant and equipment when they are expected to be utilized over more than one period. Other spares are carried as inventory and recognised in the Statement of Profit and Loss as and when consumed.

Any gain or loss on disposal of property, plant and equipment is recognised in Statement of Profit and Loss.

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant

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and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 as per the previous GAAP and use that as the deemed cost of the property, plant and equipment.

ii. Subsequent Measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and equipment such as molds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation.

Leasehold land is amortised pro-rata over the lease period on a straight line basis.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

c) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Estimated useful life of the software is considered as 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognized.

Advances paid towards acquisition of intangible assets outstanding at each period end date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as intangible asset under development.

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On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 as per the previous GAAP and use that as the deemed cost of the Intangible assets.

d) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

e) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

f) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

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. The Company makes specified monthly contributions towards Government administered provident fund scheme. 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.

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Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

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 Plan is funded with an Insurance Company in the form of insurance policy. 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.

Re-measurements 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 Other Comprehensive Income (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.

Other long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

g) Revenue

a) Sale of goods

The Company earns revenue primarily from business of manufacturing and distribution of food products.

Effective 1 April 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The adoption of the standard did not have any material impact to the financial statements of the Company.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

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Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

Revenue includes excise duty and are shown net of sales tax, value added tax and goods and services tax.

b) Rendering of services

Revenue in respect of sale of services is recognised on an accrual basis in accordance with the terms of the relevant agreements.

c) Interest income

Interest income or expense is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Interest income is included under the head "other income" in the Statement of Profit and Loss

d) Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established which is generally when shareholders approve the dividend.

e) Contract assets

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

f) Contract liabilities

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

h) Government grants and subsidies

Government grants for capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in Statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognized.

i) Inventories

Raw materials, stores and spares are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Materials and other items

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held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Goods in transit are valued at cost excluding import duties. Cost of raw materials, components and stores and spares is determined on weighted average cost basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

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

The Company has a policy for writing off the inventory of finished goods which is more than 90 days old at year end.

j) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the financial statements but disclosed where an inflow of economic benefit is probable.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

1) Financial assets

i) Initial recognition and measurement

The Company initially recognises financial assets on the date on which they are originated. The Company recognises the financial assets on the trade date, which is the date on which the Company becomes a party to the contractual provision of the instrument.

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All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except assets measured at fair value through profit or loss

ii) Classifications and subsequent measurement

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair value though Profit and Loss (FVTPL):

- it is held within a business model whose objective is to hold assets 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from Expected Credit Losses (ECL) impairment are recognised in the profit or loss.

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Debt instrument at fair value through Profit and Loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

Equity instruments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value.

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

Investments in tax free bonds and fixed deposits are measured at amortised cost.

iii) Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

iv) Derecognition of financial assets

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

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

v) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS *109, Financial Instruments*, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

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Chartered Accountants

vi) Impairment of non-financial assets

The Company non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into a cash-generating unit (CGU). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2) Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, amortised cost, as appropriate.

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

ii) Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities are amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii) Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

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3) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

4) Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

l) Income taxes

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 a business combination or 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 differences between the carrying amounts of assets and liabilities in the Balance Sheet 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 assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets 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 when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

iii. Minimum Alternative tax

Minimum Alternative tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in profit or loss. The credit available under the Act in respect of MAT paid is adjusted from deferred tax liability only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m) Leases

Determining whether an arrangement contains a lease:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement, is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specified asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. Subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Where the Company is the Lessee:

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset based on internal technical evaluation or the useful life envisaged in Part C of Schedule II of the Companies Act, 2013. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Part C of Schedule II of the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief operating decision maker by the management of the Company. Refer note 42 for segment information presented.

o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from 1 April 2019:

Ind AS 116, *Leases*

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases (Ind AS 17) and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and Lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises present value of the lease payment (discounted using incremental borrowing rate) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

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The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019 using the modified retrospective approach. Therefore, the cumulative effect of adopting new standard will be recognized as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

For nature of lease arrangements, refer note 43 of the financial statements. The company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

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Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not expect any impact from this amendment.

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Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Notes to the financial statements for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 1 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Own assets										
Freehold land	170.47	-	-	170.47	-	-	-	-	170.47	170.47
Leasehold improvements	1.09	-	-	1.09	0.99	-	-	0.99	0.10	0.10
Buildings	824.17	328.78	-	1,152.95	44.48	35.68	-	80.16	779.69	1,072.79
Plant and machinery	1,477.78	986.36	2.79	2,461.35	366.14	244.69	2.26	608.57	1,111.64	1,852.78
Furniture and fixtures	28.67	11.90	-	40.57	6.48	3.95	-	10.43	22.19	30.14
Vehicles	73.29	7.13	3.95	76.47	21.12	10.97	2.20	29.89	52.17	46.58
Office equipment	11.76	10.24	-	22.00	5.24	2.91	-	8.15	6.52	13.85
Computer	10.59	5.10	-	15.69	4.36	3.00	-	7.36	6.23	8.33
Assets on financial lease *										
Leasehold land	141.44	-	-	141.44	1.31	1.57	-	2.88	140.13	138.56
Total	**2,739.26**	**1,349.51**	**6.74**	**4,082.03**	**450.12**	**302.77**	**4.46**	**748.43**	**2,289.14**	**3,333.60**

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2017	Additions	Disposals during the year	As at 31 March 2018	As at 1 April 2017	Charge for the year	Disposals during the year	As at 31 March 2018	As at 1 April 2017	As at 31 March 2018
Own assets										
Freehold land	165.89	4.58	-	170.47	-	-	-	-	165.89	170.47
Leasehold improvements	2.43	-	1.34	1.09	1.45	0.89	1.35	0.99	0.98	0.10
Buildings	658.17	166.00	-	824.17	20.06	24.42	-	44.48	638.11	779.69
Plant and machinery	1,127.04	359.30	8.56	1,477.78	175.91	193.12	2.89	366.14	951.13	1,111.64
Furniture and fixtures	27.29	1.48	0.10	28.67	3.14	3.37	0.03	6.48	24.15	22.19
Vehicles	69.89	3.83	0.43	73.29	10.10	11.17	0.15	21.12	59.79	52.17
Office equipment	10.19	1.59	0.02	11.76	2.80	2.45	0.01	5.24	7.39	6.52
Computer	8.18	2.44	0.03	10.59	2.08	2.28	-	4.36	6.10	6.23
Assets on financial lease *										
Leasehold land	44.60	96.84	-	141.44	0.59	0.72	-	1.31	44.01	140.13
Total	**2,113.68**	**636.06**	**10.48**	**2,739.26**	**216.13**	**238.42**	**4.43**	**450.12**	**1,897.55**	**2,289.14**

a) Refer note 21 and 25 for charge created on property, plant and equipment

b) Freehold land includes land having gross block amounting to Rs. 3.07 (31 March 2018 Rs. 3.07) in the state of Himachal Pradesh, pending to be registered in the name of Company

c) Building includes premises at Noida having gross block amounting to Rs. 4.82 (31 March 2018 Rs. 4.82) and written down value amounting to Rs. 4.36 (31 March 2018 Rs. 4.52) pending to be registered in the name of the company

d) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2018 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2018 Rs. 0.03) are pending to be registered in the name of the Company

e) Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment

f) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was ranging approximately between 8.10% to 10.43% for the year ended 31 March 2019 and 31 March 2018

* Refer Note 21(b)

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(All amounts are in rupees million, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2018	Additions	Capitalised during the year	As at 31 March 2019
Capital work in progress*	920.79	461.02	1,226.23	155.58

Particulars	As at 1 April 2017	Additions	Capitalised during the year	As at 31 March 2018
Capital work in progress*	117.84	1,251.54	448.59	920.79

*Detail of preoperative expenses included in CWIP	As at 31 March 2019	As at 31 March 2018
Opening for the year	**52.98**	**21.52**
Additions as per statement of profit and loss during the year		
- Interest and processing charges	29.52	29.12
- Bank charges	0.32	0.50
- Power & fuel	1.73	2.72
- Insurance	0.51	0.54
- Employee benefits expense	4.59	7.02
- Communication costs	-	0.12
- Legal & professional expense	2.96	3.64
- Rates & taxes	-	7.58
- Rent	0.46	0.02
- Travelling and conveyance	2.63	3.71
- Miscellaneous expenses	0.75	0.28
Subtotal	**43.49**	**57.25**
Less - Expense off during the year	-	2.05
Less - Capitalised to respective property, plant and equipment	95.59	23.74
Closing for the year	**0.88**	**52.98**

5. Intangible assets

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2018	Additions	Deletions	As at 31 March 2019	As at 1 April 2018	Charge for the year	Deletions	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Computer software	27.56	-	-	27.56	9.75	5.84	-	15.59	17.81	11.97
Total	**27.56**	-	-	**27.56**	**9.75**	**5.84**	-	**15.59**	**17.81**	**11.97**

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2017	Additions	Deletions	As at 31 March 2018	As at 1 April 2017	Charge for the year	Deletions	As at 31 March 2018	As at 1 April 2017	As at 31 March 2018
Computer software	21.20	6.36	-	27.56	4.07	5.68	-	9.75	17.13	17.81
Total	**21.20**	**6.36**	-	**27.56**	**4.07**	**5.68**	-	**9.75**	**17.13**	**17.81**

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
6 Investments in subsidiaries		
Unquoted equity shares at cost		
18,150,000 (31 March 2018: 18,150,000) equity shares of Rs 10/- each fully paid up of Bakebest Foods Private Limited	181.50	181.50
50,000 (31 March 2018: 50,000) equity shares of Rs.10/- each fully paid up of Mrs. Bectors English Oven Limited	0.50	0.50
	182.00	**182.00**
Aggregate value of unquoted investments	182.00	182.00
Aggregate amount of impairment in value of investments	Nil	Nil

7 (ii) Investment accounted for using the equity method

Investment in associate		
Quoted investment in equity share at cost*		
1,937,268 (31 March 2018: 673,506) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited #	17.09	17.48
	17.09	**17.48**

* Listed on Metropolitan Stock Exchange on 16 July 2018.

The Company has sold 27,750 shares of Cremica Agro Foods Limited on 14 June 2018. Further, Cremica Agro Foods Limited made bonus issue of equity shares in the ratio of 2:1 on 3 July 2018.

Quoted		
Aggregate book value	17.09	17.48
Aggregate market value	*	Nil
Aggregate amount of impairment in value of investments	Nil	Nil

* Not traded since the date of listing.

8 Non-current loans
(Unsecured, considered good)

Security deposits	34.82	31.63
	34.82	**31.63**
Breakup of security details		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	34.82	31.63
Loans receivables which have significant increase in credit risk	-	-
Loans receivables credit impaired	-	-
Total	**34.82**	**31.63**
Less: Loss allowance	-	-
Total loans receivables	**34.82**	**31.63**

9 Other non-current financial assets

Deposits with maturity of more than 12 months		
Margin money deposits	0.41	9.68
	0.41	**9.68**

*Margin money deposits with carrying amount of Rs. 0.41 (31 March 2018 Rs. 9.68) are subject to first charge to secure the Company's inland letter of credit and bank guarantees.

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
10 Non-current tax assets (net)		
Advance income tax (net of provision for tax)	39.43	27.03
	39.43	**27.03**
11 Other non-current assets		
Capital advances	40.68	66.15
	40.68	**66.15**
12 Inventories *(valued at the lower of cost and net realisable value)*		
Raw material and packing material	158.49	138.50
Work-in-progress	3.08	1.59
Finished goods - Manufactured goods (including stock in transit Rs. 85.78 (31 March 2018 Rs. 85.20))*	146.35	174.24
Stock in trade (including stock in transit: Nil (31 March 2018 Rs. 11.88))	-	11.88
Stores and spares	24.97	17.99
	332.89	**344.20**

*The write-down of inventories to net realisable value during the year amounted to Rs 0.72 (31 March 2018 Rs. 1.47). The write-down is included in changes in inventories of finished goods and work-in-progress.

13 Investments		
Investments in equity instruments at fair value through profit and loss		
Quoted		
Nil (31 March 2018: 1,700) equity shares of Bank of India	-	0.18
	-	**0.18**
Quoted		
Aggregate book value	-	0.08
Aggregate market value	-	0.18
Aggregate amount of impairment in value of investments #	0.18	Nil

In the current year, the Company has identified impairment of Rs. 0.18 (31 March 2018: Nil). The impairment on financial assets is recognised within Miscellaneous expenses in the statement of profit or loss. Since amount is not material, it is not separately reflected in the financial statements.

14 Trade receivables		
Unsecured and considered good	983.90	672.42
Credit impaired	42.10	10.39
Less: Loss allowance*	(42.10)	(10.39)
	983.90	**672.42**
Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	983.90	672.42
Trade receivables credit impaired	42.10	10.39
Total	**1,026.00**	**682.81**
Less: Loss allowance	(42.10)	(10.39)
Total trade receivables	**983.90**	**672.42**

* The Company's exposure to credit & currency risk and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
15 Cash and cash equivalents		
Balances with banks		
In current account#	47.70	49.63
Cash on hand	3.23	2.18
	50.93	**51.81**

#Includes debit balance of working capital facility availed from HDFC Bank Limited and State Bank of India amounting to Rs. 2.96 (31 March 2018 Rs. Nil) and Rs Nil respectively (31 March 2018 Rs. 0.00*).

*The total amount of debit balance of working capital facility from State Bank of India in absolute value is Rs. 933, but for reporting purpose rounded upto Rs. 0.00 Million.

16 Bank balances other than cash and cash equivalents above		
Margin money deposit*	50.91	48.06
	50.91	**48.06**

*Margin money deposits with carrying amount of Rs. 50.91 (31 March 2018 Rs. 48.06) are subject to first charge to secure the Company's inland letter of credit and bank guarantees.

17 Other current financial assets *(unsecured, considered good)*		
Forward exchange contracts used for hedging	6.74	6.52
Export incentives receivable *	124.65	85.01
Less: Loss allowance	(4.02)	-
Claims receivable on export #	21.51	-
Interest accrued but not due on fixed deposits with banks	1.58	1.70
Other advances	4.32	4.11
	154.78	**97.34**

* The Company has accrued following export incentives of Rs. 234.46 (31 March 2018 Rs. 156.33) and has also written off incentives of Rs. 0.58 (31 March 2018 Rs. Nil).

a) Incentive under Merchandise Exports from India Scheme of Rs. 136.52 (31 March 2018 Rs. 107.95)
b) Incentive under Duty Drawback of Rs. Nil (31 March 2018 Rs. 0.21)
c) Duty Free Import Authorization of Rs. 97.21 (31 March 2018 Rs. 48.17)
d) Incentive under Transport and Market Assistance Scheme of Rs. 0.73 (31 March 2018 Rs. Nil)

\# In accordance with bulletin -15 issued by the Ind AS Technical Facilitation Group (ITFG) "Incentive receivable from the government under a scheme of government on complying with the certain stipulated conditions shall fall under the definition of financial instruments and shall be accounted for as a financial asset as per Ind AS 109". Accordingly, Company has classified Rs. 21.51 ((31 March 2018 Nil) of various claims receivable under "Other Current Financial Assets" during the year.

18 Other current assets		
Advances recoverable in cash or kind*	134.03	43.95
Less: Provision for doubtful advances recoverable in cash or kind	(1.70)	(0.94)
Balances with statutory/government authorities		
- Considered good	66.43	105.31
	198.76	**148.32**

* Includes Auditor's Remuneration related to proposed IPO		
Fees	12.80	-
Reimbursement of expenses	1.36	-
	14.16	-

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
19 Equity share capital		
Authorised		
57,850,000 (as at 31 March 2018: 57,600,000) equity shares of Rs. 10/- each	578.50	576.00
Issued, subscribed and paid-up		
57,267,922 (as at 31 March 2018: 57,267,622) equity shares of Rs. 10/- each	572.68	572.68
	572.68	**572.68**

a. Terms and rights attached to equity shares

(i) The Company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.

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

b. Reconciliation of number of shares outstanding at the begining and end of the year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2017	28,633,811	286.34
Bonus shares issued during the year	28,633,811	286.34
Outstanding as at 31 March 2018	**57,267,622**	**572.68**
Employee stock option exercised during the year*	300	0.00
Outstanding as at 31 March 2019	**57,267,922**	**572.68**

*The total amount of shares issued in absolute value is Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	22,848,674	39.90%	22,848,674	39.90%
GW Crown Pte Limited	11,170,496	19.51%	11,170,496	19.51%
Linus Private Limited	13,120,790	22.91%	13,120,790	22.91%

d. Aggregate number of shares issued for consideration other than cash

During the five-year year immediately preceding 31 March 2019, 21,287,939 equity shares of Rs 10 each have been allotted as fully paid as per approved composite scheme of amalgamation and arrangement.

	31 March 2019 Numbers of shares	31 March 2018 Numbers of shares	31 March 2017 Numbers of shares	31 March 2016 Numbers of shares	31 March 2015 Numbers of shares	31 March 2014 Numbers of shares
Equity shares alloted as fully paid bonus shares by capitalisation of securities premium	-	28,633,811	-	-	-	-
Shares allotted as per approved composite scheme of amalgamation and arrangement	-	-	-	-	21,287,939*	-
	-	**28,633,811**	-	-	**21,287,939**	-

* Note:- As per approval of Honorable High Court for the scheme of amalgamation and arrangement under section 391 to 394 of Companies Act, 1956 with effect from appointed date 10 December 2014, the Company had cancelled 22,469,418 shares and had issued 21,287,939 shares for consideration other than cash.

e. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of the reporting year, is given in note 48.

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(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
20	**Other equity**		
a	**Capital reserve**		
	Balance at the beginning of the year	14.37	14.37
	Less: Movement during the year	-	-
	Balance at the end of the year	**14.37**	**14.37**
b	**Securities premium**		
	Balance at the beginning of the year	243.83	530.17
	Add:- Employee stock option exercised during the year	0.09	-
	Less: Bonus shares issued	-	(286.34)
	Balance at the end of the year	**243.92**	**243.83**
c	**Surplus in the statement of profit & loss**		
	Balance at the beginning of the year	1,717.44	1,445.08
	Add: Profit for the year	323.77	320.52
	Less: Interim dividend	(42.95)	(42.95)
	Less: Dividend distribution tax on interim dividend*	-	(5.21)
	Balance at the end of the year	**1,998.26**	**1,717.44**
d	**Remeasurement of defined benefit plans (net of tax)**		
	Balance at the beginning of the year	0.15	(1.56)
	Movement during the year	0.14	1.71
	Balance at the end of the year	**0.29**	**0.15**
e	**Share options outstanding account**		
	Balance at the beginning of the year	3.99	-
	Employee stock option expense	4.40	3.99
	Employee stock option exercised during the year	(0.04)	-
	Balance at the end of the year	**8.35**	**3.99**
	Total	**2,265.19**	**1,979.78**

* Tax on dividend paid is net of credit of Rs. 8.83 (Rs. 3.53 for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary company.

Nature and purpose of other reserves

Capital reserve
Capital reserve is on account of the business combination transaction as per the Court Scheme dated 14 September 2014.

Securities premium
Securities premium account is used to record the premium on issue of shares. During the financial year 2017-18, bonus shares have been issued by utilising securities premium in accordance with provisions of the Companies Act, 2013.

Remeasurement of defined benefit plans
Remeasurement of defined benefit plans represents the following as per Ind AS 19, employee benefits:
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Share option outstanding account
The share option outstanding account is used to recognize the grant date fair value of options issued to employees under the employee stock option scheme.

