



September 4, 2021

The Secretary,
Bombay Stock Exchange Limited,
1st Floor, PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: 507552

Dear Sir,

Sub: Compliance under Regulation 34 of SEBI (LODR) Regulations 2015

Pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, enclosed please find soft copy of the Annual Report of the Company for the financial year ended March 31, 2021.

This is for your information and records.

Thank you.

Yours faithfully

For **FOODS AND INNS LIMITED**

RANDEEP KAUR
Company Secretary &
Compliance Officer

Encl: As above

Foods & Inns Ltd.

Corporate Address: J. N. Heredia Marg, Hamilton House, 3rd floor, Ballard Estate, Mumbai - 400038
+91-22-22613102 | writetous@foodsandinns.com | www.foodsandinns.com | CIN No: L55200MH1967PLC013837
Registered Address: Udyog Bhavan, 2nd Floor, 29 Walchand Hirachand Marg, Ballard Estate, Mumbai 400038

Creating Value
**DRIVING
SUSTAINABLE
GROWTH**



Foods & Inns

FOR A BETTER TOMORROW

FOODS AND INNS LIMITED



Scroll Down For...

Corporate Overview

02-11

Our Journey of Value Creation	02
Milestones	06
Chairman's Message	08
Value-Enablers	10

Statutory Reports

12-83

Management Discussion and Analysis	12
Notice of AGM	37
Directors' Report	52
Corporate Governance	71

Financial Statements

82-205

Standalone	83
Consolidated	142



Simply scan the QR code below to view our annual report:

Please find the online version of this Report at:

<https://www.foodsandinns.com/Investor/Investor>

Investor Information

CIN	: L55200MH1967PLC013837
ISIN	: INE976E01023
BSE Code	: 507552
Bloomberg code	: FOODSIN
Dividend Declared	: 20%
AGM Date and Time	: September 29, 2021 at 3:30 PM
AGM Venue	: Through video conferencing facility

Disclaimer: This document contains statements about expected future events and financial and operating results of Foods and Inns Limited ('the Company') which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Report.





Creating Value. Driving Sustainable Growth for a Better Tomorrow.

Every business is a story of constant adaptation of change and enhancements. And when aligned to the purpose of adding value for others, these exact changes and enhancements pave the way for organic growth and success. Thereby, leading to value creation and diversification while unlocking wider avenues of opportunities.

At Foods and Inns Limited, we aspire to grow bigger and better as we traverse through our journey. We have sincerely endeavoured to create value for all our stakeholders while driving sustainable growth. The idea is not to limit ourselves by just what we have set out to do. It is more so going beyond the expectations of our stakeholders to build a better tomorrow.

Through the last 50 years, we have envisioned a future of enhancing value for the business we drive, the planet we are on, and the people around us. We have been dedicated to creating value as we move towards a better tomorrow while producing ingredients for sustainable growth. We are committed to triple bottom line framework (people, planet and profit) as we advance, backed by our forward and backward integrated value chains, strengthening our existing businesses.



Company Introduction

Our Journey of Value Creation

Foods and Inns Limited ('F&I' or 'the Company' or 'We' hereafter) is a renowned name that has pioneered the food processing space since its establishment in 1967. We primarily manufacture and market a range of processed tropical Fruit Pulps, Purees, and Vegetables, globally. We are a Government-recognised export house and the largest Indian exporter of Mango Pulp.

Our product basket includes tropical fruit purees and concentrates of Mango, Guava, and Papaya, apart from the Tomato Paste, Natural Fruit and Vegetable Powders.

Through the years, F&I has grown to be a major exporter of Aseptic, Canned and Frozen Fruit Pulp, Fruit & Vegetable Chunks, Ready-to-Eat Food and Processed Spices with established markets in the USA, Europe, Australia, Middle East and some Asian destinations.



Our Key Divisions

- Aseptic
- Canning
- Spray Drying
- Frozen Fruits
- Individually Quick Frozen (IQF) Vegetables & Snacks
- Spices (Kusum Spices)



Vision

- To become the largest Fruit & Vegetable processor in India
- To become the most preferred Food & Beverage manufacturer
- To own trusted Food & Beverage brands portfolio



Mission

Strive to build world-class manufacturing facilities with emphasis on indigenous sourcing

Creating Innovative and Environmental Friendly Products through constant focus on Research & Development and Sustainable Sourcing

Sourcing/creating the best ingredients adhering to high ethical standards

Focus on cost efficiencies through Economies of Scale & Asset Light Operating Models

Juicy Facts

50 Years+

Rich Experience and Expertise

Six

State-of-the-art Facilities
3 at Chitoor (Andhra Pradesh)
1 at Valsad (Gujarat) and,
2 at Nashik (Maharashtra)

30+ Variety
of Products Processed

50+ Countries
Footprints

400+ Employees
Strength

3,000+ Workers
On Contractual Basis

Our Brands



ASIM

Our Product Range

Pulp, Purees & Concentrates

Pulp & Puree



Mango



Guava



Papaya



Grape



Tomato



Beetroot



Carrot



Chilly

Paste & Concentrates



Mango



Multi-fruit



Guava



Papaya



Tamarind



Ginger



Garlic



Beetroot



Tomato

Chutneys



Mango

Snacks



Samosa



Onion Bhaji



Pakoras



Veg Roll



Nuggets



Burgers and
Many More

Vegetables



Okra



Beetroot



Cauliflower



French Beans
and Many More



Green Peas



Carrot



Broccoli

Spray-dried Powder



Mango Powder



Tamarind Powder



Guava Powder



Pomegranate Powder



Lemon Powder



Caramel



Yogurt



Cheese



Mint



Banana and Many More

Spices & Masala



All spices, including Aloo Chat Masala, Bhindi Masala, Briyani Masala, and Clove Powder, among others

Tetra Recart

(Tetra Recart will be added to the product range only from end of calendar year 2021)



Purees & Pulps



Soups



Ready Meals

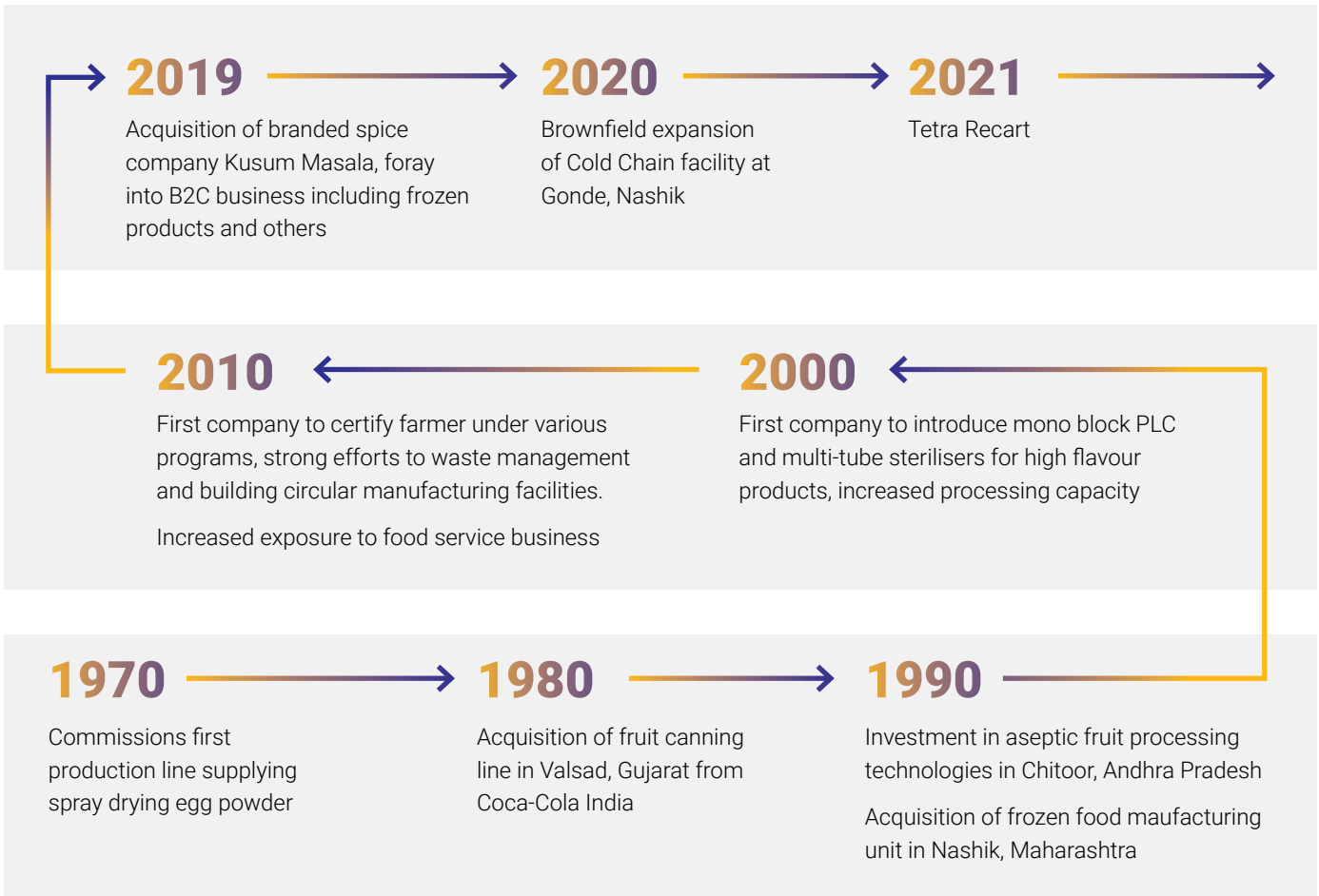


Sauces & Chutneys



Fruits & Vegetables

Milestones



Marquee Clientele



Our Footprints

Market-wise percentage of revenue share of F&I total products basket



Chairman's Message



FY 2020-21 was full of lessons that taught us about resilience, prudence, survival and most importantly, being ready for anything anytime. The year started with the pandemic led lockdown creating a panic-like situation across businesses, industries and among mankind in general around the world.



The Year That Was...

It indeed was a year unlike any other we have seen so far. Foods and Inns family lost 3 of its members to the ruthless COVID-19. Our heart goes out to the families of these members and we pray for the peace of the departed souls. While 2021 brought with it a fair degree of hope and optimism, I believe we must now embrace living in a world where the new normal and never normal coexist. This crisis has instrumented some lasting changes in the way consumers and businesses will function. There are some significant structural changes in the way we live and work, the way we consume, shop, and interact with others. And they are here to stay.

Testing Times Bring Out the Best

The phrase 'Survival of the fittest' was apt given the circumstances. At F&I, we survived the first and second pandemic waves with our agility and resilience. Not only that, we also emerged stronger than before, thanks to our ecosystem of farmers, vendors, employees, customers, financiers, shareholders and well-wishers.

Towards a Sustainable Future

At F&I, our ambition is to build on our vision of putting up world-class processing facilities and to build some of the most trusted consumer brands going ahead. With this as the background, you will see a significant shift in our approach, one of greater aggression and one with sharper execution.

Our market share of our core products has increased and to leverage the opportunities we are further deploying additional resources towards becoming global leaders in the space. We are undertaking greenfield and brownfield expansions which we expect to be commissioned by the end of calendar year 2022. We are also on the lookout for inorganic expansions wherever we come across a good opportunity with a strategic fit to our existing business. We have deep conviction in India's consumer growth story and are confident of our competencies and capabilities. Our model revolves principally around customers and our business decisions are taken with customers at the core. We believe the time is right to experiment more, concentrate on segments that we deem would offer the best opportunities for returns. Powered by a strong governance culture and steered by a highly motivated management team, we are working towards creating a better tomorrow by pioneering change in the Indian food processing industry.

At F&I, we have started focussing on sustainability initiatives. Our sustainable agricultural interventions aim to transform the fruit and agricultural value chain globally and the lives of lakhs of farmers who are part of our ecosystem. We encourage, educate and monitor our farmer base to adopt sustainable farming practices and in turn remunerate them with higher realisations through the support of our value chain ecosystem.