	As at 31 March 2019	As at 31 March 2018
Dividends		
The following dividends were declared by the Company during the year:		
Rs. 0.75 per equity share (31 March 2018: Rs. 0.75)	42.95	42.95
Dividend distribution tax on dividend to equity shareholders	-	5.21
Total	**42.95**	**48.16**

(All amounts are in rupees million, unless otherwise stated)

21 Non-current borrowings	As at 31 March 2019	As at 31 March 2018
Term loans (Refer note (a))		
From banks (Secured)	1,249.89	1,035.14
Vehicle loans (Refer note (a))		
From banks (Secured)	3.81	5.90
From Others (Secured)	3.11	5.11
Loans from related parties (unsecured)*****	21.22	25.13
Long term maturities of finance lease obligations (secured) (Refer note (b) below)	9.92	9.81
Total non current borrowings	1,287.83	1,081.47
Less: Current maturities of long term debt	(203.17)	(121.17)
Less: Interest accrued but not due on borrowings	(2.76)	(2.97)
Non current borrowings	1,081.90	956.93

(a) Terms and conditions of outstanding borrowings are as follows:

Particulars	ICICI Bank*	State Bank of India**	HDFC Bank***	Vehicle loans****	Interest accrued but not due	Total
Principal amount						
As at 31 March 2019	763.18	-	483.99	6.88	2.76	1,256.81
As at 31 March 2018	501.65	25.98	504.60	10.95	2.97	1,046.15
Year of maturity	2025-26	2018-19	2025-26	2021-22	-	-
Term of repayment	monthly basis	monthly/quarterly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.25% - 9.95%	9.20% - 10.80%	8.25% - 9.30%	8.51% - 9.60%	-	-

* The term loan of ICICI Bank Ltd. is secured by exclusive charge on all moveable and immovable fixed assets (PPE) of Rajpura plant including land, building, plant and machinery excluding land save and except those financed by other financial organisations. These loans are further secured by exclusive charge by way of hypothecation of the entire stocks and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables of the Rajpura plant.

** The term loan of State Bank of India is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Company (other than Greater Noida and Rajpura) including equitable mortgage (first charge by way of EM) of factory land and building situated at Theing Road, Phillaur, District Jalandhar, Punjab. Further term loans are also secured by leasehold rights (first charge by way of EM) of Land and Building situated at Plot No 13, Phase I & II, Industrial Area, Tahliwal, District Una, Himachal Pradesh.

These loans are further secured by second charge on current assets of the Company (other than Greater Noida and Rajpura) and first charge by way of EM of property situated at Walia Kathewal Gujra, Humbran-Laddowal Road, Tehsil & Distt. Ludhiana.

These facilities are also secured by personal guarantee of Mr. Anoop Bector.

*** The term loan of HDFC Bank Ltd. is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Greater Noida unit. These loans are further secured by way of collateral security of equitable mortgage of factory land measuring 18,720 Sqm situated at 11-A, Udyog Vihar, Greater Noida.

****Vehicle loans taken from banks and others are secured by hypothecation of respective vehicles.

***** Unsecured loans from directors and their relatives carry interest @ 8.00% p.a. (previous year 8.90% p.a.). These loans are subordinate to the term loans from banks and are permitted to be repaid only with the prior approval of the banks. Refer note 47 on transactions with related parties.

Term Loans

Name of the lender	Penalty Clause	Prepayment
State Bank of India	Non-payment of interest /installment: 1% on the entire outstanding for the year of default, flat penalty (penal interest) of Rs.1000/-for each day of delay beyond due date of payment.	2% of the pre-paid amount
ICICI Bank	Default interest Rates in respect of Domestic term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate +2% p.a. payable monthly, from the due date till such time the overdue amount is paid. Default interest Rates in respect of International term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate + 2% p.a. payable monthly, from the due date till such time the overdue amount is paid.	1% of the prepayment amount

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(All amounts are in rupees million, unless otherwise stated)

(b) Finance lease obligation *

Finance lease obligations relates to land purchased for business purposes during the year ended 31 March 2018. The amount includes rentals and premium payable over the lease term. The imputed finance cost on the liability were determined based on the effective interest rate method.

Finance lease obligations are payable as follows:

Particulars	31 March 2019		
	Future minimum lease payments	Interest element of MLP	Present value of minimum lease payments
Within less than one year	0.81	0.81	0.68
Between one and five years	3.24	3.24	2.25
After more than five years	74.46	64.66	6.03
Total	**78.51**	**68.71**	**8.96**

Particulars	31 March 2018		
	Future minimum lease payments	Interest element of MLP	Present value of minimum lease payments
Within less than one year	0.81	0.81	0.74
Between one and five years	3.24	3.24	2.44
After more than five years	75.27	65.47	6.52
Total	**79.32**	**69.52**	**9.70**

* Present value of finance lease obligations other than above are equivalent to its carrying value as at the respective balance sheet date and are therefore not discounted.

(c) Net debt reconciliation

The following sections sets out an analysis of net debt and the movements in net debt for each of the year presented:

	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents	50.93	51.81
Current borrowings	(327.09)	(262.73)
Non-current borrowings (excluding interest accured)	(1,285.07)	(1,078.10)
Interest accrued but not due on borrowings	(4.81)	(3.67)
Net debt	**(1,566.04)**	**(1,292.69)**

	Other assets	Liabilities from financing activities			
	Cash and cash equivalents	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2018	**51.81**	**(1,078.10)**	**(262.73)**	**(3.67)**	**(1,292.69)**
Cash flows	(0.88)	(206.97)	(64.36)	-	(272.21)
Interest expense	-	-	-	(123.39)	(123.39)
Interest paid	-	-	-	122.25	122.25
Net debt as at 31 March 2019	**50.93**	**(1,285.07)**	**(327.09)**	**(4.81)**	**(1,566.04)**

	Other assets	Liabilities from financing activities			
	Cash and cash equivalents	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2017	**127.74**	**(425.75)**	**(165.59)**	**(3.00)**	**(466.60)**
Cash flows	(75.93)	(642.55)	(97.14)	-	(815.62)
Interest expense	-	(0.10)	-	(55.29)	(55.39)
Interest paid	-	-	-	54.52	54.52
Other non-cash movements					
- Acquisitions	-	(9.70)	-	-	(9.70)
- Fair value adjustments	-	-	-	0.10	0.10
Net debt as at 31 March 2018	**51.81**	**(1,078.10)**	**(262.73)**	**(3.67)**	**(1,292.69)**

22 Provisions

	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Compensated absences (refer note 46)	15.98	11.70
Gratuity (refer note 46)	23.58	19.09
	39.56	**30.79**

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(All amounts are in rupees million, unless otherwise stated)

23 Income Tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expense		
Current year	102.29	150.23
Tax adjustment for earlier years	(2.05)	(1.27)
	100.24	148.96
Deferred tax credit		
MAT credit entitlement	(18.69)	-
Changes in recognised temporary differences	70.24	3.11
Effect of changes in tax rate	-	0.18
	51.55	3.29
Total Tax Expense	151.79	152.25

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Before tax	Tax Income/ (Expense)	Net of tax	Before tax	Tax Income/ (Expense)	Net of tax
	0.21	(0.07)	0.14	2.61	(0.90)	1.71
Defined benefit plan	0.21	(0.07)	0.14	2.61	(0.90)	1.71

C. Reconciliation of effective tax rate

	For the year ended 31 March 2019		For the year ended 31 March 2018	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	34.94%	475.50	34.61%	472.77
Tax using the Company's domestic tax rate		166.18		163.62
Tax effect of:				
Non-deductible expenses	0.75%	3.55	0.29%	1.36
Tax-exempt income	-4.00%	(19.03)	-1.33%	(6.28)
Changes in estimates related to earlier years	0.43%	2.05	-1.52%	(7.17)
Others	-0.20%	(0.96)	0.15%	0.72
Tax expense	31.92%	151.79	32.20%	152.25

D. Movement in deferred tax balances

	As at 1 April 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred Tax Liability				
Property, plant and equipment	133.82	138.26	-	272.08
Investments in shares at fair value through profit and loss	0.03	(0.03)	-	-
Other items	3.39	-	-	3.39
Sub- Total (a)	137.24	138.23	-	275.47
Deferred Tax Assets				
Provisions - employee benefits	16.90	4.16	(0.07)	20.99
Allowances on doubtful receivables and advances	3.96	12.75	-	16.71
MAT credit entitlement	-	18.69	-	18.69
Deferred income on grants	12.90	45.70	-	58.60
Others	44.82	5.37	-	50.19
Sub- Total (b)	78.58	86.67	(0.07)	165.18
Net Deferred Tax Liabilities (a)-(b)	58.66	51.56	0.07	110.29

	As at 1 April 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Liability				
Property, plant and equipment	114.61	19.21	-	133.82
Investments in mutual funds /shares at fair value through profit and loss	2.21	(2.18)	-	0.03
Forward exchange contracts used for hedging	6.50	(6.50)	-	-
Other items	0.76	2.63	-	3.39
Sub- Total (a)	124.08	13.16	-	137.24
Deferred Tax Assets				
Provisions - employee benefits	15.54	2.26	(0.90)	16.90
Allowances on doubtful receivables and advances	2.82	1.14	-	3.96
Deferred income on grants	15.29	(2.39)	-	12.90
Others	35.97	8.85	-	44.82
Sub- Total (b)	69.62	9.86	(0.90)	78.58
Net Deferred Tax Liabilities (a)-(b)	54.46	3.30	0.90	58.66

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(All amounts are in rupees million, unless otherwise stated)

24 Other non-current liabilities

	As at 31 March 2019	As at 31 March 2018
Deferred Income		
Government grants	148.74	137.48
	148.74	137.48

The Company has been awarded grants under Export Promotion Capital Goods Scheme (EPCG), Agricultural and Processed Food Products Export Development Authority (APEDA), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP and Scheme for Cold Chain and Value Addition Infrastructure. The grants received for the year ended 31 March 2019, amounted to Rs 45.61 (for the year ended 31 March 2018 is Rs. 113.41) were conditional upon fulfillment of export obligations in case of EPCG purchase of specified plant and machinery in a specified region and for other grants received. The amount received under grants has been recognised as deferred income and is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised.

25 Current borrowings

Loans from banks repayable on demand (secured)*	327.09	262.73
	327.09	262.73

* The working capital limits of State Bank of India (SBI) are secured against entire current assets (existing and future) of the Company (other than Greater Noida and Rajpura). These loans are further secured by second charge on entire fixed assets (PPE) of the Company (other than Greater Noida and Rajpura) and first charge by way of EM of property situated at Wakia Kuthewal Gigra, Hambran-Laddowal Road, Tehsil & Distt. Ludhiana.

These facilities are also secured by personal guarantee of Mr. Anoop Bector. The facilities availed from SBI carries floating rate of interest @ MCLR + 0.25% to 1.25% ranging from 8.10% to 9.15% per annum (previous years 8.15% to 9.15% per annum).

The Company has also taken the working capital limits from HDFC Bank Ltd. which are secured against pari-passu charge on entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank carries floating rate of interest @ MCLR + 0.10% i.e. 8.75% per annum (previous years 8.25% per annum). (Refer Note 15 cash and cash equivalents)

The Company has also taken the working capital limits from ICICI Bank Ltd. which are secured by exclusive charge on all moveable and immovable fixed assets (PPE) of Rajpura plant including land, building, plant and machinery excluding land save and except those financed by other financial organisations. These loans are further secured by exclusive charge by way of hypothecation of the entire stocks and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables of the Rajpura plant. The facilities availed from ICICI Bank carries floating rate of interest @ MCLR + 0.35% ranging from 8.60% to 9.10% per annum (previous years Nil).

Name of the lender	Penalty Clause
State Bank of India	The Company will maintain adequate net working capital at all times to meet margin requirements and in case of shortfall in NWC/excess borrowings, the Bank will charge penal interest @1.00% p.a. over and above the normal interest rate applicable. In case of non compliance of current stipulations within the stipulated year, penal rate of interest@ 1% p.a. over and above the normal interest rate will be charged on entire outstanding for the year of delay. Irregularity in fund based Limits: @ 2% p.a. on the entire outstanding for the year of irregularity on the irregular portion for the year of irregularity. However, in case the account is continuously irregular for the year beyond 60 days, penal rate of interest will be charged on the entire outstanding from the 61st day onwards. Non-submission of renewal data including Audited Balance Sheet: Listed Companies if not submitted within 7 months-Rs.10,000/-per month of delay. For others, if not submitted within 9 months of delay-Rs.10,000/-per month.
ICICI Bank	In such event of default, bank is either of facility at liberty to recall all the facility extended to the company. 1% (The rate will be over and deemed to be an event of above the interest rate of the default for all other facility facility) on the limit amount for the delayed year will be charged for the company for the default year.

26 Trade payables

Trade payables		
to micro and small enterprises*	60.41	-
to others**	407.48	375.87
	467.89	375.87

* Refer note 44 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

27 Other financial liabilities

Current maturities of long-term debt (refer note 21)	203.17	121.17
Interest accrued but not due on borrowings	4.81	3.67
Capital creditors		
to micro and small enterprises*	21.96	-
to others	47.59	139.94
Unpaid dividends**	0.00	9.20
Security and other trade deposits	19.11	16.77
Forward exchange contracts used for hedging	-	4.90
	296.64	295.65

* Refer note 44 for disclosures required under MSMED Act.
**The total amount of unpaid dividends in absolute value is Rs. 225, but for reporting purpose rounded upto Rs. 0.00 Million.

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Notes to the financial statements for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

28 Other current liabilities	As at 31 March 2019	As at 31 March 2018
Deferred income		
Government grants (refer note 24)	18.97	10.15
Advances from customers (Contract liability)	23.14	15.81
Statutory dues	11.83	14.82
Employee payable**	69.36	59.89
	123.30	100.67

**Includes dues to related parties (refer note 47)

29 Provisions		
Provision for employee benefits (refer note 46)		
Compensated absences	1.40	1.11
Gratuity	2.24	1.89
Others		
Provision for litigation (refer note (a))	131.28	117.65
Provision for sales return (refer note (b))	6.97	6.15
	141.89	126.80

a) Provision for litigation*		
Balance at the commencement of the year	117.65	103.98
Add: Provision made during the year	13.63	13.67
Balance at the end of the year	131.28	117.65

*refer note 41A(d) for details of pending litigation

b) Provision for sales return		
Balance at the commencement of the year	6.15	6.10
Add: Provision made during the year**	6.97	6.15
Less: Provision utilised/reversed during the year	(6.15)	(6.10)
Balance at the end of the year	6.97	6.15

**This represents provision made for possible sales returns by the customers for sales made by the Company, as estimated on the basis of past trends.

30 Current tax liabilities (net)		
Income tax (net of advance tax)	12.58	26.00
	12.58	26.00

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
31 Revenue from operations		
Sale of products (including excise duty to the extent applicable)	6,549.78	5,844.33
Sale of services		
Job work income	497.56	407.54
Total (A)	7,047.34	6,251.87
Other operating revenue		
Export incentives (refer note 17)	234.46	156.33
Net gain on account of foreign exchange fluctuations	0.84	55.23
Others	76.25	69.88
Total (B)	311.55	281.44
Total revenue from operations (A + B)	7,358.89	6,533.31
32 Other income		
Interest income from financial assets at amortized cost	3.36	4.14
Interest income from others	1.22	1.80
Gain on sale/write off of investments (net)	1.10	0.67
Government grants (refer note 24)	15.04	9.97
Profit on sale /write off of property, plant and equipment (net)	0.27	-
Dividend income	54.45	18.15
Other miscellaneous income	0.59	1.18
	76.03	35.91
33 Cost of materials consumed		
Raw materials (including purchased components and packing material consumed)		
Opening inventories	138.50	130.92
Add: Purchases (net)	3,846.80	3,584.06
Less: Closing inventories	158.49	138.50
	3,826.81	3,576.48
34 Purchase of stock in trade		
Purchases	134.14	126.39
	134.14	126.39
35 Changes in inventories of finished goods, stock- in- trade and work in progress		
Opening inventories		
Finished goods (other than those acquired for trading)	174.24	114.90
Work-in-progress	1.59	1.70
Stock-in-trade (acquired for trading)	11.88	0.73
Total (A)	187.71	117.33
Closing inventories		
Finished goods (other than those acquired for trading)	146.35	174.24
Work-in-progress	3.08	1.59
Stock-in-trade (acquired for trading)	-	11.88
Total (B)	149.43	187.71
Total (A-B)	38.28	(70.38)

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Notes to the financial statements for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
36 Employee benefits expense		
Salaries and wages	955.72	795.35
Contribution to provident and other funds (refer note 46)	50.86	44.47
Employee share-based payment expense (refer note 48)	4.40	3.99
Staff welfare expenses	25.78	24.03
	1,036.76	**867.84**
37 Finance cost		
Interest expense on financial liabilities measured at amortised cost :		
Loan from banks	98.14	44.86
Others	25.25	10.43
	123.39	**55.29**
38 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	302.77	238.43
Amortisation on intangible assets	5.84	5.68
	308.61	**244.11**
39 Other expenses		
Rent (refer note 43)	36.48	37.42
Rates and taxes	8.10	7.32
Power and fuel	383.71	291.42
Repair and maintenance:		
Plant and machinery	54.18	47.53
Buildings	7.36	13.41
Others	6.60	3.45
Travelling and conveyance	90.47	76.95
Payment to auditor (refer note (a) below)	4.28	5.71
Legal and professional fees	16.84	14.66
Printing and stationery	4.11	3.31
Net change in fair value of financial assets measured at fair value through profit and loss	-	0.06
Advertisement and sales promotion	130.90	135.76
Consumption of stores and spare parts	28.35	24.89
Commission and brokerage	3.61	6.01
Communication costs	9.09	9.76
Director's remuneration	43.70	38.66
Freight and forwarding	581.75	501.72
Insurance	9.41	8.22
Loss on sale /write off of property, plant and equipment (net)	-	2.44
Allowances on trade receivable and other advances	36.50	4.64
Bank charges	5.12	4.28
Expenditure on Corporate social responsibility (refer note 53)	3.40	2.81
Miscellaneous expenses	27.41	22.99
	1,491.37	**1,263.42**
(a) Payment to auditors		
As auditor		
Statutory audit	3.60	5.20
Certification	0.20	0.20
Reimbursement of expenses	0.48	0.31
	4.28	5.71

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(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
40 Earning per share (EPS)		
A. Basic earnings per share		
i. Profit for basic earning per share of Rs. 10 each		
Profit for the year	323.77	320.52
ii. Weighted average number of equity shares for (basic)		
Balance at the beginning of the year	57.26	28.63
Effect of issue of bonus shares	-	28.63
	57.26	**57.26**
Basic Earnings per share (face value of Rs 10 each)	**5.65**	**5.60**
B. Diluted earnings per share		
i. Profit for diluted earning per share of Rs. 10 each		
Profit for the year	323.77	320.52
ii. Weighted average number of equity shares for (diluted)		
Balance at the beginning of the year	57.26	28.63
Effect of issue of bonus shares	-	28.63
Effect of employee stock options	0.07	0.06
	57.33	**57.32**
Diluted Earnings per share (face value of Rs. 10 each)	**5.65**	**5.59**

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(All amounts are in rupees million, unless otherwise stated)

41 Contingent liabilities, contingent assets and commitments

	As at 31 March 2019	As at 31 March 2018
A. Contingent Liabilities		
On the basis of current status of above-mentioned individual cases and as per legal advice obtained by the Company, wherever applicable, the Company is confident that the outcome in the above cases would be in the favour of the Company and is of view that no provision is required in respect of these cases.		
a. Claims against the Company not acknowledged as debts (The Company expects a favorable outcome against all the cases):		
I) Income Tax related matters	**2.14**	**2.14**
i) Relating to Income tax demand on certain disallowance for AY 2011-12	0.13	0.13
ii) Relating to Income tax demand on certain disallowance for AY 2013-14	1.83	1.83
iii) Relating to Income tax demand on certain disallowance for AY 2015-16	0.18	0.18
II) Sales tax related matters		
i) Sales Tax demand for assessment year 2005-06 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	3.01	3.01
III) Civil matters		
i) Stamp duty case for the plot taken on 99 years lease in Noida	9.18	9.10
b. In respect of bank guarantees		
Guarantees given by the Company	7.56	7.45
c. Others		
Differential amount of Customs Duty payable by the Company in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	89.34	91.07
Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judicious in similar case.	10.27	10.27

d. Other pending litigations

(a) The Company had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on all goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and then increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter. The estimated amount of entry tax upto 31 March 2019 of Rs. 110.50 (31 March 2018 Rs. 99.87) (including interest of Rs. 51.25 (31 March 2018 Rs. 40.62)) has been provided in the books of accounts. The Company had provided a bank guarantee for an amount of Rs. 39.45 (31 March 2018 Rs. 39.45) in this regard.

(b) The Company had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2019 of Rs. 3.92 (31 March 2018 Rs. 3.61) (including interest of Rs. 2.23 (31 March 2018 Rs. 1.92)) has been provided in the books of accounts.