Human Resource: Our Key Asset

Employees are at the core of F&I, and we believe in the inclusive growth of our employees through the right engagement. Our people are the Company's pillars, and we

ensure nurturing them at every step. We initiated employee-friendly policies to provide medical facilities and financial help to affected employees and their families, along with reimbursement of vaccine costs, family care policies like extended periods of sickness leaves, and death compensation benefits to the nominee of the deceased employees. Our dedicated team keeps us going and aiming for newer highs, and we take care of their overall development, acknowledging their efforts through rewards and recognitions.

Vote of Thanks and Gratitude

In times such as this, our people's spirit and compassion make my belief stronger on our core philosophy of 'Creating Value and Driving Sustainable Growth for a Better Tomorrow'.

I express my deepest gratitude and appreciation to all the COVID warriors who have delivered exceptional service in such trying circumstances. This includes members of the Foods & Inns family who have tirelessly put others before themselves – both on the job and off it. Along with other members of the Board, I am thankful to our customers, suppliers, and the Government for their continued support and belief in us.

We are in for exciting times ahead. The old maxim 'Change is the only constant' could well have been written for 2021 and beyond.

I wish you peace, prosperity and good health.

Thanking you
Bhupendra Dalal



Value-Enablers

Our journey to the next phase of growth has commenced. Your company has found a new approach and strategy towards creating stakeholder value for a better tomorrow by targeting verticals of sustainable growth and initiatives for the sustainability of its operating environment.

We have several brownfield and greenfield expansions underway. All additional facilities are expected to commence commercial operations latest by end of Calendar Year 2022.

Value-Enabler @Expansion

Segment	Expansion
Aseptic, Canning & Instant Quick Freeze (IQF), Tetra Recart, Plate Freezer, Blast Freezer, Jams and Chutney lines	Greenfield Expansion: State-of-the-art Infrastructure at Vankal, Gujarat
Cold Chain Facilities	Brownfield Expansion in Gonde, Nashik
Spray Drying	Doubling Capacity at Gonde, Nashik
Kusum Spices	Expansion and Shifting of Capacity

Value-Enabler: Own Brands and Inorganic Expansion

Strategic Inorganic acquisitions are a part of our business strategy. With Kusum Masala being a household name, this acquisition has contributed significantly to our transition from being a purely B2B player to a B2C player in the branded spice business which is a ₹ 40,000+ Crores industry size in India. We aim to bring in synergy by expanding on Kusum's distribution channels and through brand extensions. We expect Kusum's private labelling to grow in revenues and margins and create value for all the shareholders.

We strive to shift from a pure-play B2B company to a diversified player with presence across B2B and B2C verticals. In our endeavour to do so, we have started selling our products under the following brands:

- Madhu (Fruit Pulp)
- Green Top (IQF Vegetables)
- Kusum Masala (Spices)
- Triveni Global (Frozen Food)
- Zatpat Zaldee (QSR and Frozen Food)

We have established our presence through online platforms. Our competitive pricing, adherence to international quality standards, integrated infrastructure, timely delivery, attention to packaging and hygiene maintenance make our products attractive and competitive. In the long-term, we envision to be a significant player in the Food & Beverage sector and enhance value for both end consumers and stakeholders.

Value-Enabler: Rising Companies in Food Delivery Space

India's online food delivery market has reached a value of USD 4.35 Billion in 2020 and is expected to register a whopping CAGR of 30.1% over 2021-2026 further. (<https://www.imarcgroup.com/india-online-food-delivery-market>).

Rising disposable income, need for on-the-go foods,

convenient foods and ready-to-eat, cheaper options for quick home delivery are escalating the demand. With this soaring demand, the opportunity size for F&I has also become huge. Our proven track record, manufacturing experience of decades and enhanced capabilities will help us seize these opportunities. Thereby, creating value while ensuring a stronger tomorrow, backed with sustainable growth.

Apart from those mentioned above, our key growth drivers include:

- Value-based inorganic acquisitions which could be a strategic fit to the existing businesses
- Creation of our own brands for retail customers through subscription models
- Our Tetra Recart and Pectin segment will aid in vertical integration and ensure sustainability



Management Discussion and Analysis

At Foods and Inns, we have focused on safeguarding our people, customers, and balance sheet while recalibrating our strategies to seize emerging opportunities. We are concentrating on newer products and markets, on creating a stronger digital backbone and focusing on greater customer-centricity for making the best of the infinite possibilities that this never normal world has to offer. We are strengthening our existing market presence and venturing into newer avenues which will help us develop a concrete path for a stronger tomorrow.

Global Fruit and Vegetable Processing Market

The global fruit and vegetable processing market was valued at USD 304.50 Billion in 2020 and is expected to witness CAGR of 7.3% during 2020-2028. The global food processing market can be primarily divided into Frozen, Canned, Dried, Dehydrated and others. Canned Fruits and Vegetables own the highest share as it is the most preferred choice both in developing and developed countries.

Key Growth Drivers

- Changing lifestyles and dietary patterns have led to the rise in demand for the Processed Fruits and Vegetables industry
- The Ready-to-drink market is estimated to register a CAGR of 6.1% over 2021-2026
- Growing health awareness and rising demand for convenience food and beverages is anticipated to drive future growth
- Longer shelf life without much alteration in taste and nutrient content encourages producers to increase the production of pulp

Geographically, the region of North America is expected to witness the fastest growth rate owing to rising demand from countries like the US, Canada and Mexico and rapid changes in consumer lifestyles.

Sources: <https://www.emergenresearch.com/industry-report/fruit-and-vegetable-processing-market>

<https://www.mordorintelligence.com/industry-reports/fruit-and-vegetable-processing-market>



Outlook

Rising working population and change in lifestyles are responsible for the steady growth in demand for Processed Fruits and Vegetables. The shift in consumer mindset towards healthy organic options is further expected to augment the value-added products demand going ahead. It will also open up enormous opportunities for the countries producing fruits and vegetables.

India holds an immense potential to capitalise on this growth opportunity. Our country is the second-largest producer of fruits and vegetables after China and the largest producer of fruits such as Mangoes, Bananas, Papaya, and Guavas. India is also the second-largest producer of vegetables such as Onions, Potatoes, Green peas, Tomatoes, Cabbage, and Cauliflower. The Government's allowance of 100% FDI in Food Processing sector coupled with setting up 41 Mega Food Parks (of which 22 are already operational) is anticipated to boost the sector majorly. Further, steps are also being taken to boost the investments in this sector through the Production Linked Incentive (PLI) Scheme of the Central Government and other State Government-led initiatives. The intent of the Government is to create global manufacturing champions out of India, strengthen Indian brands abroad, increase off-farm jobs and ensure remunerative prices of farm produce to increase the income of farmers. Together, all of these hold great potential for the food processing sector.

Source: <https://www.investindia.gov.in/sector/food-processing/fruits-vegetables>

Fruit-Vegetable Pulp, Concentrate & Chutneys: Foods and Inns

Overview

At F&I, we are constantly striving for self-improvement and looking for ways to grow from who we are today to who we can be tomorrow.

We commenced our journey with Mango Processing business 50 years ago. Today, we are one of the leaders in manufacturing



Mango and Guava pulp in India. We cater to the Fortune 500 FMCG companies globally. This business is the bread-and-butter segment of the organisation. Under this segment, we have introduced other fruits and vegetables like Tomato, Ginger, Garlic, Banana, Chilli, Tamarind, and Papaya among others. These products have been added over the last couple of years to help augment our operating margins by absorbing fixed cost incurred during the non-peak season. We have been able to manufacture these products with minimal alterations to our existing lines. As we create markets for these new products, we are further adding value by extensively expanding our product portfolio.

Pulpy Facts

80%

Revenue from this Segment

~60:40%

Export : Domestic Ratio

Pulp & Puree

Mango

- 🍷 Alphonso/Sweetened Alphonso
- 🍷 Hand Peeled Premium Sweetened Alphonso
- 🍷 Totapuri
- 🍷 Kesar/Sweetened Kesar
- 🍷 Green Mango
- 🍷 Sindhura
- 🍷 Rajapuri
- 🍷 Raspuri
- 🍷 Neelam
- 🍷 Dusheri
- 🍷 Hanisa
- 🍷 Blended Mango



Other

- 🍷 White Guava (Grit/Grit Free)
- 🍷 Pink Guava
- 🍷 Black Grape
- 🍷 Red Papaya
- 🍷 Yellow Papaya
- 🍷 Tomato
- 🍷 Beetroot
- 🍷 Carrot
- 🍷 Red Chilli
- 🍷 Green Chilli
- 🍷 Dry Chilli (with Seed & Skin)



Chutneys & Pickles

- 🍷 Sweet Mango Chutney
- 🍷 Mango Slices for Pickles



Paste & Concentrations

-  Totapuri
-  Rajapuri
-  Neelam
-  Multi Fruit
-  White Guava
-  Red Papaya
-  Tomato
-  Tamarind Beetroot
-  Ginger
-  Garlic



Operations Green

The Ministry of Food Processing Industries (MoFPI) launched the 'Operations Green' scheme. This was initially introduced for a few fruits and vegetables only. The idea was to help reduce post-harvest losses for farmers by creating farm gate infrastructure, supporting suitable agro-logistics and help create storage capacity linking consumption centres.

Under the AtmaNirbhar Bharat Abhiyaan, the scheme witnessed extension for integrated growth and development of all fruits and vegetables. Thereby, ensuring fair prices to all farmers.

Being one of India's largest Mango processors, the Ministry of Food Processing has written to Foods & Inns to be the anchor for the fruit Mango. The Government has requested to share inputs under 'Operation Greens' for setting up value chain development projects.

'Operations Green' is anticipated to create significant value for the farmers. It will also offer accessibility of farming technology and selling opportunities for farmers to sell fresh produce at attractive prices. As per the Scheme, inter-state trade will become barrier-free, and the Government will facilitate the e-trade of farm produce.

Outlook

This segment is anticipated to demonstrate a steady growth in demand. The addition of products under our portfolio will add to our growth. We enjoy a marquee clientele for Mango and Guava and gradually, our other products are also gaining traction. We are undertaking greenfield expansion in Vankal for fruit and vegetable pulp processing, tetra recart and cold chain facilities. The new state-of-the-art facility is expected to be operational by the end of calendar year 2022 and is expected to provide support to our Tetra Recart initiatives.

Global Spray Drying Powder Market

With burgeoning population growth, the demand for food and beverages have also increased significantly. Easy access to the internet and growing awareness has made people know about several aspects of food. Thus, opening many opportunities in this segment. Spray Dried Powder is one such market. Spray Drying is a widely used process for converting fruit and vegetable liquids into powder form. It is used for enhancing taste and adding flavours and colour to the final product. The process results in good quality, low water activity, easier transport, storage, handling and increased shelf life of fruits and vegetables.

Key Growth Drivers

- ☛ Rising demand for ready-to-eat foods coupled with convenience foods
- ☛ Increasing opportunities in the Food and Beverage sector, including bakery, snacks and confectionery segments
- ☛ Increasing need for extension of shelf life of food products for prolonged periods

Outlook

The region of Asia Pacific enjoys the maximum share in the global Spray Dried Food market. The growing population and the increasing consciousness towards health and nutrition are expected to propel the global Spray Dried Food market further in emerging economies like China and India, which are expected to drive demand in the Asia Pacific. North America and Europe are expected to hold a significant proportion of the global Spray Dried Food market.

Source: <https://www.mordorintelligence.com/industry-reports/spray-dried-food-market>

Spray Dried Powder: Foods and Inns

Overview

At F&I, we are constantly allowing ourselves to grow and adapt to the changing requirements. We are continually scaling up today to meet the needs and requirements of future.

We are constantly looking for opportunities to add value to our offerings. Today, it is the fastest-growing segment of our organisation. We enjoy the capability of making Spray Dried powder from most of the fruits and vegetables, which is a rapid, cost-effective and scalable process. The high-quality powders with low moisture content result in higher shelf life and improve the food's taste.

Outlook

Our extensive and robust customer base has led to a robust order book under this segment. This segment would be a significant value driver for F&I going ahead. Currently, our capacities are running full. We have planned a brownfield expansion at our Gonde (Nashik) Spray Drying facility. We will be more than doubling our existing capacity of 500 MTPA to 1,050 MTPA by the end of March 2022 in order to cater to the growing demand for spray dried products.