(c) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Company has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Company. The Company filed the writ petition in High Court and the High court had accepted the contention of assesse & remanded the case back to DETC, Ludhiana. The Company had created the provision in books for amount demanded and has also accrued the interest on amount demanded @ 1.5% per month. Therefore the provision for an amount of Rs. 4.92 (31 March 2018 Rs. 4.49) and Rs. 8.43 (31 March 2018 Rs. 7.75) includes an interest of Rs. 2.56 (31 March 2018 Rs. 2.13) and Rs. 4.67 (31 March 2018 Rs. 3.99) respectively.

(d) A demand of Rs. 1.91 (31 March 2018 Rs. 1.91) and 1.60 (31 March 2018 Rs. Nil) for assessment year 2013-14 and 2014-15 respectively on account of pending C forms and F forms raised by Deputy Commissioner, Gautam Budh Nagar Noida, Uttar Pradesh pending to be deposited with the sales tax department has been provided for in the books of accounts.

e. Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company has not recognised any provision for the years prior to 28 February 2019. Further, management also believes that the impact of the same on the Company will not be material.

f. There are certain ongoing differences between Mr Anoop Bector (Promoter and Managing Director) and some of his disassociated relatives, which may result in a legal dispute and could adversely impact the reputation and financial condition of the Company. Refer note 52 for details of the matter.

B. Contingent Assets

The Company has filed for receiving grant from Ministry of Food Processing Industries under Scheme for Cold Chain and Value Addition Infrastructure amounting to Rs. 96.88. The Company has received grant amounting to Rs 61.81 till year ended 31 March 2019 (Rs. 24.22 till the year ended 31 March 2018). This grant is conditional upon fulfillment of conditions specified in the scheme and as approved by the authorities. The Company may receive the balance instalment of grant amounting to Rs. 35.07 in future periods as and when approved.

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 37.68 (as on 31 March 2018 Rs. 121.87).

Apart from the commitments disclosed above, the Company has no major financial commitments other than those in the nature of regular business operations.

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42 Segment information

Basis for segmentation
Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

Operating Segments
The Company's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.

In the opinion of the Board, there is only one reportable segment ("Revenue from food products"). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Entity wide disclosures

A. Information about products and services

i) Revenue comprises :	31 March 2019	31 March 2018
Revenue from food products*	7,047.34	6,251.87
Total	**7,047.34**	**6,251.87**

*excludes other operating revenues.

B. Information about geographical areas
The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced.

i) Revenue from external customers:	31 March 2019	31 March 2018
Within India	4,853.69	4,188.46
Outside India	2,193.65	2,063.41
Total	**7,047.34**	**6,251.87**

ii) Receivables	As at 31 March 2019	As at 31 March 2018
Within India	513.18	336.76
Outside India	470.72	335.66
Total	**983.90**	**672.42**

iii) Non-current assets
The Company has common non-current assets for producing goods/ providing services to domestic and overseas markets. Hence, separate figures for other assets/ additions to property, plant and equipment have not been furnished.

C. Information about major customers (from external customers)
During the year ended 31 March 2019, Company does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the year ended 31 March 2018).

43 Leases

Operating lease

i. **Leases as lessee:**
The Company has entered into operating leases for residential and warehouse premises for a year ranging from 1-5 years. Terms of the lease include term for renewal and non-cancellation. Lease rental amounting to Rs. 8.69 (31 March 2018 Rs. 12.76) have been charged to the Statement of Profit and Loss during the year.

	As at 31 March 2019	As at 31 March 2018
Commitments for minimum lease payments excluding applicable taxes in relation to the above lease arrangements are payable as follows:		
Within one year	17.36	17.14
Later than one year but not later than five years	18.01	35.37
Later than five years	-	-
	35.37	**52.51**

ii. Leases as lessor
Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as 'leases' provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases.

The Company has identified certain job-work arrangements to be in the nature of operating lease and accordingly these have been classified as operating lease arrangement. As a result of this during the year the Company has booked lease income amounting to Rs. 47.06 (Rs. 46.66 for the year ended 31 March 2018). There is a contingency attached to the future lease income and therefore can not be ascertained.

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44 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 correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under:

	As at 31 March 2019	As at 31 March 2018
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	59.73	-
Capital creditors	18.88	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	0.68	-
Capital creditors	3.08	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of the year		
Trade payables	0.68	-
Capital creditors	3.08	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		
Trade payables	0.68	-
Capital creditors	3.08	-

45 Transfer Pricing

The Company had entered into specified domestic transactions with related parties. During the current year, the transactions with specified domestic parties falls below the limit, therefore the provisions of section 92-92F of the Income Tax Act, 1961 are not applicable to the Company.

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46 Employee benefits

The Company contributes to the following post-employment defined benefit plans.

(i) Defined Contribution Plans:

Provident fund

The Company makes contribution towards provident fund for employees. The Company's contribution to the Employees Provident Fund is deposited to the government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.The contribution payable to the plan by the Company is at the rate specified under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss (included in note 36-Employee benefits expense):

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to provident fund	36.40	31.05

(ii) Defined benefit plan:

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. This scheme is funded by the plan assets.

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India and State bank of India Life Insurance. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to no ceiling. Vesting occurs upon completion of 5 years of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each year of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2019	As at 31 March 2018
Net defined benefit liability		
Liability for gratuity	25.82	20.97
Total employee benefit liabilities	**25.82**	**20.97**
Non-current	23.58	19.09
Current	2.24	1.89

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	31 March 2019 Defined benefit obligation	31 March 2019 Fair value of plan assets	31 March 2019 Net defined benefit (asset)/ liability
Balance as at 1 April 2018	**61.02**	**40.05**	**20.97**
Included in Profit or Loss			
Current service cost	11.59	-	11.59
Interest cost (income)	4.70	3.09	1.61
Past service cost	-	-	-
	16.29	3.09	13.20
Included in OCI			
Remeasurement loss (gain)			
- financial assumptions	0.34	5.60	(5.26)
- demographic adjustments	-	-	-
- experience adjustment	(1.01)	-	(1.01)
	(0.67)	5.60	(6.27)
Other			
Expected return			
Contributions paid by the employer	-	1.00	(1.00)
Benefits paid	(5.27)	(4.19)	(1.08)
	(5.27)	(3.19)	(2.08)
Balance as at 31 March 2019	71.37	45.55	25.82

(All amounts are in rupees million, unless otherwise stated)

Particulars	31 March 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2017	**52.84**	**31.83**	**21.01**
Included in Profit or Loss			
Current service cost	9.94	-	9.94
Interest cost (income)	3.98	2.40	1.58
Past service cost	0.60	-	0.60
	14.52	**2.40**	**12.12**
Included in OCI			
Remeasurement loss (gain)			
- financial assumptions	(1.32)	(0.18)	(1.14)
- demographic adjustments	-	-	-
- experience adjustment	(1.53)	-	(1.53)
	(2.85)	**(0.18)**	**(2.67)**
Other			
Expected return			
Contributions paid by the employer	-	6.00	(6.00)
Benefits paid	(3.49)	-	(3.49)
	(3.49)	**6.00**	**(9.49)**
Balance as at 31 March 2018	**61.02**	**40.05**	**20.97**

During the previous year, the gratuity arrangements were adjusted to reflect new legal requirements in the country regarding gratuity limits. As a result of the plan amendment, the Company's defined benefit obligation increased by Rs. Nil (31 March 2018: Rs. 0.60). A corresponding past service cost was recognised in the Statement of Profit and Loss during the previous year.

C. Plan assets

Plan assets comprise of the following	As at	
	31 March 2019	**31 March 2018**
Investments with Life insurance corporation	82.88%	81.95%
Investments with SBI life insurance	17.12%	18.05%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D. Actuarial assumptions

a) Economic assumptions

The following were the principal actuarial assumptions at the reporting date. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:-

	As at	
	31 March 2019	**31 March 2018**
Discount rate	7.67%	7.71%
Expected rate of future salary increase	7.00%	7.00%

b) Demographic assumptions

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the company.

	As at	
	31 March 2019	**31 March 2018**
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	
iii) Attrition at Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

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E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.50% movement)	(4.24)	4.65	(3.74)	4.11
Expected rate of future salary increase (0.50% movement)	4.50	(4.14)	3.96	(3.64)

Sensitivities due to mortality and withdrawals are not material and hence impact of change has not been calculated.
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

F. Expected maturity analysis of the defined benefit plans in future years

	As at	
Particulars	**31 March 2019**	**31 March 2018**
Duration of defined benefit payments		
Less than 1 year	2.24	1.89
Between 1-2 years	1.09	1.44
Between 2-5 years	8.19	7.44
Over 5 years	59.85	50.25
Total	**71.37**	**61.02**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 17.85 years (31 March 2018: 18.05 years).

Expected contribution to post-employment benefit plans in the next year is Rs 16.63.

G. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-
a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
c) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(iii) Other long-term employee benefits:

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such year, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2019, the Company has incurred an expense on compensated absences amounting to Rs. 8.89 (31 March 2018 Rs. 4.99). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

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47 Related parties

A. Related parties and nature of relationship where control exists:

Subsidiaries
Bakebest Foods Private Limited
Mrs. Bectors English Oven Limited

Associates
Cremica Agro Foods Limited

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Parveen Kumar Goel	Executive Director

C. Relatives of key management personnel having transactions with the Company

	Anoop Bector	Ishaan Bector
Father	Dharamvir Bector *	Anoop Bector
Mother	Rajni Bector	Rashmi Bector
Spouse	Rashmi Bector	Neha Gupta
Brother	Ajay Bector #	Suvir Bector
	Akshay Bector #	
Son	Ishaan Bector	-
	Suvir Bector	-

* Deceased on 26 December 2017.
\# Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively. However, Mr Ajay Bector who is one of the disassociated immediate relative of Mr Anoop Bector (Promoter and Managing Director) has been considered as a member of the promoter group as defined under the SEBI ICDR Regulations. However, due to disassociation between Mr. Anoop Bector and Mr Ajay Bector, no information in relation to him is available and has therefore not been disclosed. Refer note 52 for details.

D. Related entities of KMP

Partnership firms
Sunshine Foods

Public/Private Limited Companies
Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family
Dharamvir and Sons (HUF)
Anoop Bector (HUF)
Parveen Goel (HUF)

E. Directors

Rajni Bector (Non-executive Director)	
Tarun Khanna (Nominee Director)	
Rahul Goswami (Nominee Director)	
Nem Chand Jain (Independent Directors)	
Subhash Agarwal (Independent Directors)	
Rajeev Dewan (Independent Directors)	Director w.e.f. 10 July 2018

F Key management personnel compensation

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits	51.15	44.73
Post-employment defined benefit	0.73	4.08
Director sitting fees	0.65	0.18
Employee share based payment	0.39	0.56
Total compensation	**52.92**	**49.55**

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G. Transactions with related parties*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities transacted with the Company during the reporting year. The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Company's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Purchase of goods		
-Bakebest Foods Private Limited	0.04	6.72
Sale of goods		
-Bakebest Foods Private Limited	0.15	0.02
Sale of property, plant and equipment		
- Bakebest Foods Private Limited	0.07	-
Employee stock option exercised		
- Parveen Kumar Goel	0.02	-
Unsecured loan taken from		
- Anoop Bector	16.19	30.70
Unsecured loan repaid to		
- Anoop Bector	14.08	27.73
- Ishaan Bector	6.30	12.13
- Rajni Bector	0.77	1.63
	-	
Finance cost on loan taken		
- Anoop Bector	0.90	0.49
- Ishaan Bector	0.25	0.82
- Dharamvir Bector	-	0.02
- Rajni Bector	0.04	0.07
Other income from		
- Bakebest Foods Private Limited	-	0.16
Others		
Rent paid		
- Dharamvir Bector	-	0.09
- Anoop Bector	4.62	4.20
- Bakebest Foods Private Limited	0.06	0.06
- Anoop Bector HUF	3.00	3.00
Consultancy charges paid		
- Subhash Agarwal	0.82	0.61
Rent received		
- Bakebest Foods Private Limited	0.06	0.06
- Mrs. Bectors English Oven Limited	0.01	0.01
- Cremica Agro Foods Limited	0.06	0.01
Contribution to provident and other funds		
- Rashmi Bector	1.13	0.73
- Neha Gupta	0.49	0.42
- Suvir Bector	0.05	-
Interim dividend paid		
- Anoop Bector	17.14	17.14
- Ishaan Bector	1.79	1.79
- Anoop Bector HUF	1.50	1.50
- Rashmi Bector	0.91	0.91
- Suvir Bector	1.19	1.19
Dividend received		
- Bakebest Foods Private Limited	54.45	18.15
Salary paid		
- Rashmi Bector	10.20	6.54
- Neha Gupta	4.20	3.60
- Suvir Bector	1.24	-

* Transactions are net off Sales Tax /Service Tax / Goods and services tax wherever applicable.

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II Related party balances as at the year end:

Outstanding balances	As at 31 March 2019	As at 31 March 2018
Trade and other payables		
- Bakebest Foods Private Limited	0.01	0.01
- Anoop Bector	0.36	0.41
- Anoop Bector HUF	0.23	-
- Ishaan Bector	0.61	0.62
- Parveen Kumar Goel	0.33	0.30
- Rashmi Bector	0.23	0.50
- Neha Gupta	0.21	0.19
- Suvir Bector	0.14	-
- Rajni Bector	0.09	0.09
Unsecured loans		
- Ishaan Bector	0.26	6.34
- Anoop Bector	20.78	17.87
- Rajni Bector	0.18	0.91
Loans, advances and other receivables		
- Cremica Agro Foods Limited	1.63	6.07
- Mrs. Bectors English Oven Limited	0.01	-
Non current investments		
- Bakebest Foods Private Limited	181.50	181.50
- Mrs. Bectors English Oven Limited	0.50	0.50
- Cremica Agro Foods Limited	17.09	17.48

I Personal Guarantees of Directors and relatives of Directors for loans obtained from the banks
Personal Guarantees of Mr. Anoop Bector are towards outstanding loans obtained from the banks (Refer note 21 and 25)

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

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48 Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programme (equity-settled)

On 30 June 2017, the Company established share option programme that entitle certain employees of the Company to purchase shares in the Company. Under these plans, holders of vested options are entitled to purchase shares at the exercise price of the shares at respective date of grant of options. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	42,951	349.24	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	27,920	349.24	3 years and 9 months service from grant date	Service conditions

On 14 July 2017, the Company modified share option programme by entitling grant holders of the Company for bonus shares in the Company in the ratio of 1:1.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	85,902	174.62	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	55,840	174.62	3 years and 9 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2018 (Grant 3)	1-Oct-2018	34,359	174.62	2 years and 6 months service from grant date	Service conditions

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below.

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2018 (Grant 3)
Fair value of options at grant date	124.01	129.02	69.00
Enterprise value per share at grant date	347.08	347.08	190.00
Exercise price at the grant date	349.24	349.24	174.62
Exercise price after bonus issue	174.62	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.56%	27.12%
Expected life (weighted-average)	2 years	3 years	2 years
Expected dividends	0.27%	0.27%	0.00%
Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical year commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option behavior.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programme were as follows:

	Number of options 31 March, 2019	Weighted average exercise price 31 March, 2019	Number of options 31 March, 2018	Weighted average exercise price 31 March, 2018
Employees Stock Option Plan-2017				
Options outstanding at the beginning of the year	141,742	174.62	-	-
Add: Options granted during the year	34,359	174.62	70,871	349.24
Add: Options increased due to bonus share	-	-	70,871	(174.62)
Less: Options forfeited during the year	-	-	-	-
Less: Options exercised during the year	300	174.62	-	-
Less: Options expired during the year	-	-	-	-
Options outstanding at the end of the year	**175,801**	**174.62**	**141,742**	**174.62**
Exercisable at the end of the year	**42,651**	**174.62**	-	-

The options outstanding at 31 March 2019 had an exercise price of Rs. 174.62 and a weighted-average contractual life of 1.98 years.

D. Expense recognised in statement of profit and loss

For the details of the related employee benefit expenses see note 36

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(All amounts are in rupees million, unless otherwise stated)

49 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by categories :

	As at 31 March 2019		As at 31 March 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Non-current loans	-	34.82	-	31.63
Other non-current financial assets	-	0.41	-	9.68
Investments	-	-	0.18	-
Trade receivables	-	983.90	-	672.42
Cash and cash equivalents	-	50.93	-	51.81
Bank balances other than cash and cash equivalents	-	50.91	-	48.06
Other current financial assets	6.74	148.04	6.52	90.82
	6.74	**1,269.01**	**6.70**	**904.42**
Financial liabilities				
Non current borrowings	-	1,081.90	-	956.93
Short term borrowings	-	327.09	-	262.73
Trade payables	-	467.89	-	375.87
Other financial liabilities	-	296.64	4.90	290.75
	-	**2,173.52**	**4.90**	**1,886.28**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS 113. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Investments				
Investment in equity shares	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	6.74	-	6.74

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current loans	-	-	34.82	**34.82**
Other non-current financial assets	-	-	0.41	**0.41**
Trade receivables	-	-	983.90	**983.90**
Cash and cash equivalents	-	-	50.93	**50.93**
Bank balances other than cash and cash equivalents	-	-	50.91	**50.91**
Other current financial assets	-	-	148.04	**148.04**
Total financial assets	-	-	**1,269.01**	**1,269.01**
Financial liabilities				
Non current borrowings	-	-	1,081.90	**1,081.90**
Short term borrowings	-	-	327.09	**327.09**
Trade payables	-	-	467.89	**467.89**
Other financial liabilities	-	-	296.64	**296.64**
Total financial liabilities	-	-	**2,173.52**	**2,173.52**

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(All amounts are in rupees million, unless otherwise stated)

Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Investments				
Investment in equity shares and mutual funds	0.18	-	-	**0.18**
Derivatives				
Foreign exchange forward contracts	-	1.62	-	**1.62**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current loans	-	-	31.63	**31.63**
Other non-current financial assets	-	-	9.68	**9.68**
Trade receivables	-	-	672.42	**672.42**
Cash and cash equivalents	-	-	51.81	**51.81**
Bank balances other than cash and cash equivalents	-	-	48.06	**48.06**
Other current financial assets	-	-	90.82	**90.82**
Total financial assets	-	-	**904.42**	**904.42**
Financial liabilities				
Non current borrowings	-	-	956.93	**956.93**
Short term borrowings	-	-	262.73	**262.73**
Trade payables	-	-	375.87	**375.87**
Other financial liabilities	-	-	290.75	**290.75**
Total financial liabilities	-	-	**1,886.28**	**1,886.28**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices/ NAV published.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Valuation process
The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes for level 3 fair values. The Company relies on them for instruments measured using level 1 valuation The Company using quoted price/ NAV's published, for the derivative instruments measured using level fair values, the Company obtains the valuation from the bank from whom the derivatives are taken. This team reports directly to the Chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every year in line with the Company's reporting years.

Changes in level 2 and 3 fair values are analysed at the end of each reporting year.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Non-current loans	34.82	34.82	31.63	31.63
Other non-current financial assets	0.41	0.41	9.68	9.68
Trade receivables	983.90	983.90	672.42	672.42
Cash and cash equivalents	50.93	50.93	51.81	51.81
Bank balances other than cash and cash equivalents	50.91	50.91	48.06	48.06
Other current financial assets	148.04	148.04	90.82	90.82
	1,269.01	**1,269.01**	**904.42**	**904.42**
Financial liabilities				
Non current borrowings	1,081.90	1,081.90	956.93	956.93
Short term borrowings	327.09	327.09	262.73	262.73
Trade payables	467.89	467.89	375.87	375.87
Other current financial liabilities	296.64	296.64	290.75	290.75
	2,173.52	**2,173.52**	**1,886.28**	**1,886.28**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, short-term borrowings, trade payables, other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current borrowings represents approximate to the fair values. Accordingly, the same has not been discounted.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

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11. Financial risk management

Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's internal auditor oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

i. 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 resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

The risk management committee has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payments and delivery terms & conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

A default on a financial asset is when counterparty fails to make payments within 90 days when they fall due.

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

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Security deposits
The Company furnished security deposits to its lessors for obtaining the premises on lease and margin money deposits to banks. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Loss allowance as per expected credit loss

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	1,026.00	682.81
Export incentives receivables	120.63	85.01

Reconciliation of loss allowance provision

Particulars	Trade Receivables	Export Receivables	Total
Loss Allowance on 1 April 2017	7.00	-	7.00
Change in loss allowance	3.39	-	3.39
Loss Allowance on 31 March 2018	10.39	-	10.39
Change in loss allowance	31.71	4.02	35.73
Loss Allowance on 31 March 2019	42.10	4.02	46.12

ii. 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 another 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 risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and exclude the impact of netting agreements.