Pulpy Facts

500_{MT}
Installed Capacity

100%
Capacity Utilisation



Spray Dried Powder



Mango Powder



Tamarind Powder



Guava Powder



Orange Powder



Tomato Powder



Lemon Powder



Cheese Powder



Caramel Powder



Green Mango Powder



Apple Powder



Papaya Powder



Pineapple Powder



Yogurt Powder



Strawberry Powder



Mint Powder



Annatto Powder



Pomegranate Powder



Amla Powder



Banana Powder



Beetroot Powder



Honey Powder



Ripe Chikku Powder



Ripe Papaya Powder



Watermelon Powder



Global Frozen Food Market

The global Frozen Food industry was valued at USD 292 Billion in 2019 and is likely to witness a CAGR of 4.2% over 2020-2027, reaching USD 405 Billion by 2027. Frozen Food is defined as food products preserved under low temperature and used over a long period. It comprises various food products like Ready Meals, Vegetables & Fruits, Meat-Poultry and Soup. The segment also includes packaged ready-to-eat foods, bakery, snacks, and desserts.

Source: <https://www.alliedmarketresearch.com/frozen-food-market>

Key Growth Drivers

- 🔗 Increase in consumer spending on convenience food and ready-to-eat meals
- 🔗 Growing popularity of vegan, plant-based nutrition food as well as frozen fruits and vegetables
- 🔗 Increasing number of convenience stores along with cold chain logistics infrastructure

Outlook

With the changing lifestyles and rapidly increasing working population, the demand for Frozen Food is rising consistently. Frozen Plant-based Nuggets, Strips, and Cutlets, among others, are likely to register a growth of 25%. This is expected

to be closely followed by growth in Plant-based Burgers, Frozen Vegetables and Fruits by 10%, 8% and 5%, respectively.

Source: <https://www.astuteanalytics.com/industry-report/frozen-food-market>

Frozen Food: Foods and Inns

Overview

At F&I, we believe continuous development is essential to uncovering our true potential. Our focus is on growing through every opportunity we get to change into what our capabilities shape us into.

We have been in the business of packaging Frozen Food since 1992. We co-pack Frozen Food for international brands across Frozen Snacks & Breads as well as Frozen Vegetables & Fruits. We recently launched innovative products in the Frozen Food segment and co-pack for some large retailers in Canada and witnessed remarkable success.

Pulpy Facts

85:15

Export: Domestic Ratio



Frozen Foods



Purees & Pulp

- 🍷 Alphonso Mango
- 🍷 Totapuri Mango
- 🍷 Kesar Mango
- 🍷 Guava



Naan & Flatbreads

- 🍷 Plain, Garlic, Chilli Coriander
- 🍷 Aloo Stuffed Naan
- 🍷 Onion Stuffed Naan
- 🍷 Laccha Naan



Parathas

- 🍷 Aloo, Onion, Mix Veg Paratha
- 🍷 Cheese Herbs
- 🍷 Cheese Onion
- 🍷 Malabar Paratha



Snacks

- | | |
|------------------------|-----------------------|
| 🍷 Punjabi Samosa | 🍷 Aloo Tikki |
| 🍷 Mix Veg Samosa | 🍷 Cocktail Samosa |
| 🍷 Paneer Tikka Samosa | 🍷 Veg Burger |
| 🍷 Paneer Chilli Samosa | 🍷 Veg Nuggets |
| 🍷 Veg Roll | 🍷 Cheese Corn Nuggets |
| 🍷 Onion Bhaji | 🍷 Cheese Pop pons |
| 🍷 Veg Pakora | 🍷 Veg Cheese Fingers |



Frozen Vegetables

- Okra
- Sweet Corn
- Beetroot (Slices, Dices, Spaghetti)
- Chick Peas
- Cauliflower
- Onion Red and White-Whole & Diced
- Green Peas
- Pumpkin
- Carrot
- Tomato
- Broccoli
- Capsicum Red & Yellow
- French Blocks
- Zucchini Noodles (Spaghetti)
- Spanish Blocks
- Green Chilli Whole and Chopped



Frozen Meal Kits

- Combo: Naan/Paratha With Chana Masala/Palak Paneer/Aloo Paratha
- Combo: Stuffed Naan /Stuffed Paratha With Chole/ Rajma/Mutter Paneer
- Combo: Rice with Rajma/Muttar Paneer/Palak Paneer/ Mix Vegetable

Outlook

With sustained demand in this segment, we will sell our frozen food through the brand names 'GreenTop', 'Triveni Foods' and 'ZatPat Zaldee'. We plan to expand the SKUs in this Frozen Food segment once we launch our Tetra Recart vertical.



Global Spices and Masalas

The global Spices and Masala market is valued at USD 5.86 Billion in 2019 and is expected to register CAGR of 6.5% over 2020-2027. The rising fondness towards various flavours in Foods and Snacks is likely to prompt manufacturers to produce high-quality, appealing, and reliable products that can maintain consistent standards globally.

Source: <https://www.grandviewresearch.com/industry-analysis/spices-market>

Key Growth Drivers

- Seasoning and spices have been witnessing remarkable demand from the commercial and household sectors due to their taste and flavour, and associated health benefits
- Pre-mix packages provide consistency in the food taste with minimum effort

Outlook

Powdered spices account for more than 50% of the global spices revenue. Asia Pacific accounts for the highest contribution share in terms of being a leading producer and exporter. Growing consumer preference worldwide is likely to propel the demand and open considerable opportunities in this segment.

Spices & Masalas: Foods and Inns

Overview

At F&I, we understand the role and power of diversification in sustained growth. We strongly feel that strength lies in diversity and holds the key to a more secure future.

We acquired a 49-year-old partnership firm Kusum Masala, in October 2019 to take our first step towards implementing our strategy to shift from a pure-play B2B company to a company with presence across B2B and B2C. When acquired, it had a turnover of around ₹18 Crores and positive Operating Cash Flows along with double digit EBITDA margins and positive PAT. The brand enjoys presence in the Western suburbs of Mumbai and the Middle Eastern markets as of today and we have recently invested creating a wider market presence for the brand and are hopeful of scaling the brand to greater heights in times to come.