	Carrying amount	Contractual cash flows			
	As at 31 March 2019	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non current borrowings	1,081.90	1,081.90	-	875.79	206.11
Short term borrowings	327.09	327.09	327.09	-	-
Trade payables	467.89	467.89	467.89	-	-
Other current financial liabilities	296.64	296.64	296.64	-	-
Total	**2,173.52**	**2,173.52**	**1,091.62**	**875.79**	**206.11**

	Carrying amount	Contractual cash flows			
	As at 31 March 2018	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non current borrowings	956.93	956.93	-	686.89	270.04
Short term borrowings	262.73	262.73	262.73	-	-
Trade payables	375.87	375.87	375.87	-	-
Other current financial liabilities	295.65	295.65	295.65	-	-
Total	**1,891.18**	**1,891.18**	**934.25**	**686.89**	**270.04**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

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iii. 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.

The Company uses derivatives like forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of directors.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

As at 31 March 2019	USD	Euro
Financial asset		
Trade receivables	6.63	0.45
Forward contracts receivables	3.17	-
Total	**9.80**	**0.45**
Financial liabilities		
Payable for capital assets	0.13	0.12
Total	**0.13**	**0.12**
Net exposure to foreign currency risk	**9.67**	**0.33**

As at 31 March 2018	USD	Euro
Financial asset		
Trade receivables	5.22	-
Forward contracts receivables	14.85	-
Total	**20.07**	**-**
Financial liabilities		
Payable for capital assets	0.01	0.31
Total	**0.01**	**0.31**
Net exposure to foreign currency risk	**20.06**	**(0.31)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against all other currencies as at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2019				
USD (1% movement)	6.62	(6.62)	4.31	(4.31)
EUR (1% movement)	0.25	(0.25)	0.16	(0.16)
31 March 2018				
USD (1% movement)	12.90	(12.90)	8.44	(8.44)
EUR (1% movement)	(0.25)	0.25	(0.16)	0.16

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Interest rate risk
The Company's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Company cash flow to interest rate risk. Company normally maintains most of its long term borrowings at MCLR+0.15% in Rupees. Company has all the long term loans from State Bank of India, HDFC and ICICI Bank.

Exposure to interest rate risk
The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	Amount as at 31 March 2019	Amount as at 31 March 2018
Fixed-rate instruments		
Financial assets	52.90	59.44
Financial liabilities	(21.22)	(25.12)
	31.68	**34.32**

Particulars	Amount as at 31 March 2019	Amount as at 31 March 2018
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,588.71)	(1,312.55)
	(1,588.71)	**(1,312.55)**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 0.21 after tax (31 March 2018 Rs. 0.22). This analysis assumes that all other variables remain constant.

Cash flow sensitivity analysis for variable-rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or loss (net of tax) 100 bp increase	Profit or loss (net of tax) 100 bp decrease
31 March 2019		
Variable-rate instruments	(10.34)	10.34
Cash flow sensitivity (net)	(10.34)	10.34
31 March 2018		
Variable-rate instruments	(8.58)	8.58
Cash flow sensitivity (net)	(8.58)	8.58

50 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.
The company capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings.

	As at 31 March 2019	As at 31 March 2018
Total liabilities	1,619.73	1,347.47
Less : Cash and cash equivalent	50.93	51.81
Adjusted net debt (a)	1,568.80	1,295.66
Total equity (b)	2,837.87	2,552.46
Capital gearing ratio (a/b)	55.28%	50.76%

As a part of its capital management policy the company ensures compliance with all covenants and other capital requirements related to its contractual obligations.

MRS. BECTORS FOOD SPECIALITIES LTD

(All amounts are in rupees million, unless otherwise stated)

51 **Details in respect of dividend remitted during the year in foreign currency :**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Number of non-resident shareholders*	3 (nos.)	2 (nos.)
Number of shares held as on record date*	13.65	12.27
Amount remitted during the year*#	19.44	-
Financial year to which dividend pertains#	2017-18 & 2018-19	-

* Excludes non-resident shareholders to whom dividend is paid in indian rupees.
\# Includes amount of Rs. 9.20 Million remitted during the year pertaining to the year 2017-18.

52 Pursuant to a family settlement, Mr Anoop Bector (Promoter and Managing Director) and his family (Anoop Bector family) disassociated from his brothers Mr. Ajay Bector and his family (Ajay Bector family) and Mr Akshay Bector and his family (Akshay Bector family). The family settlement was effected by way of among others (i) the Brand separation MoU, in relation to the separation of brands and businesses and (ii) a composite scheme of amalgamation and arrangement approved by the High Court of Punjab and Haryana at Chandigarh pursuant to an order dated 4 July 2014 in relation to the re-organisation of the respective businesses.

Mr. Ajay Bector made certain allegations against the Promoter, alleging non-compliance with the terms of the family settlement by the Promoter. Further, in connection with the filing of the Draft Red Herring Prospectus, Mr. Ajay Bector, by way of his letters dated 3 September 2018 and 15 November 2018 ("Letters"), addressed to SEBI and the Book Running Lead Managers (BRLMs), made certain allegations against the Company and the Promoter. With respect to the Company, Mr. Ajay Bector has, inter alia, alleged non-disclosure of certain family settlement related agreements in the Draft Red Herring Prospectus and also alleged certain irregularities in relation to the financial information of the Company disclosed in the Draft Red Herring Prospectus. With respect to the Promoter, Mr. Ajay Bector has, inter alia, made allegations of misconduct and non-compliance with the terms of the family settlement by the Promoter. While the Company and the Promoter have responded to the Letters vide separate letters dated 24 September 2018 and 6 December 2018 denying all the allegations, the Company may receive similar complaints from Mr. Ajay Bector or other dissociated relatives in the future. Further, differences between the Promoter and his relatives may also result in a legal dispute involving Promoter and the Company. Management is hopeful that more likely than not, any such legal dispute will be settled in Company's favour, and / or that no additional liability will arise out of these proceedings on the Company or Promoter.

Further, in the light of disassociation, Akshay Bector family and Ajay Bector family and any entity in which they may have interest were not considered "promoter group" within the definition provided under the SEBI ICDR Regulations, in the Draft Red Herring Prospectus filed by the Company on 10 August 2018. The Company had made an application to SEBI seeking exemption from including the dissociated immediate relatives of Mr Anoop Bector (Promoter) and any entity in which they may have interest from the promoter group of the Company. Pursuant to the exemption application to SEBI, the Company had also written to Mr. Akshay Bector and Mr. Ajay Bector requesting them to express their intention to be named as members of the promoter group of the Company. Mr. Akshay Bector responded to the Company confirming that due to the disassociation, he should not be classified as a member of the promoter group of the Company. However, Mr Ajay Bector did not respond to the Company's letter or any of the follow-up letters sent by the Company. SEBI acceded to the request for not including Mr. Akshay Bector and his family members as members of the promoter group of the Company. However, no exemption was granted to exclude Mr. Ajay Bector from being named as a member of the promoter group of the Company in the Red Herring Prospectus to be filed with SEBI. Accordingly, Mr Ajay Bector has been considered as a member of the promoter group as defined under the SEBI ICDR Regulations.

Further, since Mr. Ajay Bector is classified as a member of the promoter group of Company, he may be required to make continuous disclosures and comply with other requirements applicable to a member of a promoter group of a listed company, including under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI ICDR Regulations, SEBI (Buy-back of Securities) Regulations, 2018 and the SEBI (Delisting of Equity Shares) Regulations, 2009. However, given the dissociation, the Company has represented that it cannot be assured that Mr. Ajay Bector will comply with all such obligations which shall be applicable on all the members of the promoter group of the Company post-listing. Impact of above can not be quantified as of now.

53 **Corporate Social Responsibility**

<u>31 March 2019</u>

a) Gross amount required to be spent by the Company during the year was Rs. 9.46.
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students.

Particulars	In cash	Yet to be paid in cash	Total
On construction/acquisition of any asset	-	-	-
On purpose other than above	3.40	-	3.40
Total	**3.40**	**-**	**3.40**

<u>31 March 2018</u>

a) Gross amount required to be spent by the Company during the year was Rs. 8.85.
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students.

Particulars	In cash	Yet to be paid in cash	Total
On construction/acquisition of any asset	-	-	-
On purpose other than above	2.81	-	2.81
Total	**2.81**	**-**	**2.81**

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of**
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN : 00108589

Ishaan Bector
Director
DIN : 02906180

Anil Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN : 00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited

Consolidated Financial Statements for the year ended

31 March 2019

B S R & Co. LLP
Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

INDEPENDENT AUDITOR'S REPORT

To the Members of Mrs. Bectors Food Specialities Limited

Report on the Audit of Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial statements of **Mrs. Bectors Food Specialities Limited** (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements')

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor's on separate financial statement of such subsidiaries and an associate, as were audited by the other auditor's, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Other Information

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

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

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalaxmi
Mumbai - 400 011

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor's, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

We have nothing to report in this regard.

4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group and its associate are responsible for assessing the ability of each Company 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 entities or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the Companies included in the Group and its associate are responsible for overseeing the financial reporting process of each company.

5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and of the 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.

6. Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.311.06 Million as at 31 March 2019, total revenues of Rs. 480.12 Million and net cash outflows amounting to Rs. 2.60 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 0.68 Million for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports has 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 an associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, 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 report of the other auditors.

7. Report on Other Legal and Regulatory Requirements

A. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries and an associate, which are companies incorporated in India, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and an associate, which are companies incorporated in India, none of the directors of the Group companies and its associate, which are companies incorporated in India, is disqualified as on 31 March 2019 from being appointed as a director of that company in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and an associate, which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's report of Holding company, its subsidiary companies and its associate company.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and an associate, which are companies incorporated in India, as noted in the 'Other Matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its associate. Refer Note 41 to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and an associate, which were not audited by us, the remuneration paid during the current year by the Holding Company, subsidiary companies and an associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN No.:19094549AAAACK6403

Place: Gurugram, Haryana
Date: 29 July 2019

Annexure A to the Independent Auditor's report on the consolidated financial statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 7(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of Mrs. Bectors Food Specialities Limited ("the Holding Company") as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, its subsidiary companies and an associate, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and an associate company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and an associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to consolidated financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN No.: 19094549AAAACK6403

Place: Gurugram, Haryana
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,581.23	2,545.78
Capital work-in-progress	4	155.58	920.79
Goodwill	5	3.95	3.95
Other intangible assets	6	11.97	17.81
Financial assets			
(i) Investment accounted for using the equity method	7	37.91	38.82
(ii) Loans	8	36.96	33.56
(iii) Other financial assets	9	0.41	9.68
Non-current tax assets (net)	10	41.77	29.33
Other non-current assets	11	40.68	66.22
Total non-current assets		**3,910.46**	**3,665.94**
Current assets			
Inventories	12	352.83	353.49
Financial assets			
(i) Investments	13	-	0.18
(ii) Trade receivables	14	1,003.28	693.83
(iii) Cash and cash equivalents	15	55.28	58.76
(iv) Bank balances other than (iii) above	16	65.02	48.51
(v) Other financial assets	17	154.78	97.34
Other current assets	18	199.82	148.87
Total current assets		**1,831.01**	**1,400.98**
Total assets		**5,741.47**	**5,066.92**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	572.68	572.68
Other equity	20	2,376.99	2,095.01
Total equity		**2,949.67**	**2,667.69**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	1,081.90	956.93
Provisions	22	41.86	32.54
Deferred tax liabilities (net)	23	123.27	65.57
Other non-current liabilities	24	148.74	137.48
Total non-current liabilities		**1,395.77**	**1,192.52**

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Consolidated Balance sheet as at 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
Current liabilities			
Financial liabilities			
(i) Borrowings	25	327.09	262.73
(ii) Trade payables	26		
(a) Total outstanding dues of micro enterprises and small enterprises		67.43	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		420.79	389.70
(iii) Other financial liabilities	27	297.41	297.63
Other current liabilities	28	128.76	103.79
Provisions	29	141.97	126.86
Current tax liabilities (net)	30	12.58	26.00
Total current liabilities		1,396.03	1,206.71
Total liabilities		2,791.80	2,399.23
Total equity and liabilities		5,741.47	5,066.92
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited**

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Consolidated Statement of profit and loss for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	31	7,836.65	6,939.65
Other income	32	23.64	17.90
Total income		**7,860.29**	**6,957.55**
Expenses			
Cost of materials consumed	33	4,068.37	3,778.86
Purchase of stock-in-trade	34	134.14	119.68
Changes in inventories of finished goods, stock-in- trade and work-in-progress	35	37.78	(70.65)
Excise duty		-	33.30
Employee benefits expense	36	1,097.31	913.07
Finance costs	37	123.39	57.78
Depreciation and amortisation expense	38	337.13	272.93
Other expenses	39	1,555.36	1,321.97
Total expenses		**7,353.48**	**6,426.94**
Profit before share of equity accounted investees and tax			
Share of net profit of associates accounted for using the equity method	7	0.68	0.17
Profit before tax		**507.49**	**530.78**
Tax expense:			
Current tax		117.82	164.50
Deferred tax		57.57	5.80
		175.39	**170.30**
Profit for the year (A)		**332.10**	**360.48**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		0.39	2.67
Income tax relating to remeasurement of defined benefit plans		(0.12)	(0.92)
Total other comprehensive income/ (loss) for the year (B)		**0.27**	**1.75**
Total comprehensive income for the year (A + B)		**332.37**	**362.23**
Earnings per equity share			
[nominal value of Rs. 10 (previous year Rs.10)]	40		
Basic		5.80	6.30
Diluted		5.79	6.29

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For **and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited**

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Consolidated Statement of Changes in Equity for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2019 Number of shares	As at 31 March 2019 Amount	As at 31 March 2018 Number of shares	As at 31 March 2018 Amount
Balance at the beginning of the year	57,267,622	572.68	28,633,811	286.34
Employee stock option exercised during the year*	300	0.00	-	-
Bonus shares issued	-	-	28,633,811	286.34
Balance at the end of the reporting year	57,267,922	572.68	57,267,622	572.68

*The total amount of shares issued in absolute value is Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million.

(b) Other equity

Particulars	Note	Reserves & surplus						
		Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	Other Comprehensive Income (Remeasurement of defined benefit plans (net of tax))	Total
Balance at 1 April 2017		-	14.37	530.17	18.88	1,505.05	(1.65)	2,066.82
Profit for the year		-	-	-	-	360.48	-	360.48
Other comprehensive income for the year	20d	-	-	-	-	-	1.75	1.75
Employee stock option expense	20e	3.99	-	-	-	-	-	3.99
Less: Bonus shares issued	20b	-	-	(286.34)	-	-	-	(286.34)
Less: Interim dividend	20c	-	-	-	-	(42.95)	-	(42.95)
Less: Dividend distribution tax on interim dividend*	20c	-	-	-	-	(8.74)	-	(8.74)
Total comprehensive income for the year		3.99	-	(286.34)	-	308.79	1.75	28.19
Balance at 31 March 2018		3.99	14.37	243.83	18.88	1,813.84	0.10	2,095.01
Profit for the year		-	-	-	-	332.10	-	332.10
Other comprehensive income for the year	20d	-	-	-	-	-	0.27	0.27
Employee stock option expense	20e	4.40	-	-	-	-	-	4.40
Employee stock option exercised during the year	20e	(0.04)	-	0.09	-	-	-	0.05
Less: Sale of share in associate Group	20a	-	(1.20)	-	-	-	-	(1.20)
Less: Interim dividend	20c	-	-	-	-	(42.95)	-	(42.95)
Less: Dividend distribution tax on interim dividend*	20c	-	-	-	-	(10.69)	-	(10.69)
Total comprehensive income for the year		4.36	(1.20)	0.09	-	278.46	0.27	281.98
Balance at 31 March 2019		8.35	13.17	243.92	18.88	2,092.30	0.37	2,376.99

* Tax on dividend paid is net of credit of Rs. 8.83 (Rs. 3.53 for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary company.

Significant accounting policies 2

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For and on behalf of the Board of Directors of
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:-00007297

Place: Gurugram
Date: 29 July 2019

Mrs. Bectors Food Specialities Limited
Statement of consolidated cash flows for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flow from operating activities		
Net profit before taxation	597.49	530.78
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	337.13	272.95
Provision for doubtful debts and advances	36.50	8.64
Gain on sale/write off of investments (net)	(1.10)	(0.67)
Net change in fair value of financial assets at FVTPL	-	0.06
Bad debts written off	2.81	-
Net loss on sale of property, plant and equipment	0.38	2.44
Employee share-based payment expense	4.40	3.99
Interest expense	123.39	57.78
Interest income	(5.71)	(6.08)
Share of profit of associates	(0.68)	(0.17)
Operating profit before working capital changes	**1,094.61**	**865.70**
Movement in working capital:		
(Increase)/ decrease in Loans	(3.40)	1.25
(Increase)/ decrease in other financial assets	(57.57)	3.19
(Increase) in other assets	(50.95)	(85.47)
Decrease / (Increase) in inventories	0.06	(77.40)
(Increase) in trade receivables	(348.76)	(112.40)
Increase in provisions	24.82	17.21
Increase/(decrease) in other liabilities	16.16	(18.04)
Increase in trade payables	98.53	11.85
Increase in other financial liabilities	19.32	12.75
Cash generated from operations	**703.41**	**618.64**
Income tax paid	(143.68)	(155.03)
Net cash from operating activities (A)	**559.73**	**463.61**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(652.89)	(1,189.20)
Purchase of intangible assets (including intangible under development)	-	(0.81)
Proceeds from sale of property, plant and equipment (including capital work in progress)	3.12	3.62
Net proceeds of investments	1.67	48.69
Net (investments)/redemption in bank deposits (having original maturity of more than three months)	(7.24)	1.34
Interest received	5.83	5.96
Net cash used in investing activities (B)	**(649.51)**	**(1,130.41)**
C. Cash flows from financing activities		
Proceeds from issue of equity share capital	0.00	-
Share premium on exercise of employee stock option	0.05	-
Proceeds/(repayments) from/to non-current borrowings *	206.97	592.15
Proceeds/(repayments) from/to current borrowings	64.36	97.14
Interest paid	(122.25)	(57.32)
Dividend paid on equity shares (including dividend distribution tax)	(62.84)	(42.49)
Net cash from financing activities (C)	**86.29**	**589.48**
Net (decrease) in cash and cash equivalents (A+B+C)	**(3.48)**	**(77.32)**
Cash and cash equivalents at the beginning of the year	58.76	136.08
Cash and cash equivalents at the end of the year	**55.28**	**58.76**

The accompanying notes form an integral part of the standalone financial statements

* Also refer note 21 (c) for reconciliation of liabilities from financing activities

Significant accounting policies 2

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 29 July 2019

For and on behalf of the Board of Directors of
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN -00108589

Ishaan Bector
Director
DIN -02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN - 00007297

Place: Gurugram
Date: 29 July 2019

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as "the Company" or "Parent" is domiciled in India. The Company's registered office is at Theing Road, Phillaur-144410, Punjab, India. These consolidated financial statements comprise of the Company and its subsidiaries (together referred to as the 'Group') and its associate. The Group and its associate is engaged in the business of manufacturing and distribution of food products. The Group caters to both domestic and export markets.

2. Significant Accounting Policies

The Group and its associate has consistently applied the following accounting policies to all periods presented in the consolidated financial statements.

a) Basis of preparation

Compliance with Indian Accounting Standards

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (India Accounting Standards) Amendment Rules, 2016 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 29 July 2019.

Effective 1 April 2017, the Group and its associate had adopted the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First- time adoption of Indian Accounting Standards, with 1 April 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

i) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Group and its associate's functional currency. All amounts have been rounded to the nearest millions, upto two places of decimal, unless otherwise stated.

ii) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for the following:

- Defined benefit liability/(assets): Fair value of the plan assets less present value of defined benefit obligations
- Certain financial assets and liabilities (including derivative instruments: measured at fair value
- Share-based payments: measured at fair value of share based payments

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Fair value measurement

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

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

The principal or the most advantageous market must be accessible to/ by the Group and its associate. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

iii) Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group and its associate's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements have been given below:

- Note 49 - classification of financial assets: assessment of business model within which the assets the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 43 - classification of leases into finance and operating lease;
- Note 43 – leases: whether an arrangement contains lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for the every period ended is included below:

- Note 3, 5 and 6 - useful life and residual value of property, plant and equipment and intangible assets;
- Note 46 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 48 - fair value of share based payments
- Note 41 - recognition and measurement of provisions and contingencies;
- Note 49 - impairment of financial assets;
- Note 49 - Fair value measurement of financial instruments.

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- Note 12 – write down of inventories
- Note 2m, 10 and 23 - recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

b) **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.

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 expense. Intercompany transactions, balances and unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of Profit and Loss, Consolidated statement of changes in Equity and Consolidated Balance sheet respectively.

ii) **Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds from 20% to 50% of the voting rights. Investments in associate are accounted for using the equity method of accounting, after being recognised at cost.

iii) **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group and its associate's share of post-acquisition profits or losses of the investee on profit and loss, and the Group and its associate's share of other comprehensive income. Dividends received or receivable from associate and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group and its associate's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group and its associate does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associate and joint ventures are eliminated to the extent of the Group and its associate's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group and its associate.

The consolidated financial statements are comprised of the financial statements of the members of the Group as under:

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Name of subsidiaries / Associate	Country of incorporation	% of Interest	
		As at 31 March 2019	As at 31 March 2018
Subsidiaries			
Bakebest Foods Private Limited	India	100	100
Mrs. Bectors English Oven Limited	India	100	100
Associate			
Cremica Agro Foods Limited	India	43.09	44.95

c) **Property, plant and equipment**

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

Major machinery spares parts are classified as property, plant and equipment when they are expected to be utilized over more than one period. Other spares are carried as inventory and recognised in the consolidated statement of Profit and Loss as and when consumed.

Any gain or loss on disposal of property, plant and equipment is recognised in consolidated statement of Profit and Loss.

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

On transition to Ind AS, the Group and its associate has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 as per the previous GAAP and use that as the deemed cost of the property, plant and equipment.

ii. Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its associate.

iii. Depreciation

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and machinery such as moulds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation.

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Leasehold improvements are amortised over the period of lease.

Leasehold land is amortised pro-rata over the lease period on a straight line basis.

Intangible assets comprise of computer software which are amortized over a period of five years.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

On transition to Ind AS, the Group and its associate has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 as per the previous GAAP and use that as the deemed cost of the property, plant and equipment.

d) **Intangible assets**

Intangible assets that are acquired by the Group and its associate are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Consolidated statement of Profit and Loss as incurred.

Estimated useful life of the softwares is considered as 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated statement of Profit and Loss when the asset is derecognised.

Advances paid towards acquisition of intangible assets outstanding at each period end date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as intangible asset under development.

On transition to Ind AS, the Group and its associate has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 as per the previous GAAP and use that as the deemed cost of the Intangible assets.

e) **Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currency of the Group and its associate at the exchange rates at the dates of the transactions.

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Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Consolidated statement of Profit and Loss.

f) **Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

g) **Employee benefits**

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and its associate has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

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. The Group and its associate makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated 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 and its associate's gratuity benefit scheme is a defined benefit plan.

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Gratuity

The Group and its associate'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 Parent Company's plan is funded with an Insurance Company in the form of insurance policies. 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 and its associate, 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.

Re-measurements 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 Other Comprehensive Income (OCI). The Group and its associate 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 Consolidated statement of Profit and Loss.

Other long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Consolidated Balance sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Consolidated Balance sheet date. Actuarial gains and losses are recognised in the Consolidated statement of Profit and Loss in the period in which they occur.

h) **Revenue**

i. Sale of goods

The Group and its associate earns revenue primarily from business of manufacturing and distribution of food products.

Effective 1 April 2018, the Group and its associate has applied Ind AS 115 "Revenue from contracts with customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group and its associate has adopted Ind AS 115 using the cumulative effect method. The adoption of the standard did not have any material impact to the financial statements of the Group and its associate.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group and its associate expects to receive in exchange for those products or services.

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Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

Revenues includes excise duty and are shown net of sales tax, value added tax and goods and services tax.

ii. Rendering of services

Revenue in respect of sale of services is recognised on an accrual basis in accordance with the terms of the relevant agreements.

iii. Interest income

Interest income or expense is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Interest income is included under the head "other income" in the consolidated statement of Profit and Los

iv. Dividend income

Dividend income is recognised when the Group and its associate's right to receive the dividend is established which is generally when shareholders approve the dividend.

v. Contract assets

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

vi. Contract liabilities

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

i) Government grants and subsidies

Government grants for capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group and its associate will comply with the conditions associated with the grant; they are then recognised in Consolidated Statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Group and its associate for expenses incurred are recognised in Consolidated Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognized.

j) **Inventories**

Raw materials, components, stores and spares are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Goods in transit are valued at cost excluding import duties. Cost of raw materials, components and stores and spares is determined on weighted average cost basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

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

The Group and its associate has a policy for writing off the inventory of finished goods which is more than 90 days old at year end.

k) **Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Group and its associate has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed where an inflow of economic benefit is probable.

l) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

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1) Financial assets

i) Initial recognition and measurement

The Group and its associate initially recognises financial assets on the date on which they are originated. The Group and its associate recognises the financial assets on the trade date, which is the date on which the Group and its associate becomes a party to the contractual provision of the instrument.

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except assets measured at fair value through profit or loss

ii) Classifications and subsequent measurement

Classifications

The Group and its associate classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group and its associate's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Group and its associate makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and its associate considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair value though profit and loss (FVTPL):

- it is held within a business model whose objective is to hold assets 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

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- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from Expected Credit Losses (ECL) impairment are recognised in the profit or loss.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Equity instruments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value.

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group and its associate decides to classify the same either as at FVTOCI or FVTPL. The Group and its associate makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Investments in tax free bonds and fixed deposits are measured at amortised cost.

iii) Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group and its associate changes its business model for managing financial assets.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group and its associate of similar financial assets) is primarily derecognised (i.e. removed from the Group and its associate's Consolidated Balance sheet) when:

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

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v) Impairment of financial assets

The Group and its associate assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Group and its associate applies the simplified approach as permitted by Ind AS *109, Financial Instruments*, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

vi) Impairment of non-financial assets

The Group and its associate and its associate's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into a cash-generating unit (CGU). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

The Group and its associate's corporate assets (e.g., office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss is recognised in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Group and its associate of CGUs) on a pro rata basis.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2) Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

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

ii) Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost

After initial recognition, financial liabilities are amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii) Derecognition of financial liabilities

The Group and its associate derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

3) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

4) Derivative financial instruments

The Group and its associate holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group and its associate enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

m) **Income taxes**

Income tax comprises current and deferred tax. It is recognised in the consolidated statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

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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 differences between the carrying amounts of assets and liabilities in the Consolidated Balance sheet 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 assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Consolidated Balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Consolidated Balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and its associate expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and its associate intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Consolidated statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

iii. Minimum Alternative tax

Minimum Alternative tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in profit or loss. The credit available under the Act in respect of MAT paid is adjusted from deferred tax liability only when and to the extent there is convincing evidence that the Group and its associate will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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n) **Leases**

Determining whether an arrangement contains a lease:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement, is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specified asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of an arrangement that contains a lease, the Group and its associate separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. Subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group and its associate's incremental borrowing rate.

Where the Group and its associate is the Lessee:

Finance leases, which effectively transfer to the Group and its associate substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the consolidated statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset based on internal technical evaluation or the useful life envisaged in Part C of Schedule II of the Companies Act, 2013. However, if there is no reasonable certainty that the Group and its associate will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Part C of Schedule II of the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the consolidated statement of Profit and Loss on a straight-line basis over the lease term.

Where the Group or its associate is the lessor:

Leases in which the Group or its associate transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group and its associate apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the consolidated statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of Profit and Loss.

Leases in which the Group and its associate does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the consolidated statement of Profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the consolidated statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of Profit and Loss.

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o) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Group and its associate have been identified as being the Chief operating decision maker by the management of the Group and its associate. Refer note 42 for segment information presented.

p) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group and its associate has not applied as they are effective from 1 April 2019:

Ind AS 116, *Leases*

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases (Ind AS 17) and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and Lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises present value of the lease payment (discounted using incremental borrowing rate) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group and its associate will adopt Ind AS 116 effective annual reporting period beginning April l, 2019 using the modified retrospective approach. Therefore, the cumulative effect of adopting new standard will be recognized as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

For nature of lease arrangements, refer note 43 of the financial statements. The Group and its associate has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group and its associate does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group and its associate does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Group and its associate does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. Group and its associate does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Group and its associate does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Group and its associate does not expect any impact from this amendment.

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(All amounts are in rupees million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 1 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Own assets										
Freehold land	176.50	-	-	176.50	-	-	-	-	176.50	176.50
Leasehold improvements	1.08	-	-	1.08	0.99	-	-	0.99	0.09	0.09
Buildings	972.77	329.08	-	1,301.85	54.74	40.81	-	95.55	918.03	1,206.30
Plant and machinery	1,634.07	1,006.33	12.19	2,628.21	412.27	267.49	10.60	669.16	1,221.80	1,959.05
Furniture and fixtures	29.44	11.90	-	41.34	6.66	4.04	-	10.70	22.78	30.64
Vehicles	75.05	7.13	3.95	78.23	21.76	11.29	2.20	30.85	53.29	47.38
Office equipment	12.66	10.46	-	23.12	5.87	3.03	-	8.90	6.79	14.22
Computer	10.85	5.18	-	16.03	4.48	3.06	-	7.54	6.37	8.49
Asset taken on financial lease *										
Leasehold land	141.44	-	-	141.44	1.31	1.57	-	2.88	140.13	138.56
Total	**3,053.86**	**1,370.08**	**16.14**	**4,407.80**	**508.08**	**331.29**	**12.80**	**826.57**	**2,545.78**	**3,581.23**

Particulars	Gross block				Depreciation				Net block	
	As at 31 March 2017	Additions	Disposals during the year	As at 31 March 2018	As at 31 March 2017	Charge for the year	Disposals during the year	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018
Own assets										
Freehold land	171.92	4.58	-	176.50	-	-	-	-	171.92	176.50
Leasehold improvements	2.43	-	1.35	1.08	1.45	0.89	1.35	0.99	0.98	0.09
Buildings	806.77	166.00	-	972.77	25.19	29.55	-	54.74	781.58	918.03
Plant and machinery	1,274.10	368.53	8.56	1,634.07	199.07	216.09	2.89	412.27	1,075.03	1,221.80
Furniture and fixtures	28.06	1.48	0.10	29.44	3.23	3.46	0.03	6.66	24.83	22.78
Vehicles	71.65	3.83	0.43	75.05	10.42	11.49	0.15	21.76	61.23	53.29
Office equipment	11.09	1.59	0.02	12.66	3.16	2.72	0.01	5.87	7.93	6.79
Computer	8.38	2.50	0.03	10.85	2.16	2.32	-	4.48	6.22	6.37
Asset taken on financial lease *										
Leasehold land	44.60	96.84	-	141.44	0.59	0.72	-	1.31	44.01	140.13
Total	**2,419.00**	**645.35**	**10.49**	**3,053.86**	**245.27**	**267.24**	**4.43**	**508.08**	**2,173.73**	**2,545.78**

a) Refer note 21 and 25 for charge created on property, plant and equipment.

b) Freehold land includes land having gross block amounting to Rs. 3.07 (31 March 2018 Rs. 3.07) in the state of Himachal Pradesh, pending to be registered in the name of Group.

c) Building includes premises at Noida having gross block amounting to Rs. 4.82 (31 March 2018 Rs. 4.82) and written down value amounting to Rs. 4.36 (31 March 2018 Rs. 4.52) pending to be registered in the name of Group.

d) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2018 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2018 Rs. 0.03) are pending to be registered in the name of Group.

e) Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

f) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was ranging approximately between [illegible] for the year ended 31 March 2019 and 31 March 2018.

* Refer Note 21(b)

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Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Notes to consolidated financial statements for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2018	Additions	Capitalised during the year	As at 31 March 2019
Capital work in progress	920.79	461.02	1,226.23	155.58

Particulars	As at 1 April 2017.	Additions	Capitalised during the year	As at 31 March 2018
Capital work in progress	117.84	1,255.63	452.68	920.79

*Detail of preoperative expenses included in CWIP	As at 31 March 2019	As at 31 March 2018
Opening for the year	**52.98**	**21.52**
Additions as per statement of profit and loss during the year		
- Interest and processing charges	29.52	29.12
- Bank charges	0.32	0.50
- Power & fuel	1.73	2.72
- Insurance	0.51	0.34
- Employee benefits expense	4.59	7.02
- Communication costs	-	0.12
- Legal & professional expense	2.96	5.64
- Rates & taxes	-	7.58
- Rent	0.46	0.02
- Travelling and conveyance	2.65	3.71
- Miscellaneous expenses	0.75	0.38
Subtotal	**43.49**	**57.25**
Less - Expense off during the year	-	2.65
Less - Capitalised to respective property, plant and equipment	95.59	23.14
Closing for the year	**0.88**	**52.98**

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5. Goodwill

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2018	Additions	Deletions	As at 31 March 2019	As at 1 April 2018	Charge for the year	Deletions	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019
Goodwill	3.95	-	-	3.95	-	-	-	-	3.95	3.95
Total	**3.95**	-	-	**3.95**	-	-	-	-	**3.95**	**3.95**

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2017	Additions	Deletions	As at 31 March 2018	As at 1 April 2017	Charge for the year	Deletions	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018
Goodwill	3.95	-	-	3.95	-	-	-	-	3.95	3.95
Total	**3.95**	-	-	**3.95**	-	-	-	-	**3.95**	**3.95**

There has been no impairment loss recognised on goodwill generated on acquisition of Bakebest Foods Private Limited.

For the purpose of impairment testing, goodwill is allocated to the company's operating divisions which represent the lowest level within the company at which goodwill is monitored for internal management purposes.

The entire goodwill of Rs. 3.95 has been allocated to the purchase of business of Bakebest Foods Private Limited. The recoverable amount of this CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources.

Particulars	As At 31 March 2019	As At 31 March 2018
Discount rate	12.40%	12.40%
Terminal value rate	5%	5%
Budgeted EBITDA growth rate	10%	10%

- The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.
- The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.
- Budgeted EBITDA has been estimated taking into account past experience.

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(All amounts are in rupees million, unless otherwise stated)

6. Other intangible assets

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2018	Additions	Deletions	As at 31 March 2019	As at 1 April 2018	Charge for the year	Deletions	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Computer softwares	27.56	-	-	27.56	9.75	5.84	-	15.59	17.81	11.97
Total	27.56	-	-	27.56	9.75	5.84	-	15.59	17.81	11.97

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2017	Additions	Deletions	As at 31 March 2018	As at 1 April 2017	Charge for the year	Deletions	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018
Computer softwares	21.20	6.36	-	27.56	4.07	5.68	-	9.75	17.13	17.81
Total	21.20	6.36	-	27.56	4.07	5.68	-	9.75	17.13	17.81

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(All amounts are in million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
7 (i) Investment accounted for using the equity method		
Investment in associate		
Quoted investment in equity share at cost *		
1,937,268 (31 March 2018: 673,506) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited #	37.91	38.82
	37.91	**38.82**

* Listed on Metropolitan Stock Exchange on 16 July 2018.

The Company has sold 27,750 shares of Cremica Agro Foods Limited on 14 June 2018. Further, Cremica Agro Foods Limited made bonus issue of equity shares in the ratio of 2:1 on 3 July 2018.

Aggregate book value of quoted investments	**37.91**	**38.82**
Aggregate market value of quoted investments	*	Nil
Aggregate amount of impairment in value of investments	Nil	Nil

* Not traded since the date of listing.

Interests in associate (equity accounted)
Cremica Agro Foods Limited ('CAFL') is an associate of the Group and has a 43.09% ownership interest. The CAFL is principally engaged in food processing. The said Company was incorporated in India on 6 December 1989. The principal place of business is Phillaur.

Contingent liabilities in respect of associate

Share of associate's contingent liabilities in respect of a legal claim lodged against the entity	1.09	1.14

Summarised financial information for associate
The following table summarises the financial information of CAFL as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in CAFL.

Percentage ownership interest	**43.09%**	**44.95%**
Non-current assets	44.34	48.74
Current assets (including cash and cash equivalents – 31 March 2019: Rs. 14.80, 31 March 2018: Rs. 12.01)*	61.30	58.86
Current liabilities (including current financial liabilities – 31 March 2019: Rs. 16.41, 31 March 2018: Rs. 13.43)	(17.68)	(21.24)
Net assets (100%)	**87.96**	**86.36**
Group's share of net assets	37.90	38.82
Carrying amount of interest in associate	37.90	38.82

*The bank accounts of the associate Group i.e Cremica Agro Foods Limited had been freezed by the Board of Directors due to dispute among some of the Directors of the Group w.e.f' 6 January 2016. Balance with banks as at 31 March 2019: Rs. 14.79, and 31 March 2018 11.95.

Carrying amount of the interest in associate

	for the year ended 31 March 2019	for the year ended 31 March 2018
Revenue	0.23	-
Other income	4.05	2.42
Depreciation and amortisation expense	0.09	(0.09)
Finance costs	-	(0.00)
Income tax expense	0.58	(16.91)
Profit	1.57	0.38
Total comprehensive income	**1.57**	**0.38**
Groups share of profit	**0.68**	**0.17**
Groups share of other comprehensive income	-	-
Group's share of total comprehensive income	**0.68**	**0.17**

No dividend has been received from the associate for the year ended 31 March 2019 and 31 March 2018

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	As at 31 March 2019	As at 31 March 2018
8 Non-current loans		
(Unsecured, considered good)		
Security deposits	36.96	33.56
	36.96	**33.56**
Breakup of security details		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	36.96	33.56
Loans receivables which have significant increase in credit risk	-	-
Loans receivables credit impaired	-	-
Total	**36.96**	**33.56**
Less: Loss allowance	-	-
Total loans receivables	**36.96**	**33.56**
9 Other non-current financial assets		
Deposits with maturity of more than 12 months		
Margin money deposit*	0.41	9.68
	0.41	**9.68**

*Margin money deposits with carrying amount of Rs. 0.41 (31 March 2018 Rs. 9.68) are subject to first charge to secure the Company's inland letter of credit and bank guarantees.

	As at 31 March 2019	As at 31 March 2018
10 Non-current tax assets (net)		
Advance income tax (net of provision for tax)	41.77	29.33
	41.77	**29.33**
11 Other non-current assets		
Capital advances	40.68	66.22
	40.68	**66.22**
12 Inventories		
(valued at the lower of cost and net realisable value)		
Raw material and packing material	173.01	146.33
Work-in-progress	3.08	1.59
Finished goods - Manufactured goods (including stock in transit Rs. 85.78 (31 March 2018 Rs. 85.20))*	147.58	174.97
Stock in trade (including stock in transit: Nil (31 March 2018 Rs. 11.88))	-	11.88
Stores and spares	29.16	18.72
	352.83	**353.49**

*The write-down of inventories to net realisable value during the year amounted to Rs 0.72 (31 March 2018 Rs. 1.47). The write-down are included in changes in inventories of finished goods and work-in-progress.

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
13 Investments		
Investments in equity instruments at fair value through profit and loss		
Quoted *		
Nil (31 March 2018: 1,700) equity shares of Bank of India	-	0.18
	-	**0.18**
Quoted		
Aggregate book value	-	0.08
Aggregate market value	-	0.18
Aggregate amount of impairment in value of investments #	0.18	Nil

In the current year, the Group has identified impairment of Rs. 0.18 (31 March 2018: Nil). The impairment on financial assets is recognised within Miscellaneous expenses in the statement of profit or loss. Since amount is not material, it is not separately reflected in the financial statements.

14 Trade receivables

	As at 31 March 2019	As at 31 March 2018
Unsecured and considered good	1,003.28	693.83
Credit impaired	42.10	10.39
Less: Loss allowance*	(42.10)	(10.39)
	1,003.28	**693.83**
Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,003.28	693.83
Trade receivables credit impaired	42.10	10.39
Total	**1,045.38**	**704.22**
Less: Loss allowance	(42.10)	(10.39)
Total trade receivables	**1,003.28**	**693.83**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

15 Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Bank Balances		
In current account#	51.83	56.30
Cash on hand	3.45	2.46
	55.28	**58.76**

#Includes debit balance of working capital facility availed from HDFC Bank Limited and State Bank of India amounting to Rs. 2.96 (31 March 2018 Rs. Nil) and Rs.Nil respectively (31 March 2018 Rs. 0.00*).
*The total amount of debit balance of working capital facility from State Bank of India in absolute value is Rs. 933, but for reporting purpose rounded upto Rs. 0.00 Million.