Pulpy Facts

10,080 MT

Combined Installed Capacity for Blending and Grinding

60 %

Capacity Utilisation

70+ Products

Under Ground, Whole and Blended Spices

12+

Under Ground, Whole and Blended Spices



Product Portfolio

SPICES & MASALA POWDER

- 🍷 Aloo Chat Masala
- 🍷 Bhadhani Hing Powder
- 🍷 Biryani Masala
- 🍷 Black Pepper Powder
- 🍷 Black Salt Powder
- 🍷 Cardamom Green Powder
- 🍷 Chane Ka Masala
- 🍷 Chat Masala
- 🍷 Chicken Masala
- 🍷 Chilly Kashmir Powder
- 🍷 Garlic Flakes
- 🍷 Garlic Powder
- 🍷 Ginger Powder
- 🍷 Jaljeera Mix
- 🍷 Kitchen King Masala
- 🍷 Madras Sambhar Powder
- 🍷 Meat Masala
- 🍷 Noodle Masala
- 🍷 Nutmeg Powder
- 🍷 Onion Flacks
- 🍷 Onion Garlic Dry Chutney Powder
- 🍷 Onion Powder
- 🍷 Pani Puri Masala
- 🍷 Papdi Chat Masala
- 🍷 Pav Bhaji Masala



- 🍷 Chilly Powder-Red
- 🍷 Chilly Powder- Red * Hot
- 🍷 Chilly Reshampatti Powder
- 🍷 Cinnamon Powder
- 🍷 Cloves Powder
- 🍷 Coriander Powder
- 🍷 Cumin Powder
- 🍷 Curry Powder - Hot
- 🍷 Curry Powder - Madras
- 🍷 Dabeli Masala
- 🍷 Dhan Shak Masala
- 🍷 Dry Mango Powder
- 🍷 Fish Fry Masala
- 🍷 Fish Masala
- 🍷 Garam Masala
- 🍷 Punjabi Garam Masala
- 🍷 Pickle Ready Mix Masala
- 🍷 Sandwich Masala
- 🍷 Tandoori Chicken Masala
- 🍷 Turmeric Powder
- 🍷 White Pepper Powder
- 🍷 Usal Misal Mix Masala



WHOLE SPICES

- 🍷 Cumin
- 🍷 Mustard
- 🍷 Chilly Birdeye
- 🍷 Fenugreek

Pack Size: 50g, 100g, 200, 250g, 400g, 500g and 1kg

Outlook

To continue meeting the growing demand, we are expanding our capacities and will be shifting our plant from the currently rented facility to our owned land in Gonde (Nashik) where we will have a separate Spice building on the existing campus. The increased capacities will be commercialised latest by the end of calendar year 2022. We have plans to expand distribution across European, Middle Eastern & the US markets.

We are committed to achieving progress through prudence and creating sustainable long-term value, keeping in mind the environment's needs and the Company's growth. Aligned with this mindset, we have set up two more divisions as follows:

Tetra Recart

Tetra Recart is a sustainable carton packaging offering a new solution to canned foods. It is environment friendly and also helps maximise the product's potential while generating new business opportunities. Tetra Recart has lower carbon emissions than steel cans and glass jars. It is efficient to store and transport due to its rectangular shape and lower weight.

We have an exclusive agreement in India for a couple of years and would be the 10th Company globally with the technology to install such machinery. It is expected to commence operations by end of calendar year 2021. Our existing product range usecase is expected to increase rapidly with this form of packaging. We are also confident of associating with prominent brands to fulfil their packaging needs in this form. This technology can be a potential game changer for F&I. We are putting up this machine in our greenfield plant at Vankal with an investment of around ₹ 18 Crores. The plant is slated to commence operations by the end of calendar year 2021.

Product Portfolio

Tetra Recart



PUREES & PULPS

- 🍷 Alphonso Mango Pulp
- 🍷 Kesar Mango Pulp
- 🍷 Blended Mango Pulp
- 🍷 White/Pink Guava Pulp
- 🍷 Red/Yellow Papaya Pulp
- 🍷 Tomato Pulp/Paste



SOUPS

- 🍷 Veg. Soup
- 🍷 Sweet Corn Soup
- 🍷 Manchurian Soup
- 🍷 Coriander & Lemon Soup



READY MEALS

- | | |
|-----------------|----------------------|
| 🍷 Dal Makhani | 🍷 Fruit Salad |
| 🍷 Paneer Tikka | 🍷 Indian Curry Paste |
| 🍷 Dal Tadka | 🍷 Carrot Halwa |
| 🍷 Oatmeal | 🍷 Veg. Momos |
| 🍷 Surti Undhiyu | 🍷 Sarso Da Saag |
| 🍷 Mumbai Usal | 🍷 Gulab Jamun |
| 🍷 Sheer Korma | 🍷 Rossogolla |





SAUCES AND CHUTNEYS

- 🍷 Pasta | Pizza Sauces
- 🍷 Schezwan Sauce
- 🍷 Red | Green Chili Sauce
- 🍷 Coriander & Chilli Chutney
- 🍷 Tamarind Paste
- 🍷 Cheese Spreads
- 🍷 Raw Mango Chutney
- 🍷 Coconut Milk | Chutney
- 🍷 Paprika Paste
- 🍷 Hummus
- 🍷 Garlic Paste
- 🍷 Ginger Paste
- 🍷 Garlic & Ginger Paste
- 🍷 Squeezed Lemon
- 🍷 Fermented Black Beans Paste



FRUITS AND VEGETABLES

- 🍷 Mango Slices
- 🍷 Pineapple (Cubes/ Slices/Chunks)
- 🍷 Lychee (Whole-Peeled)
- 🍷 Cherries
- 🍷 Peaches (Halves)
- 🍷 Carrot
- 🍷 Green Peas
- 🍷 Sweet | Baby Corn
- 🍷 Okra (Bhindi)
- 🍷 Beetroot
- 🍷 Chopped Onion
- 🍷 Chopped Tomato
- 🍷 Cauliflower
- 🍷 Broccoli
- 🍷 Mix Veggie Salad
- 🍷 Mushroom
- 🍷 Rajma
- 🍷 Egg Plant (Brinjal)
- 🍷 Pumpkin
- 🍷 Chole
- 🍷 Drum Sticks
- 🍷 Bitter Gourd (Karela)
- 🍷 Chick Peas
- 🍷 Black Beans
- 🍷 Olives
- 🍷 Jalapeno (Sliced)
- 🍷 Bamboo Shoots

Pectin

Under our project 'Waste to Wealth', F&I has entered into joint venture agreement with a Food technology company to convert the waste we generate in the form of mango peels and kernels into pectins, oil and butter. Pectin is a vegetarian alternative to gelatin and 95% of India's Pectin requirement is imported from Brazil, China & the US. It is used as a thickener and widely used in jams, jellies, frozen foods and more recently, as a fat/sugar replacer.