16 Bank balances other than cash and cash equivalents above

	As at 31 March 2019	As at 31 March 2018
Deposits due to be matured within 12 months of the reporting date	14.11	0.45
Margin money deposit*	50.91	48.06
	65.02	**48.51**

*Margin money deposits with carrying amount of Rs. 50.91 (31 March 2018 Rs. 48.06) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

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	As at 31 March 2019	As at 31 March 2018
17 Other current financial assets		
(unsecured, considered good)		
Forward exchange contracts used for hedging	6.74	6.52
Export incentive receivable *	124.65	85.01
Less: Loss allowance	(4.02)	-
Claims receivable on export #	21.51	-
Interest accrued but not due on fixed deposits with banks	1.58	1.70
Other advances	4.32	4.11
	154.78	**97.34**

* The Company has accrued following export incentives of Rs. 109.59 (31 March 2018 Rs. 156.33) and has also written off incentives of Rs. 0.58 (31 March 2018 Rs. Nil).

a) Incentive under Merchandise Exports from India Scheme of Rs. 136.52 (31 March 2018 Rs. 107.95)
b) Incentive under Duty Drawback of Rs. Nil (31 March 2018 Rs. 0.21)
c) Duty Free Import Authorization of Rs. 97.21 (31 March 2018 Rs. 48.17)
d) Incentive under Transport and Market Assistance Scheme of Rs. 0.73 (31 March 2018 Rs. Nil)

\# In accordance with bulletin -15 issued by the Ind AS Technical Facilitation Group (ITFG) "Incentive receivable from the government under a scheme of government on complying with the certain stipulated conditions shall fall under the definition of financial instruments and shall be accounted for as a financial asset as per Ind AS 109". Accordingly, Company has classified Rs. 21.51 ((31 March 2018 Nil) of various claims receivable under "Other Current Financial Assets" during the year.

	As at 31 March 2019	As at 31 March 2018
18 Other current assets		
Advances recoverable in cash or kind*	135.09	44.50
Less: provision for doubtful advances recoverable in cash or kind	(1.70)	(0.94)
Balances with statutory/government authorities		
- Considered good	66.43	105.31
	199.82	**148.87**

* Includes Auditor's Remuneration related to proposed IPO		
Fees	12.80	-
Reimbursement of expenses	1.36	-
	14.16	-

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(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
19 Share capital		
Authorised		
57,850,000 (as at 31 March 2018: 57,600,000) equity shares of Rs. 10/- each	578.50	576.00
Issued, subscribed and paid-up		
57,267,922 (as at 31 March 2018: 57,267,622) equity shares of Rs. 10/- each	572.68	572.68
	572.68	**572.68**

a. Terms and rights attached to equity shares

(i) The Company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.

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

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2017	28,633,811	286.34
Bonus shares issued during the year	28,633,811	286.34
Outstanding as at 31 March 2018	**57,267,622**	**572.68**
Employee stock option exercised during the year*	300	0.00
Outstanding as at 31 March 2019	**57,267,922**	**572.68**

*The total amount of shares issued in absolute value is Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	22,848,674	39.90%	22,848,674	39.90%
GW Crown Pte Limited	11,170,496	19.51%	11,170,496	19.51%
Linus Private Limited	13,120,790	22.91%	13,120,790	22.91%

d. Aggregate number of shares issued for consideration other than cash

During the five-year year immediately preceding 31 March 2019, 21,287,939 equity shares of Rs 10 each have been allotted as fully paid as per approved composite scheme of amalgamation and arrangement:

	31 March 2019 Numbers of shares	31 March 2018 Numbers of shares	31 March 2017 Numbers of shares	31 March 2016 Numbers of shares	31 March 2015 Numbers of shares	31 March 2014 Numbers of shares
Equity shares alloted as fully paid bonus shares by capitalization of securities premium	-	28,633,811	-	-	-	-
Shares alloted as per approved composite scheme of amalgamation and arrangement	-	-	-	-	21,287,939*	-
	-	**28,633,811**	-	-	**21,287,939**	-

* Note:- As per approval of Honorable High Court for the scheme of amalgamation and arrangement under section 391 to 394 of Companies Act, 1956 with effect from appointed dated 10 December 2014, the Company has cancelled 22,469,418 shares and had issued 21,287,939 shares for consideration other than cash.

e. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of the reporting year, is set out in note 48.

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20 Other equity

		As at 31 March 2019	As at 31 March 2018
a	**Capital reserve**		
	Balance at the beginning of the year	14.37	14.37
	Less: Sale of share in associate Group	(1.20)	-
	Balance at the end of the year	**13.17**	**14.37**
b	**Securities premium**		
	Balance at the beginning of the year	243.83	530.17
	Add:- Employee stock option exercised during the year	0.09	-
	Less: Bonus shares issued	-	(286.34)
	Balance at the end of the year	**243.92**	**243.83**
c	**Surplus in the statement of profit & loss**		
	Balance at the beginning of the year	1,813.84	1,505.05
	Add: Profit for the year	332.10	360.48
	Less: Interim dividend paid	(42.95)	(42.95)
	Less: Dividend distribution tax on interim dividend*	(10.69)	(8.74)
	Balance at the end of the year	**2,092.30**	**1,813.84**
d	**Remeasurement of defined benefit plans (net of tax)**		
	Balance at the beginning of the year	0.10	(1.65)
	Addition during the year	0.27	1.75
	Balance at the end of the year	**0.37**	**0.10**
e	**Share options outstanding account**		
	Balance at the beginning of the year	3.99	-
	Employee stock option expense	4.40	3.99
	Employee stock option exercised during the year	(0.04)	-
	Balance at the end of the year	**8.35**	**3.99**
f	**General reserve**		
	Balance at the beginning of the year	18.88	18.88
	Less: Movement during the year	-	-
	Balance at the end of the year	**18.88**	**18.88**
	Total	**2,376.99**	**2,095.01**

* Tax on dividend paid is net of credit of Rs. 8.83 (Rs. 3.53 for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary company.

Nature and purpose of other reserves

Capital reserve
Capital reserve is on account of the business combination transaction as per the Court Scheme dated 10 September 2014.

Securities premium
Securities premium account is used to record the premium on issue of shares. During financial year 2017-18, bonus shares have been issued by utilising securities premium in accordance with provisions of the Companies Act, 2013.

Remeasurement of defined benefit plans
Remeasurements of defined benefit plans represents the following as per Ind AS 19, employee benefits:
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Share option outstanding account
The share option outstanding account is used to recognise the grant date fair value of options issued to employees under the employee stock option scheme.

Dividends	As at 31 March 2019	As at 31 March 2018
The following dividends were declared by the Company during the year		
Rs. 0.75 per equity share (31 March 2018: Rs. 0.75)	42.95	42.95
Dividend distribution tax on dividend to equity shareholders	10.69	8.74
Balance at the end of the year	**53.64**	**51.69**

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
21 Non-current borrowings		
Term loans (Refer note (a))		
From banks (Secured)	1,249.89	1,035.14
Vehicle loans (Refer note (a))		
From banks (Secured)	5.26	5.90
From Others (Secured)	1.66	5.11
Loans from related parties (unsecured)*****	21.22	25.12
Long term maturities of finance lease obligations (secured) (Refer note (b))	9.80	9.80
Total non current borrowings	**1,287.83**	**1,081.07**
Less: Current maturities of long term debt	(203.17)	(121.17)
Less: Interest accrued but not due on borrowings	(2.76)	(2.97)
Non current borrowings	**1,081.90**	**956.93**

(a) Terms and conditions of outstanding borrowings are as follows:

Particulars	ICICI Bank*	State Bank of India**	HDFC Bank***	Vehicle loans****	Interest accrued but not due	Total
Principal amount						
As at 31 March 2019	763.18	-	483.99	6.88	2.76	1,256.81
As at 31 March 2018	501.65	25.98	504.60	10.95	2.97	1,046.15
Year of maturity	2025-26	2018-19	2025-26	2021-22	-	-
Term of repayment	monthly basis	monthly/quarterly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.25% - 8.35%	9.20% - 10.80%	8.25% - 9.15%	8.51% - 9.66%	-	-

* The term loan of ICICI Bank Ltd. is secured by exclusive charge on all moveable and immovable fixed assets (PPE) of Rajpura plant including land, building, plant and machinery excluding land save and except those financed by other financial organisations. These loans are further secured by exclusive charge by way of hypothecation of the entire stocks and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables of the Rajpura plant.

** The term loan of State Bank of India is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Company (other than Greater Noida and Rajpura) including equitable mortgage (first charge by way of EM) of factory land and building situated at Theing Road, Phillaur, District Jalandhar, Punjab. Further term loans are also secured by leasehold rights (first charge by way of EM) of Land and Building situated at Plot No 13, Phase I & II, Industrial Area, Tahliwal, District Una, Himachal Pradesh.

These loans are further secured by second charge on current assets of the Company (other than Greater Noida and Rajpura) and first charge by way of EM of property situated at Wakia Kuthewal Gujra, Hambran-Laddowal Road, Tehsil & Distt. Ludhiana.

These facilities are also secured by personal guarantee of Mr. Anoop Bector.

*** The term loan of HDFC Bank Ltd. is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Greater Noida unit. These loans are further secured by way of collateral security of equitable mortgage of factory land measuring 18,720 Sqm situated at 11-A, Udyog Vihar, Greater Noida.

****Vehicle loans taken from banks and others are secured by hypothecation of respective vehicles.

***** Unsecured loans from directors and their relatives carry interest @ 8.00% p.a. (previous year 8.00% p.a.). These loans are subordinate to the term loans from banks and are permitted to be repaid only with the prior approval of the banks. Refer note 47 on transactions with related parties.

Term Loans

Name of the lender	Penalty Clause	Prepayment
State Bank of India	Non-payment of interest /installment: 1% on the entire outstanding for the year of default, flat penalty (penal interest) of Rs.1000/-for each day of delay beyond due date of payment.	2% of the pre-paid amount
ICICI Bank	Default interest Rates in respect of Domestic term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate +2% p.a. payable monthly, from the due date till such time the overdue amount is paid. Default interest Rates in respect of International term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate + 2% p.a. payable monthly, from the due date till such time the overdue amount is paid.	1% of the prepayment amount

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(b) **Finance lease obligations ***

Finance lease obligations relates to land purchased for business purposes during the year ended 31 March 2018. The amount includes rentals and premium payable over the lease term. The imputed finance cost on the liability were determined based on the effective interest rate method.

Finance lease obligations are payable as follows:

Particulars	31 March 2019		
	Future minimum lease payments	Interest element of MLP	Present value of minimum lease payments
Within less than one year	0.81	0.81	0.58
Between one and five years	3.24	3.24	2.35
After more than five years	74.46	64.66	6.03
Total	**78.51**	**68.71**	**8.96**

Particulars	31 March 2018		
	Future minimum lease payments	Interest element of MLP	Present value of minimum lease payments
Within less than one year	0.81	0.81	0.74
Between one and five years	3.24	3.24	2.44
After more than five years	75.27	65.47	6.52
Total	**79.32**	**69.52**	**9.70**

* Present value of finance lease obligations other than above are equivalent to its carrying value as at the respective balance sheet date and are therefore not discounted.

(c) **Net debt reconciliation**

The following sections sets out an analysis of net debt and the movements in net debt for each of the year presented:

	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents	55.28	58.76
Current borrowings	(327.09)	(262.73)
Non-current borrowings (excluding interest accrued)	(1,285.07)	(1,078.10)
Interest accrued but not due on borrowings	(4.81)	(3.67)
Net debt	**(1,561.69)**	**(1,285.74)**

	Other assets	Liabilities from financing activities			
	Cash and cash equivalents	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2018	**58.76**	**(1,078.10)**	**(262.73)**	**(3.67)**	**(1,285.74)**
Cash flows	(3.48)	(206.97)	(64.36)	-	(274.81)
Interest expense	-	-	-	(123.39)	(123.39)
Interest paid	-	-	-	122.25	122.25
Net debt as at 31 March 2019	**55.28**	**(1,285.07)**	**(327.09)**	**(4.81)**	**(1,561.69)**

	Other assets	Liabilities from financing activities			
	Cash and cash equivalents	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2017	**136.08**	**(442.81)**	**(165.59)**	**(3.31)**	**(475.63)**
Cash flows	(77.32)	(625.49)	(97.14)	-	(799.95)
Interest expense	-	(0.10)	-	(57.78)	(57.88)
Interest paid	-	-	-	57.52	57.52
Other non-cash movements					
- Acquisitions	-	(9.70)	-		(9.70)
- Fair value adjustments	-	-	-	(0.10)	(0.10)
Net debt as at 31 March 2018	**58.76**	**(1,078.10)**	**(262.73)**	**(3.67)**	**(1,285.74)**

22 **Provisions**

	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Compensated absences (refer note 46)	16.47	12.03
Gratuity (refer note 46)	25.39	20.51
	41.86	**32.54**

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23 **Income Tax**

A. **Amounts recognised in profit or loss**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expense		
Current year	119.87	165.77
Tax adjustment for earlier years	(2.05)	(1.27)
	117.82	**164.50**
Deferred tax credit		
MAT credit entitlement	(13.21)	-
Changes in recognised temporary differences	70.78	5.62
Effect of changes in tax rate	-	0.18
	57.57	**5.80**
Total Tax Expense	**175.39**	**170.30**

B. **Amounts recognised in Other Comprehensive Income**

	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
	0.39	(0.12)	0.27	2.67	(0.92)	1.75
Defined benefit plan	**0.39**	**(0.12)**	**0.27**	**2.67**	**(0.92)**	**1.75**

C. **Reconciliation of effective tax rate**

	For the year ended 31 March 2019		For the year ended 31 March 2018	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	**34.94%**	**507.49**	**34.61%**	**530.78**
Tax using the Group's domestic tax rate		177.34		183.69
Tax effect of:				
Non-deductible expenses	0.81%	4.10	0.26%	1.36
Effect of difference in tax rate of subsidiaries	-1.20%	(6.11)	-1.01%	(5.37)
Changes in estimates related to earlier years	0.40%	2.05	-1.35%	(7.17)
Others	-0.39%	(1.99)	-0.42%	(2.21)
Tax expense	**34.56%**	**175.39**	**32.09%**	**170.30**

D. **Movement in deferred tax balances**

	As at 1 April 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred Tax Liability				
Property, plant and equipment	149.11	138.20	-	287.31
Investments in shares at fair value through profit and loss	0.03	(0.03)	-	-
Other items	3.39	-	-	3.39
Sub- Total (a)	**152.53**	**138.17**	-	**290.70**
Deferred Tax Assets				
Provisions - employee benefits	17.54	4.41	(0.12)	21.83
Allowances on doubtful receivables	3.96	12.75	-	16.71
MAT credit entitlement	7.74	12.38	-	20.12
Others	57.72	51.05	-	108.77
Sub- Total (b)	**86.96**	**80.59**	**(0.12)**	**167.43**
Net Deferred Tax Liabilities (a)-(b)	**65.57**	**57.58**	**0.12**	**123.27**

	As at 1 April 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Liability				
Property, plant and equipment	132.87	16.24	-	149.11
Investments in mutual funds at fair value through profit and loss	2.21	(2.18)	-	0.03
Forward exchange contracts used for hedging	6.50	(6.50)	-	-
Other items	0.76	2.63	-	3.39
Sub- Total (a)	**142.34**	**10.19**	-	**152.53**
Deferred Tax Assets				
Provisions - employee benefits	16.11	2.35	(0.92)	17.54
Allowances on doubtful receivables and advances	2.82	1.14	-	3.96
MAT credit entitlement	13.30	(5.56)	-	7.74
Others	51.26	6.46	-	57.72
Sub- Total (b)	**83.49**	**4.39**	**(0.92)**	**86.96**
Net Deferred Tax Liabilities (a)-(b)	**58.85**	**5.80**	**0.92**	**65.57**

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	As at 31 March 2019	As at 31 March 2018
24 Other non-current liabilities		
Deferred Income		
Government grants	148.74	137.48
	148.74	**137.48**

The Group has been awarded grants under Export Promotion Capital Goods Scheme (EPCG), Agricultural and Processed Food Products Export Development Authority (APEDA), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP and Scheme for Integrated Cold Chain and Value Addition Infrastructure. The grants received for the year ended 31 March 2019, amounted to Rs 45.61 (for the year ended 31 March 2018 is Rs. 113.41) were conditional upon fulfillment of export obligations in case of EPCG purchase of specified plant and machinery in a specified region and for other grants received. The amount received under grants is now recognised as deferred income and is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised.

	As at 31 March 2019	As at 31 March 2018
25 Current borrowings		
Loans from banks repayable on demand (secured)*	327.09	262.73
	327.09	**262.73**

* The working capital limits of State Bank of India (SBI) are secured against entire current assets (existing and future) of the Company (other than Greater Noida and Rajpura). These loans are further secured by second charge on entire fixed assets (PPE) of the Company (other than Greater Noida and Rajpura) and first charge by way of EM of property situated at Wakia Kathowal Gujra, Hambran-Laddowal Road, Tehsil & Distt. Ludhiana.

These facilities are also secured by personal guarantee of Mr. Anoop Bector. The facilities availed from SBI carries floating rate of interest @ MCLR + 0.25% to 1.25% ranging from 8.10% to 9.15% per annum (previous years 8.15% to 9.15% per annum).

The Company has also taken the working capital limits from HDFC Bank Ltd. which are secured against pari-passu charge on entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank carries floating rate of interest @ MCLR + 0.10% i.e. 8.75% per annum (previous years 8.25% per annum). (Refer Note 15 cash and cash equivalents)

The Company has also taken the working capital limits from ICICI Bank Ltd. which are secured by exclusive charge on all moveable and immovable fixed assets (PPE) of Rajpura plant including land, building, plant and machinery excluding land save and except those financed by other financial organisations. These loans are further secured by exclusive charge by way of hypothecation of the entire stocks and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables of the Rajpura plant. The facilities availed from ICICI Bank carries floating rate of interest @ MCLR + 0.35% ranging from 8.60% to 9.10% per annum (previous years Nil)

Name of the lender	Penalty Clause
State Bank of India	The Company will maintain adequate net working capital at all times to meet margin requirements and in case of shortfall in NWC/excess borrowings, the Bank will charge penal interest @1.00% p.a. over and above the normal interest rate applicable. In case of non compliance of current stipulations within the stipulated year, penal rate of interest@ 1% p.a. over and above the normal interest rate will be charged on entire outstanding for the year of delay. Irregularity in fund based Limits: @ 2% p.a. on the entire outstanding for the year of irregularity on the irregular portion for the year of irregularity. However, in case the account is continuously irregular for the year beyond 60 days, penal rate of interest will be charged on the entire outstanding from the 61st day onwards. Non-submission of renewal data including Audited Balance Sheet: Listed Companies if not submitted within 7 months-Rs.10,000/- per month of delay. For others, if not submitted within 9 months of delay-Rs.10,000/-per month.
ICICI Bank	In such event of default, bank is either of facility at liberty to recall all the facility extended to the Company. 1 % (The rate will be over and deemed to be an event of above the interest rate of the default for all other facility facility) on the limit amount for the delayed year will be charged for the Company for the default year.

	As at 31 March 2019	As at 31 March 2018
26 Trade Payables		
Trade payables		
- to micro and small enterprises*	67.43	-
- to others**	420.79	389.70
	488.22	**389.70**

* Refer note 44 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

	As at 31 March 2019	As at 31 March 2018
27 Other financial liabilities		
Current maturities of long-term debt (refer note 21)	203.17	121.17
Interest accrued but not due on borrowings	4.81	3.67
Capital creditors		
to micro and small enterprises*	21.96	-
to others	47.59	141.07
Unpaid dividends**	0.00	9.20
Security and other trade deposits	19.88	17.62
Forward exchange contracts used for hedging	-	4.90
	297.41	**297.63**

* Refer note 44 for disclosures required under MSMED Act.
**The total amount of unpaid dividends in absolute value is Rs. 225, but for reporting purpose rounded upto Rs. 0.00 Million

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28 Other current liabilities

	As at 31 March 2019	As at 31 March 2018
Deferred income		
Government grants (refer note 24)	18.97	16.15
Advances from customers (Contract liability)	24.58	16.16
Statutory dues	12.79	14.90
Employee payable**	72.42	56.58
	128.76	**103.79**

** includes dues to related parties (refer note 47)

29 Provisions

	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits (refer note 46)		
Compensated absences	1.45	1.15
Gratuity	2.27	1.91
Others		
Provision for litigation (refer note (a))	131.28	117.65
Provision for sales return (refer note (b))	6.97	6.15
	141.97	**126.86**

a) Provision for litigation*		
Balance at the commencement of the year	117.65	103.98
Add: Provision made during the year	13.63	13.67
Balance at the end of the year	**131.28**	**117.65**

*refer note 41A(d) for details of pending litigation

b) Provision for sales return		
Balance at the commencement of the year	6.15	6.10
Add: Provision made during the year**	6.97	6.15
Less: Provision utilised/reversed during the year	(6.15)	(6.10)
Balance at the end of the year	**6.97**	**6.15**

**This represents provision made for possible sales returns by the customers for sales made by the Company, as estimated on the basis of past trends.

30 Current tax liabilities (net)

Income tax (net of advance tax)	12.58	26.00
	12.58	**26.00**

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	For the year ended 31 March 2019	For the year ended 31 March 2018
31 Revenue from operations		
Sale of products (including excise duty to the extent applicable)	7,023.96	6,248.03
Sale of services		
Job work income	497.56	407.54
Total (A)	7,521.52	6,655.57
Other operating revenue		
Export incentives (refer note 17)	234.46	156.33
Net gain on account of foreign exchange fluctuations	0.84	55.23
Others	79.83	72.52
Total (B)	315.13	284.08
Total revenue from operations (A + B)	7,836.65	6,939.65

32 Other income		
Interest income from financial assets at amortized cost	4.57	4.17
Interest income from others	1.14	1.91
Gain on sale/write off of investments (net)	1.10	0.67
Government grants (refer note 24)	15.04	9.97
Profit on sale /write off of property, plant and equipment (net)	0.25	-
Other miscellaneous income	1.54	1.18
	23.64	17.90

33 Cost of materials consumed		
Raw materials (including purchased components and packing material consumed)		
Opening inventories	146.33	138.96
Add: Purchases (net)	4,095.05	3,786.23
Less: Closing inventories	173.01	146.33
	4,068.37	3,778.86

34 Purchase of stock in trade		
Purchases	134.14	119.68
	134.14	119.68

35 Changes in inventories of finished goods, stock-in- trade and work-in-progress		
Opening inventories		
Finished goods (other than those acquired for trading)	174.97	115.36
Work-in-progress	1.59	1.70
Stock-in-trade (acquired for trading)	11.88	0.73
Total (A)	188.44	117.79
Closing inventories		
Finished goods (other than those acquired for trading)	147.58	174.97
Work-in-progress	3.08	1.59
Stock-in-trade (acquired for trading)	-	11.88
Total (B)	150.66	188.44
Total (A-B)	37.78	(70.65)

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(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
36 Employee benefits expense		
Salaries and wages	1,011.48	836.75
Contribution to provident and other funds (refer note 46)	52.67	45.78
Employee share-based payment expense (refer note 48)	4.40	3.99
Staff welfare expenses	28.76	26.55
	1,097.31	913.07
37 Finance cost		
Interest expense on financial liabilities measured at amortised cost :		
Loan from banks	98.14	47.34
Others	25.25	10.44
	123.39	57.78
38 Depreciation and amotisation expense		
Depreciation on property, plant and equipment	331.29	267.25
Amortisation on intangible assets	5.84	5.68
	337.13	272.93
39 Other expenses		
Rent (refer note 43)	37.35	38.06
Rates and taxes	8.54	7.64
Power and fuel	415.76	317.40
Repair and maintenance:		
Plant and machinery	57.32	54.36
Buildings	8.41	14.15
Others	7.34	4.59
Travelling and conveyance	93.18	78.99
Payment to auditor (refer note (a) below)	4.41	5.77
Legal and professional fees	15.67	15.68
Printing and stationery	4.38	3.76
Net change in fair value of financial assets measured at fair value through profit and loss	-	0.06
Advertisement and sales promotion	131.02	136.34
Consumption of stores and spare parts	33.47	27.18
Commission and brokerage	3.61	6.01
Communication costs	9.51	10.16
Director's remuneration	46.29	43.83
Freight and forwarding	591.80	510.84
Insurance	9.76	8.50
Loss on sale /write off of property, plant and equipment (net)	0.63	2.44
Allowances on trade receivable and other advances	36.50	4.64
Bank charges	5.12	4.27
Expenditure on Corporate social responsibility (refer note 54)	3.40	2.81
Miscellaneous expenses	31.89	24.49
	1,555.36	1,321.97
(a) Payment to auditors		
As auditor		
Statutory audit	3.73	5.25
Certification	0.20	0.20
Reimbursement of expenses	0.50	0.32
	4.43	5.77

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(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
40 Earning per share (EPS)		
A. Basic earnings per share		
i. Profit for basic earning per share of Rs. 10 each		
Profit for the year	332.10	360.48
ii. Weighted average number of equity shares for (basic)		
Balance at the beginning of the year	57.26	28.63
Effect of issue of bonus shares	-	28.63
	57.26	**57.26**
Basic Earnings per share (face value of Rs 10 each)	**5.80**	**6.30**
B. Diluted earnings per share		
i. Profit for diluted earning per share of Rs. 10 each		
Profit for the year	332.10	360.48
ii. Weighted average number of equity shares for (diluted)		
Balance at the beginning of the year	57.26	28.63
Effect of issue of bonus shares	-	28.63
Effect of employee stock options	0.07	0.06
	57.33	**57.32**
Diluted Earnings per share (face value of Rs. 10 each)	**5.79**	**6.29**

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Mrs. Bectors Food Specialities Limited (CIN: U74899PB1995PLC033417)
Notes to consolidated financial statements for the year ended 31 March 2019
(All amounts are in rupees million, unless otherwise stated)

41 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities	As at 31 March 2019	As at 31 March 2018
On the basis of current status of above-mentioned individual cases and as per legal advice obtained by the Group, wherever applicable, the Group is confident that the outcome in the above cases would be in the favour of the Group and is of view that no provision is required in respect of these cases.		
a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases)		
I) Income Tax related matters	2.14	2.14
i) Relating to Income tax demand on certain disallowance for AY 2011-12	0.13	0.13
ii) Relating to Income tax demand on certain disallowance for AY 2013-14	1.83	1.83
iii) Relating to Income tax demand on certain disallowance for AY 2015-16	0.18	0.18
II) Sales tax related matters		
i) Sales Tax demand for assessment year 2005-06 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	3.01	3.01
III) Civil matters		
i) Stamp duty case for the plot taken on 99 years lease in Noida	9.10	9.10
b. In respect of bank guarantees		
Guarantees given by the Group	7.56	7.45
c. Others		
Differential amount of Customs Duty payable by the Group in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	89.34	91.07
Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judicious in similar case	10.47	10.47

d. Other pending litigations

(a) The Group had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on all goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and then increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter. The estimated amount of entry tax upto 31 March 2019 of Rs. 110.50 (31 March 2018 Rs. 99.87) (including interest of Rs. 51.25 (31 March 2018 Rs. 40.62)) has been provided in the books of accounts.
The Group had provided a bank guarantee for an amount of Rs. 39.45 (31 March 2018 Rs. 39.45) in this regard.

(b) The Group had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgement delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2019 of Rs. 3.92 (31 March 2018 Rs. 3.61) (including interest of Rs. 2.23 (31 March 2018 Rs. 1.92)) has been provided in the books of accounts.

(c) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Group has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Company. The Group filed the writ petition in High Court and the High court had accepted the contention of assesse & remanded the case back to DETC, Ludhiana. The Group had created the provision in books for amount demanded and has also accrued the interest on amount demanded @ 1.5% per month. Therefore the provision for an amount of Rs. 4.92 (31 March 2018 Rs. 4.49) and Rs. 8.42 (31 March 2018 Rs. 7.75) includes an interest of Rs. 2.56 (31 March 2018 Rs. 2.13) and Rs. 4.67 (31 March 2018 Rs. 3.99) respectively.

(d) A demand of Rs. 1.91 (31 March 2018 Rs. 1.91) and 1.60 (31 March 2018 Rs. Nil) for assessment year 2013-14 and 2014-15 respectively on account of pending C forms and F forms raised by Deputy Commissioner, Gautam Budh Nagar Noida, Uttar Pradesh pending to be deposited with the sales tax department has been provided for in the books of accounts.

e. Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company has not recognised any provision for the years prior to 28 February 2019. Further, management also believes that the impact of the same on the Company will not be material.

f. There are certain ongoing differences between Mr Anoop Bector (Promoter and Managing Director) and some of his disassociated relatives, which may result in a legal dispute and could adversely impact the reputation and financial condition of the Company. Refer note 53 for details of the matter.

B. Contingent Assets

The Company has filed for receiving grant from Ministry of Food Processing Industries under Scheme for Cold Chain and Value Addition Infrastructure amounting to Rs. 96.88. The Company has received grant amounting to Rs 61.81 till year ended 31 March 2019 (Rs. 24.22 till the year ended 31 March 2018). This grant is conditional upon fulfillment of conditions specified in the scheme and as approved by the authorities. The Company may receive the balance instalment of grant amounting to Rs. 35.07 in future periods as and when approved.

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 37.68 (as on 31 March 2018 Rs. 121.98).

Apart from the commitments disclosed above, the Group has no major financial commitments other than those in the nature of regular business operations.

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(All amounts are in rupees million, unless otherwise stated)

42 Segment information

Basis for segmentation
Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group's management and internal reporting structure.

Operating Segments
The Group's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.

In the opinion of the Board, there is only one reportable segment ("Revenue from food products"). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Group.

Entity wide disclosures

A. **Information about products and services**

i) Revenue comprises:	31 March 2019	31 March 2018
Revenue from food products*	7,521.52	6,655.57
Total	**7,521.52**	**6,655.57**

*excludes other operating revenues.

B. **Information about geographical areas**
The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced.

i) Revenue from external customers:	31 March 2019	31 March 2018
Within India	5,327.87	4,592.16
Outside India	2,193.65	2,063.41
Total	**7,521.52**	**6,655.57**

ii) Receivables	31 March 2019	31 March 2018
Within India	532.56	358.17
Outside India	470.72	335.66
Total	**1,003.28**	**693.83**

iii) Non-current assets
The Group has common non-current assets for producing goods/ providing services to domestic and overseas markets. Hence, separate figures for other assets/ additions to property plants and equipment have not been furnished.

C. **Information about major customers (from external customers)**
During the year ended 31 March 2019, Group does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the year ended 31 March 2018)

43 Leases

Operating lease

i. <u>Leases as lessee:</u>

The Group has entered into operating leases for residential and warehouse premises for a year ranging from 1-5 years. Terms of the lease include term for renewal and non-cancellation. Lease rental amounting to Rs. 8.69 (31 March 2018 Rs. 12.76) have been charged to the Statement of Profit and Loss during the year.

	31 March 2019	31 March 2018
Commitments for minimum lease payments excluding service tax in relation to the above lease arrangements are payable as follows:		
Within one year	17.36	17.14
Later than one year but not later than five years	18.01	35.37
Later than five years	-	-
	35.37	**52.51**

ii. <u>Leases as lessor</u>
Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases.

The Group has identified certain job-work arrangements to be in the nature of operating lease and coordingly these have been classified as operating lease arrangement. As a result of this during the year the Group has booked lease income amounting to 47.06 (Rs. 46.66 for the year ended 31 March 2018). There is a contingency attached to the future lease income and are therefore can not be ascertained.

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44 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 correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under:

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	66.73	-
Capital creditors	18.88	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	0.68	-
Capital creditors	3.08	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.		-
The amount of interest accrued and remaining unpaid at the end of the year		
Trade payables	0.68	-
Capital creditors	3.08	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above		
Trade payables	0.68	-
Capital creditors	3.08	-

45 **Transfer Pricing**
The Group had entered into specified domestic transactions with related parties. During the current year, the transactions with specified domestic parties falls below the limit, therefore the provisions of section 92-92F of the Income Tax Act, 1961 are not applicable to the Group.

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40 Employee benefits

The Group contributes to the following post-employment defined benefit plans

(i) Defined Contribution Plans:

Provident fund

The Group makes contribution towards provident fund for employees. The Group's contribution to the Employees Provident Fund is deposited to the government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution payable to the plan by the Group is at the rate specified under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

During the year, the Group has recognised the following amounts in the consolidated Statement of Profit and Loss (included in note 36 - Employee benefits expense):

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to provident fund	38.21	32.36

(ii) Defined Benefit Plan:

Gratuity

The Group operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. This scheme is funded by the plan assets.

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India and State bank of India Life Insurance. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to no ceiling. Vesting occurs upon completion of 5 years of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

	As at 31 March 2019	As at 31 March 2018
Net defined benefit liability		
Liability for Gratuity	27.66	22.42
Total employee benefit liabilities	27.66	22.42
Non-current	25.39	20.51
Current	2.27	1.91

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	31 March 2019 Defined benefit obligation	31 March 2019 Fair value of plan assets	31 March 2019 Net defined benefit (asset)/ liability
Balance as at 1 April 2018	62.47	40.05	22.42
Included in Profit or loss			
Current service cost	12.06	-	12.06
Interest cost (income)	4.81	3.09	1.72
Past service cost	-	-	-
	16.87	3.09	13.78
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	0.35	5.60	(5.25)
- demographic adjustments	-	-	-
- experience adjustment	(1.21)	-	(1.21)
	(0.86)	5.60	(6.46)
Other			
Expected return			
Contributions paid by the employer	-	1.00	(1.00)
Benefits paid	(5.27)	(4.19)	(1.08)
	(5.27)	(3.19)	(2.08)
Balance as at 31 March 2019	73.21	45.55	27.66

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Particulars	31 March 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2017	53.81	31.83	21.98
Included in Profit or loss			
Current service cost	10.40	-	10.40
Interest cost (income)	4.06	2.40	1.66
Past service cost	0.60	-	0.60
	15.06	**2.40**	**12.66**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	(1.35)	(0.18)	(1.17)
- demographic adjustments	-	-	-
- experience adjustment	(1.56)	-	(1.56)
	(2.91)	**(0.18)**	**(2.73)**
Other			
Expected return			
Contributions paid by the employer	-	6.00	(6.00)
Benefits paid	(3.49)	-	(3.49)
	(3.49)	**6.00**	**(9.49)**
Balance as at 31 March 2018	**62.47**	**40.05**	**22.42**

During the previous year, the gratuity arrangements were adjusted to reflect new legal requirements in the country regarding gratuity limits. As a result of the plan amendment, the Company's defined benefit obligation increased by Rs. Nil (31 March 2018: Rs. 0.60). A corresponding past service cost was recognised in the Statement of Profit and Loss during the previous year.

C. **Plan assets**

Plan assets comprise of the following

	As at	As at
Investments with Life insurance corporation	82.88%	81.95%
Investments with SBI life insurance	17.12%	18.05%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

On an annual basis, an asset-liability matching study is done by the Group whereby the Group contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D. **Actuarial assumptions**

a) Economic assumptions

The following were the principal actuarial assumptions at the reporting date. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Group's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:-

	As at	
	31 March 2019	31 March 2018
Discount rate	7.67%	7.71%
Expected rate of future salary increase	7.00%	7.00%

b) Demographic assumptions

Attrition rates are the Group's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the Group, business plan, HR Policy etc as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the Group.

	As at	
	31 March 2019	31 March 2018
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	
iii) Attrition at Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

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E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(4.34)	4.76	(3.84)	4.22
Expected rate of future salary increase (0.50% movement)	4.61	(4.24)	4.08	(3.75)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2019	As at 31 March 2018
Duration of defined benefit payments		
Less than 1 year	2.27	1.90
Between 1-2 years	1.12	1.46
Between 2-5 years	8.39	7.56
Over 5 years	61.43	51.55
Total	**73.21**	**62.47**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 17.85 years (31 March 2018: 18.05 years).
Expected contribution to post-employment benefit plans in the next year is Rs 17.32.

G. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
c) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(iii) Other long-term employee benefits:

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such year, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2019, the Group has incurred an expense on compensated absences amounting to Rs. 9.06 (31 March 2018 Rs. 5.06). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

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47 Related parties

A. Related parties and nature of relationship where control exists:

Associates
Cremica Agro Foods Limited

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Parveen Kumar Goel	Executive Director

C. Relatives of key management personnel having transactions with the Group

	Anoop Bector	Ishaan Bector
Father	Dharamvir Bector *	Anoop Bector
Mother	Rajni Bector	Rashmi Bector
Spouse	Rashmi Bector	Neha Gupta
Brother	Ajay Bector # Akshay Bector #	Suvir Bector
Son	Ishaan Bector Suvir Bector	- -

* Deceased on 26 December 2017.
\# Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively. However, Mr Ajay Bector who is one of the dissassociated immediate relative of Mr Anoop Bector (Promoter and Managing Director) has been considered as a member of the promoter group as defined under the SEBI ICDR Regulations. However, due to dissassociation between Mr. Anoop Bector and Mr Ajay Bector, no information in relation to him is available and has therefore not been disclosed. Refer note 53 for details.

D. Related entities of KMP

Partnership firm
Sunshine Foods

Public/Private Limited Companies
Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family
Dharamvir and Sons (HUF)
Anoop Bector (HUF)
Parveen Goel (HUF)

E. Directors
Rajni Bector (Non-executive Director)
Tarun Khanna (Nominee Director)
Rahul Goswamy (Nominee Director)
Nem Chand Jain (Independent Directors)
Subhash Agarwal (Independent Directors)
Rajeev Dewan (Independent Directors) Director w.e.f. 10 July 2018

F. Key management personnel compensation

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits	53.96	49.92
Post-employment defined benefit	0.73	4.08
Director sitting fees	0.65	0.18
Employee share based payment	0.39	0.56
Total compensation	**55.73**	**54.74**

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G. Transactions with related parties*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities transacted with the Group during the reporting year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Group's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Employee stock option exercised		
- Parveen Kumar Goel	0.02	-
Unsecured loan taken from		
- Anoop Bector	16.19	30.70
Unsecured loan repaid to		
- Anoop Bector	14.08	27.73
- Ishaan Bector	6.20	12.13
- Dharamvir Bector	-	0.36
- Rajni Bector	0.77	1.63
Finance cost on loan taken		
- Anoop Bector	0.90	0.49
- Ishaan Bector	0.25	0.82
- Dharamvir Bector	-	0.03
- Rajni Bector	0.04	0.07
Others		
Rent paid		
- Dharamvir Bector	-	0.09
- Anoop Bector	4.62	4.20
- Anoop Bector HUF	3.00	3.00
Rent received		
- Cremica Agro Foods Limited	0.06	0.01
Contribution to provident and other funds		
- Rashmi Bector	1.13	0.73
- Neha Gupta	0.49	0.42
- Suvir Bector	0.08	-
Interim dividend paid		
- Anoop Bector	17.14	17.14
- Ishaan Bector	1.79	1.79
- Anoop Bector HUF	1.50	1.50
- Rashmi Bector	0.91	0.91
- Suvir Bector	1.19	1.19
Consultancy charges paid		
- Subhash Agarwal	0.62	0.61
Salary paid		
- Rashmi Bector	10.20	6.54
- Rajni Bector	3.60	2.52
- Neha Gupta	4.20	3.60
- Suvir Bector	1.24	-

* Transactions are net off Sales Tax /Service Tax / Goods and services tax wherever applicable.