We are putting up a pectin manufacturing facility in our Chittoor plant, one of India's largest mango pulping belt. Some large MNCs and a few companies in India have approved our lab test results. We are expecting the plant to be up and running before the next Mango season. When pulped, 50% of a Mango gets into waste and has to be disposed off. Managing the waste also comes with cost. With this initiative, we have created a significant value-added segment for us, which will help us mitigate our challenge of managing waste and ensuring sustainability.







Government Initiatives

The Government of India has announced an outlay of ₹10,900 Crores under the Production Linked Incentive (PLI) scheme for the Food Processing Industry. The scheme has been formulated based on the Government's vision for a AatmaNirbhar Bharat for enhancing the nation's manufacturing capabilities and exports. Fruit & Vegetable processing is one of the pet areas for all the Governments in India – Centre or State. The Ministry of Food Processing has promised Production Linked Incentives for Fruit & Vegetable processors under the scheme and it can be potentially beneficial for F&I, if selected under the scheme. The Government intends to create global manufacturing champions, strengthen Indian brands abroad, increase off-farm jobs, ensure remunerative prices of farm produce and increase farmers' income. The selected applicants will be required to undertake investment in the years 2021-22 and 2022-23 and will get incentives based on sales over six years from 2021-22 to 2026-27.

The Government of Andhra Pradesh has approached Foods & Inns to bid and operate one of their proposed state-of-the-art integrated Fruit Processing Unit. The Government intends to develop this unit where the entire capex investment will be made by the Andhra Pradesh Government in its Parliamentary Constituencies. The successful bidder in each constituency will run these facilities based on lease rentals to be paid to the Government for 10 years extendable by mutual consent. These units are intended to create a continuous demand for the farmers produce and provide minimum sales price guarantee to the farmers.

F&I has applied under both the PLI Scheme and the Andhra Pradesh Economic Development Board Scheme. If we get selected under the Production linked Incentive scheme of the Govt. of India, then it can give fillip to the marketing initiatives of the Company as the subsidy received can be used to further our market reach and gain market share. We expect this to be a game changer to the fortunes and initiatives of the Company going ahead.

Financials

The FY 2020-21 was impacted due to COVID-led lockdowns across the world. Since it coincided with the peak Mango production season from April to July 2020, our production was impacted and stood around 78% of that of the previous year's. Largely, our premium segment of naturally ripened Alphonso Mango Pulp faced the major production impact. The lockdowns in India from April to October 2020 affected our domestic sales as the entire HORECA segment was shut down, resulting in lower demand across Hotels, Restaurants, Catering and Tourism sectors. Exports did well for us during this period and helped balance out the drastic lower demand in the domestic market. The second half of the year was impacted by a steep increase in container freight cost to an extent never seen before, wherein, the freight cost increased anywhere between 1.6x to 4x. F&I had to absorb the incremental shipping cost due to the Delivery Duty Paid based shipping quotes given to B2B customers. Unavailability of containers and higher shipping costs led to lower exports in the second half of the FY 2020-21. Thankfully the domestic markets opened up and we gained market share in local markets due to problems with competitors affected by COVID-19 and other issues. HORECA and tourism sectors were back with a bang and we recorded our highest-ever Q4 sales historically.

As we head into FY 2021-22, we continue seeing traction in our sales and market share gains despite partial effects of the second wave of COVID. We have emerged stronger and have changed our ways for the better.



Metrics	Standalone			Consolidated		
Particulars	March 31, 2021	March 31, 2020	% change increase/ (decrease)	March 31, 2021	March 31, 2020	% change increase/ (decrease)
Current ratio	1.14	1.16	-2.32%	1.15	1.17	-1.86%
Debt equity ratio	0.85	0.72	17.34%	0.85	0.73	17.40%
Net profit margin	1.17%	2.87%	-59.45%	1.14%	2.83%	-59.77%
Return on net worth	2.23%	5.94%	-62.38%	2.27%	5.97%	-61.98%
Interest coverage ratio	219.21%	305.40%	-28.22%	224.45%	310.41%	-27.69%
Inventory turnover ratio	175.63%	197.84%	-11.23%	178.71%	200.57%	-10.90%
Trade receivables turnover ratio	430.57%	510.94%	-15.73%	442.75%	518.81%	-14.66%
Trade payables turnover ratio	337.52%	434.17%	-22.26%	345.18%	440.47%	-21.63%
Net capital turnover ratio	191.62%	206.54%	-7.23%	199.57%	211.21%	-5.51%
Return on capital employed	1.21%	3.44%	-64.93%	1.23%	3.46%	-64.57%
Return on investment	1.30%	3.60%	-64.02%	1.32%	3.62%	-63.62%

The reason for deterioration in Net Profit Margins, Return on Net Worth, Interest Coverage Ratio, ROCE and ROI is all primarily because of COVID-led lower production leading to lower sales and lower absorption of fixed cost. It was also impacted due to Merchandise Export Incentive Scheme (MEIS) withdrawal which was reduced from the 1st of October 2020 and was withdrawn completely from the 1st of Jan 2021 which used to be around 5% to 7% of FOB sales. The other reason for the impact was because of exponential increase in shipping costs across the world leading to absorption of shipping cost by our company as most of our quotes were on DDP (Delivered Duty Paid) basis. Our production was impacted as the mango season from April to July coincided with the peak lockdown period in India. Our production was 78% of the year before and the production of our most premium Alphonso mangoes got impacted, whose lower contribution further led to lower profitability. Capex being incurred for the ongoing Greenfield and Brownfield expansions further brought down the RONW, ROCE and ROI ratios. This capex sits in our capital work in progress line item of our balance sheet and we are hopeful of commercial operations of all these investments latest by the end of calendar year 2022.