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H. Related party balances as at the year end:

Outstanding balances	As at 31 March 2019	As at 31 March 2018
Trade and other payables		
- Anoop Bector	0.36	0.41
- Anoop Bector HUF	0.23	-
- Ishaan Bector	0.61	0.62
- Parveen Kumar Goel	0.33	0.30
- Rashmi Bector	0.23	0.50
- Neha Gupta	0.21	0.19
- Suvir Bector	0.14	-
- Rajni Bector	0.19	0.30
Unsecured loans		
- Ishaan Bector	0.26	6.34
- Anoop Bector	20.78	17.87
- Rajni Bector	0.18	0.91
Advances and other receivables		
- Cremica Agro Foods Limited	1.63	6.07
Non current investments		
- Cremica Agro Foods Limited	37.91	38.82

I. Personal Guarantees of Directors and relatives of Directors for loans obtained from the banks
Personal Guarantees of Mr. Anoop Bector are towards outstanding loans obtained from the banks (Refer note 21 and 25)

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

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48 Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programme (equity-settled)

On 30 June 2017, the Company established share option programme that entitle certain employees of the Company to purchase shares in the Company. Under these plans holders of vested options are entitled to purchase shares at the exercise price of the shares at respective date of grant of options. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	42,951	349.24	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	27,920	349.24	3 years and 9 months service from grant date	Service conditions

On 14 July 2017, the Company modified share option programme by entitling grant holders of the Company for bonus shares in the Company in the ratio of 1:1.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	85,902	174.62	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	55,840	174.62	3 years and 9 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2018 (Grant 3)	1-Oct-2018	34,359	174.62	2 years and 6 months service from grant date	Service conditions

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2018 (Grant 3)
Fair value of options at grant date	124.01	129.02	69.00
Enterprise value per share at grant date	347.08	347.08	190.00
Exercise price at the grant date	349.24	349.24	174.62
Exercise price after bonus issue	174.62	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.56%	27.12%
Expected life (weighted-average)	2 years	3 years	2 years
Expected dividends	0.27%	0.27%	0.00%
Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical year commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option behavior.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programme were as follows:

	Number of options 31 March, 2019	Weighted average exercise price 31 March, 2019	Number of options 31 March, 2018	Weighted average exercise price 31 March, 2018
Employees Stock Option Plan-2017				
Options outstanding at the beginning of the year	141,742	174.62	-	-
Add: Options granted during the year	34,359	174.62	70,871	349.24
Add: Options increased due to bonus share	-	-	70,871	(174.62)
Less: Options forfeited during the year	-	-	-	-
Less: Options exercised during the year	300	174.62	-	-
Less: Options expired during the year	-	-	-	-
Options outstanding at the end of the year	175,801	174.62	141,742	174.62
Exercisable at the end of the year	42,651	174.62	-	-

The options outstanding at 31 March 2019 had an exercise price of Rs. 174.62 and a weighted-average contractual life of 1.98 years.

D. Expense recognised in statement of profit and loss

For the details of the related employee benefit expenses see note 36.

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49 **Financial instruments – Fair values and risk management**

I. **Accounting classifications and fair values**

A. ***Financial instruments by category***

	As at 31 March 2019		As at 31 March 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Non-current loans	-	36.96	-	33.56
Other non-current financial assets	-	0.41	-	9.68
Investments	-		0.18	-
Trade receivables	-	1,003.28	-	693.83
Cash and cash equivalents	-	55.28	-	58.76
Bank balances other than cash and cash equivalents	-	65.02	-	48.51
Other current financial assets	6.74	148.04	6.52	90.82
	6.74	**1,308.99**	**6.70**	**935.16**
Financial liabilities				
Non current borrowings	-	1,081.90	-	956.93
Short term borrowings	-	327.09	-	262.73
Trade payables	-	488.22	-	389.70
Other financial liabilities	-	297.41	4.90	292.73
	-	**2,194.62**	**4.90**	**1,902.09**

B. **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the Indian Accounting Standard 113. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Investments				
Investment in equity shares and mutual funds	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	6.74	-	6.74

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current loans	-	-	36.96	**36.96**
Other non-current financial assets	-	-	0.41	**0.41**
Trade receivables	-	-	1,003.28	**1,003.28**
Cash and cash equivalents	-	-	55.28	**55.28**
Bank balances other than cash and cash equivalents	-	-	65.02	**65.02**
Other current financial assets	-	-	148.04	**148.04**
Total financial assets	-	-	**1,308.99**	**1,308.99**
Financial liabilities				
Non current borrowings	-	-	1,081.90	**1,081.90**
Short term borrowings	-	-	327.09	**327.09**
Trade payables	-	-	488.22	**488.22**
Other financial liabilities	-	-	297.41	**297.41**
Total financial liabilities	-	-	**2,194.62**	**2,194.62**

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Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2018 Level 1	Level 2	Level 3	Total
Investments				
Investment in equity shares and mutual funds	0.18	-	-	**0.18**
Derivatives				
Foreign exchange forward contracts	-	1.62	-	**1.62**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2018 Level 1	Level 2	Level 3	Total
Financial assets				
Non-current loans	-	-	33.56	**33.56**
Other non-current financial assets	-	-	9.68	**9.68**
Trade receivables	-	-	693.83	**693.83**
Cash and cash equivalents	-	-	58.76	**58.76**
Bank balances other than cash and cash equivalents	-	-	48.51	**48.51**
Current loans	-	-	-	**-**
Other current financial assets	-	-	90.82	**90.82**
Total financial assets	-	-	**935.16**	**935.16**
Financial liabilities				
Non current borrowings	-	-	956.93	**956.93**
Short term borrowings	-	-	262.73	**262.73**
Trade payables	-	-	389.70	**389.70**
Other financial liabilities	-	-	292.73	**292.73**
Total financial liabilities	-	-	**1,902.09**	**1,902.09**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices/ NAV published.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Valuation process

The finance department of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes for level 3 fair values. The Group relies on them for instruments measured using level 1 valuation The Group using quoted price/ NAV's published, for the derivative instruments measured using level fair values, the Group obtains the valuation from the bank from whome the derivatives are taken. This team reports directly to the Chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every year in line with the Group's reporting years.

Changes in level 2 and 3 fair values are analysed at the end of each reporting year.

C. **Fair value of financial assets and liabilities measured at amortised cost**

	As at 31 March 2019 Carrying amount	Fair value	As at 31 March 2018 Carrying amount	Fair value
Financial assets				
Non-current loans	36.96	36.96	33.56	33.56
Other non-current financial assets	0.41	0.41	9.68	9.68
Trade receivables	1,003.28	1,003.28	693.83	693.83
Cash and cash equivalents	55.28	55.28	58.76	58.76
Bank balances other than cash and cash equivalents	65.02	65.02	48.51	48.51
Other current financial assets	148.04	148.04	90.82	90.82
	1,308.99	**1,308.99**	**935.16**	**935.16**
Financial liabilities				
Non current borrowings	1,081.90	1,081.90	956.93	956.93
Short term borrowings	327.09	327.09	262.73	262.73
Trade payables	488.22	488.22	389.70	389.70
Other current financial liabilities	297.41	297.41	292.73	292.73
	2,194.62	**2,194.62**	**1,902.09**	**1,902.09**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, short-term borrowings, trade payables, other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current borrowings represents approximate to fair values accordingly the same has not been discounted.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

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II. Financial risk management

Risk management framework

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's internal auditor oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

i. 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 resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

The risk management committee has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payments and delivery terms & conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

A default on a financial asset is when counterparty fails to meet payment within ninty days when they fall due.

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the consolidated Statement of Profit and Loss within other expenses.

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Security deposits

The Group furnished security deposits to its lessor for obtaining the premises on lease and margin money deposits to banks. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Group expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Loss allowance as per expected credit loss

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	1,045.38	704.22
Export incentives receivables	120.63	85.01

Recociliation of loss allowance provision

Particulars	Trade Receivables	Export Receivables	Total
Loss Allowance on 1 April 2017	7.00	-	7.00
Change in Loss allowance	3.39	-	3.39
Loss Allowance on 31 March 2018	10.39	-	10.39
Change in Loss allowance	31.71	4.02	35.73
Loss Allowance on 31 March 2019	42.10	4.02	46.12

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ii. 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 another 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 risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and exclude the impact of netting agreements.

	Carrying amount	Contractual cash flows			
	As at 31 March 2019	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non current borrowings	1,081.90	1,081.90	-	875.79	206.11
Short term borrowings	327.09	327.09	327.09	-	-
Trade payables	488.22	488.22	488.22	-	-
Other current financial liabilities	297.41	297.41	297.41	-	-
Total	**2,194.62**	**2,194.62**	**1,112.72**	**875.79**	**206.11**

	Carrying amount	Contractual cash flows			
	As at 31 March 2018	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non current borrowings	956.93	956.93	-	686.91	270.02
Short term borrowings	262.73	262.73	262.73	-	-
Trade payables	389.70	389.70	389.70	-	-
Other current financial liabilities	297.63	297.63	297.63	-	-
Total	**1,906.99**	**1,906.99**	**950.06**	**686.91**	**270.02**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii. 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.

The Group uses derivatives like forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of directors.

Currency risk
The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

Currency risks related to the cash credit loan have been hedged using forward contracts taken by the Group.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk
The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

As at 31 March 2019	USD	Euro
Financial asset		
Trade receivables	6.63	0.45
Forward contracts receivables	3.17	-
Total	**9.80**	**0.45**
Financial liabilities		
Payable for capital assets	0.13	0.12
Total	**0.13**	**0.12**
Net exposure to foreign currency risk	**9.67**	**0.33**

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As at 31 March 2018	USD	Euro
Financial asset		
Trade receivables	5.22	-
Forward contracts receivables	14.85	-
Total	**20.07**	**-**
Financial liabilities		
Payable for capital assets	0.01	0.31
Total	**0.01**	**0.31**
Net exposure to foreign currency risk	**20.06**	**(0.31)**

Sensitivity analysis
A reasonably possible strengthening (weakening) of the Rs. against all other currencies as at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2019				
USD (1% movement)	6.62	(6.62)	4.31	(4.31)
EUR (1% movement)	0.25	(0.25)	0.16	(0.16)
31 March 2018				
USD (1% movement)	12.90	(12.90)	8.44	(8.44)
EUR (1% movement)	(0.25)	0.25	(0.16)	0.16

Interest rate risk
The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group cash flow to interest rate risk. Group normally maintains most of its long term borrowings at MCLR+ 0.15% in Rupees. Group has all the long term loans from State Bank of India, HDFC and ICICI Bank.

Exposure to interest rate risk
The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Particulars	Amount as at 31 March 2019	Amount as at 31 March 2018
Fixed-rate instruments		
Financial assets	67.01	59.89
Financial liabilities	(21.22)	(25.12)
	45.79	**34.77**

Particulars	Amount as at 31 March 2019	Amount as at 31 March 2018
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,588.71)	(1,312.55)
	(1,588.71)	**(1,312.55)**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased equity by Rs.0.30 after tax (31 March 2018 Rs. 0.23). This analysis assumes that all other variables remain constant.

Cash flow sensitivity analysis for variable-rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or loss (net of tax) 100 bp increase	Profit or loss (net of tax) 100 bp decrease
31 March 2019		
Variable-rate instruments	(10.34)	10.34
Cash flow sensitivity (net)	(10.34)	10.34
31 March 2018		
Variable-rate instruments	(8.58)	8.58
Cash flow sensitivity (net)	(8.58)	8.58

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50 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings.

	As at 31 March 2019	As at 31 March 2018
Total liabilities	1,619.73	1,347.47
Less : Cash and cash equivalent	55.28	58.76
Adjusted net debt (a)	1,564.45	1,288.71
Total equity (b)	2,949.67	2,667.69
Capital gearing ratio (a/b)	53.04%	48.31%

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

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51 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013, 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

As at 31 March 2019

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	89.59%	2,642.54	97.49%	323.77	51.85%	0.14	97.45%	323.91
Subsidiaries								
Bakebest Foods Private Limited	9.11%	268.74	18.71%	62.13	48.15%	0.13	18.73%	62.26
Mrs Bectors English Oven Limited	0.02%	0.48	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.29%	37.91	0.20%	0.68	0.00%	-	0.20%	0.68
Elimination	0.00%	0.00	-16.40%	(54.48)	-	-	-16.39%	(54.48)
Total	**100%**	**2,949.67**	**100%**	**332.10**	**100%**	**0.27**	**100%**	**332.37**

As at 31 March 2018

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	88.35%	2,356.79	88.85%	320.41	97.71%	1.71	88.88%	322.12
Subsidiaries								
Bakebest Foods Private Limited	10.18%	271.60	16.10%	58.05	2.29%	0.04	16.03%	58.09
Mrs Bectors English Oven Limited	0.02%	0.48	0.00%	0.01	0.00%	-	0.00%	0.01
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.45%	38.82	0.05%	0.17	0.00%	-	0.05%	0.17
Elimination	0.00%	0.00	-5.00%	(18.03)	-	-	-4.97%	(18.03)
Total	**100%**	**2,667.69**	**100%**	**360.61**	**100%**	**1.75**	**100%**	**362.36**

MRS. BECTORS FOOD SPECIALITIES LTD.

BSR & Co. LLP
Chartered Accountants

(All amounts are in million, unless otherwise stated)

52 Details in respect of dividend remitted during the year in foreign currency :

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Number of non-resident shareholders*	3 (nos.)	2 (nos.)
Number of shares held as on record date*	13.65	12.27
Amount remitted during the year*#	19.44	-
Financial year to which dividend pertains*	2017-18 & 2018-19	-

* Excludes non-resident shareholders to whom dividend is paid in indian rupees
\# Includes amount of Rs. 9.20 Million remitted during the year pertaining to the year 2017-18

53 Pursuant to a family settlement, Mr Anoop Bector (Promoter and Managing Director) and his family (Anoop Bector family) disassociated from his brothers Mr. Ajay Bector and his family (Ajay Bector family) and Mr Akshay Bector and his family (Akshay Bector family). The family settlement was effected by way of among others (i) the Brand separation MoU, in relation to the separation of brands and businesses and (ii) a composite scheme of amalgamation and arrangement approved by the High Court of Punjab and Haryana at Chandigarh pursuant to an order dated 4 July 2014 in relation to the re-organisation of the respective businesses.

Mr. Ajay Bector made certain allegations against the Promoter, alleging non-compliance with the terms of the family settlement by the Promoter. Further, in connection with the filing of the Draft Red Herring Prospectus, Mr. Ajay Bector, by way of his letters dated 3 September 2018 and 15 November 2018 ("Letters"), addressed to SEBI and the Book Running Lead Managers (BRLMs), made certain allegations against the Company and the Promoter. With respect to the Company, Mr. Ajay Bector has, inter alia, alleged non-disclosure of certain family settlement related agreements in the Draft Red Herring Prospectus and also alleged certain irregularities in relation to the financial information of the Company disclosed in the Draft Red Herring Prospectus. With respect to the Promoter, Mr. Ajay Bector has, inter alia, made allegations of misconduct and non-compliance with the terms of the family settlement by the Promoter. While the Company and the Promoter have responded to the Letters vide separate letters dated 24 September 2018 and 6 December 2018 denying all the allegations, the Company may receive similar complaints from Mr. Ajay Bector or other dissociated relatives in the future. Further, differences between the Promoter and his relatives may also result in a legal dispute involving Promoter and the Company. Management is hopeful that more likely than not, any such legal dispute will be settled in Company's favour and / or that no additional liability will arise out of these proceedings on the Company or Promoter.

Further, in the light of disassociation, Akshay Bector family and Ajay Bector family and any entity in which they may have interest were not considered "promoter group" within the definition provided under the SEBI ICDR Regulations, in the Draft Red Herring Prospectus filed by the Company on 10 August 2018. The Company had made an application to SEBI seeking exemption from including the dissociated immediate relatives of Mr Anoop Bector (Promoter) and any entity in which they may have interest from the promoter group of the Company. Pursuant to the exemption application to SEBI, the Company had also written to Mr. Akshay Bector and Mr. Ajay Bector requesting them to express their intention to be named as members of the promoter group of the Company. Mr. Akshay Bector responded to the Company confirming that due to the disassociation, he should not be classified as a member of the promoter group of the Company. However, Mr Ajay Bector did not respond to the Company's letter or any of the follow-up letters sent by the Company. SEBI acceded to the request for not including Mr. Akshay Bector and his family members as members of the promoter group of the Company. However, no exemption was granted to exclude Mr. Ajay Bector from being named as a member of the promoter group of the Company in the Red Herring Prospectus to be filed with SEBI. Accordingly, Mr Ajay Bector has been considered as a member of the promoter group as defined under the SEBI ICDR Regulations.

Further, since Mr. Ajay Bector is classified as a member of the promoter group of Company, he may be required to make continuous disclosures and comply with other requirements applicable to a member of a promoter group of a listed company, including under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI ICDR Regulations, SEBI (Buy-back of Securities) Regulations, 2018 and the SEBI (Delisting of Equity Shares) Regulations, 2009. However, given the dissociation, the Company has represented that it cannot be assured that Mr. Ajay Bector will comply with all such obligations which shall be applicable on all the members of the promoter group of the Company post-listing. Impact of above can not be quantified as of now.

54 Corporate Social Responsibility

31 March 2019

a) Gross amount required to be spent by the Group during the year was Rs. 9.46
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students

Particulars	**In cash**	**Yet to be paid in cash**	**Total**
On construction/acquisition of any asset	-	-	-
On purpose other than above	3.40	-	3.40
Total	**3.40**	-	**3.40**

31 March 2018

a) Gross amount required to be spent by the Group during the year was Rs. 8.85
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students

Particulars	**In cash**	**Yet to be paid in cash**	**Total**
On construction/acquisition of any asset	-	-	-
On purpose other than above	2.81	-	2.81
Total	**2.81**	-	**2.81**

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

For **and on behalf of the Board of Directors of**
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN -00108589

Ishaan Bector
Director
DIN -02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN - 00007297

Place: Gurugram
Date: 29 July 2019

Place: Gurugram
Date: 29 July 2019

Mrs.Bectors Food Specialities Limited

CIN: U74899PB1995PLC033417
Registered Office: Theing Road, Phillaur-144410, Punjab, Phone (01826) -222826, 225418
Website: www.cremica.in, Email id: cs.bis@cremica.in

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

ATTENDANCE SLIP

*DP ID		Name & Address of the registered Shareholder
Regd.Folio No./*Client Id.		
No. of Share(s) held		

(*Applicable for Members holding Shares in electronic form)

I hereby record my presence at the **24th ANNUAL GENERAL MEETING** of the members of Mrs.Bectors Food Specialities Limited held on Friday, September 20, 2019 at 16:00 Hours (IST) at Theing Road, Phillaur-144410, Punjab

Member's/Proxy'sSignature

....TEARHERE.................................... ....

Mrs.Bectors Food Specialities Limited

CIN: U74899PB1995PLC033417
Registered Office: Theing Road, Phillaur-144410, Punjab, Phone (01826) -222826, 225418
Website: www.cremica.in, Email id: cs.bis@cremica.in

PROXYFORM

FORM NO. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail Id:	
*DP Id.	
Regd. Folio No./*Client Id.	

(*Applicable for Members holding Shares in electronic form)

I/We, being the member(s) of Mrs.Bectors Food Specialities Limited holding_________________________________shares, herebyappoint:

(1) Name:______________________________Address:______________________________
E-mail id:______________________________Signature______________________________or failing him;

(2) Name:______________________________Address:______________________________
E-mail id:______________________________Signature______________________________or failing him;

(3) Name:______________________________Address:______________________________
E-mail id:______________________________Signature______________________________

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Friday, September 20, 2019 at 16:00 Hours (IST) at Theing Road, Phillaur-144410, Punjab and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Matter of Resolution
1.	To receive, consider and adopt: (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2019, comprising Audited Balance Sheet as at March 31, 2019, the Statement of Profit & Loss for the financial year ended on March 31, 2019 along with Notes to Accounts and Cash Flow Statement appended thereto and Reports of the Board of directors and Statutory Auditors thereon and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019, comprising Consolidated Audited Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit & Loss for the financial year ended on March 31, 2019 along with Notes to Accounts and Cash Flow Statement appended thereto and reports of the Statutory Auditors thereon:
2.	To confirm the interim dividend of Re. 0.75/- per equity share paid during the year as the final dividend for the year ended March 31, 2019.
3.	To Appoint Director in place of Mr. Anoop Bector, Director (DIN NO. 00108589) who retires by rotation and being eligible offers himself for reappointment.
4.	To appoint and fix the remuneration of Auditor
5.	To alter the Clause III (B) of Memorandum of Association

Signed this………..day of .... 2019.

Signature of Shareholder(s) :______________________________

Signature of Proxy holder(s) :______________________________

Affix

Revenue Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map for the Venue of the Annual General Meeting