Human Resources

F&I initiated employee friendly policies in terms of providing medical facilities, financial help to affected employees and their families, reimbursement of vaccine costs, family care policies like- extending periods of sickness leaves, death compensation benefits to nominee of the deceased employee for a period of 1 year in terms of Gross Salary of the deceased, education to the children of the deceased up to S.S.C, ₹ 7 Lakhs of EDLI benefits etc.

The attrition rate of permanent employees at Foods & Inns has been very low historically due to the career growth opportunities that are provided to the employees in terms of responsibilities and on the job training.

We have initiated a plan for an ESOP program which can be subscribed to by any employee of Foods and Inns – no matter the grade if he/she fulfils certain conditions. These are plans put in to retain the employees and make them partners in our growth.

Risk Management

Economy Risk: Extended lockdown, resulting in weak economies and muted consumer spending.

Mitigation Measure: This risk was partially mitigated in the year 2020-21 by balancing out our sales in the export and domestic markets. Wider reach will lower this risk going forward.

Fluctuation in Raw Material: Fluctuation in input costs, resulting in higher cost of production.

Mitigation Measure: This is a cost which needs to be passed on to most of the B2B companies that we manufacture for whether there is an increase or decrease. This can be partially mitigated by economies of scale as we grow further and by growing our presence in the B2C market.

Fluctuation in Currency: With volatile economy conditions the currency fluctuations are drastic and can lead to forex losses.

Mitigation Measure: This can be partially mitigated through the forex trading and hedging desk that we run inhouse.

Regulatory Laws: Change in regulatory norms in the food space both in Indian and global markets.

Mitigation Measure: Diversity in markets can help us mitigate this risk.

Regulation: Any shortage of quality can lead to significant negative repercussions.

Mitigation Measure: .We have our SOPs and have been able to mitigate this problem through consistent quality over the last 40 plus years with our Fortune 500 clients.

Cautionary Statement

The Management Discussion and Analysis contains 'forward-looking statements', identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on within the meaning of applicable securities laws and regulations concerning Foods and Inns future business prospects and business profitability. All statements that address expectations or projections about the future, the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. All these prospects are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, ability to manage growth, competition (both domestic and international), economic growth in India and the target countries worldwide, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, ability to manage international operations, Government policies and actions with respect to investments, fiscal deficits, regulations, interest and other fiscal costs generally prevailing in the economy etc. Past performance may not be indicative of future performance. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future nor shall the Company update any forward-looking statements made from time to time by or on its behalf.



Tomorrow Starts Today



The greatest threat to our planet is the mindset that takes sustainability to be an abstract idea. Today, sustainability is about doing more good and is about being mindful of how we use and reuse our limited resources. Now is the time to lead as a good example and inclusively progress focusing on the people and planet.

At F&I, sustainability initiatives and sustainable agriculture are both deeply rooted in our organisational culture since 2011. It is an ongoing activity that goes beyond certifications. For us, sustainability is about having a holistic impact on farmer welfare and environment whilst positively impacting the society.

Sustainable agriculture entails environment protection, responsible farm management and human and workplace rights. Our sustainable agricultural interventions aim to transform India's fruit and agricultural value chain and the lives of lakhs of farmers who are part of our ecosystem. However, the execution of sustainable activities at scale remains challenging, with bottlenecks and high entry costs but our sustainability efforts are persistent.

At F&I, a better tomorrow entails 4 key pillars:

The Backbone of the Indian Economy-Smallholder and Marginal Farmers

We believe that more than 80% of Indian farmers are smallholders i.e. those who own or operate less than 2 hectares of land. From our on-the-ground experience, smallholder farmers have structural constraints and are getting sub-optimal amounts of resources, technology and support schemes keeping their livelihoods and sustenance at risk.

Indian farm yields for fruit and vegetables stand at 10.1 MT/ha compared to Asian and world yields at 14.4 MT/ha and 15.7 MT/ha, respectively. Although Indian agriculture needs to be streamlined, there is immense opportunity for a positive change.

At F&I, we are trying to build out our direct and smallholder farmer base to optimise value chains and source responsibly. This entails having traceability, pesticide control and consistency in quality when it comes to raw materials.

Over the last year, F&I completed various projects with regard to sustainable sourcing with our EU customers. We have worked with a clutch of smallholder farmers for procurement of specialised produce for one of the most significant FMCG players. This formalised our ethical and human rights outreach programme in partnership with one of the UK's largest food manufacturers, all aligned via the UN SDGs.

Additionally, through 2021 and 2022, we are executing KPI-led projects for sourcing Mango from smallholder farmers with the intention to promote sustainable farming (best farming practices), access certified produce, better manage the use of pesticides, monitor and reduce carbon emission at farm level and promote women farmers.



Farmer Profitability and Resilience

Foods and Inns is building a bottom-up farm approach. The intention is to increase both the output and also increase income for the farmer. Through this, we are encouraging higher farm yields, leading to higher farm realisation and profits by training farmers with best farming practices. Additionally, we support higher incomes by encouraging farmers to use honey bees, increasing cross-pollination and intercropping with other fruits and vegetables, yielding additional income through the year.

Farmer profitability should be at the forefront since they are among the few market participants who buy inputs at retail prices but sell at wholesale prices. Many crops such as Tomato and Onion sometimes have bumper offerings. But the only winner is the brand owners since farmers get the lowest price and in many cases, have to throw away their hard-earned produce.

In many ways, the Indian Farm Bill Act accelerates the modernisation of Indian agriculture and transforms rural India. More importantly, it is rebalancing economic power from the middlemen to the farmers, leading to better farmer profitability.

We run direct farmer-based programs and sourcing. We focus on building farm resilience by ensuring our direct smallholder farmers are padded to tackle volatility by leveraging crop insurance and bank funds. This, whilst being supported by minimum support prices to ensure farmers gain confidence in the market.

Farmer Sustainability

Sustainability as part of farming in India covers a massive gamut of activities. However, we are making extensive efforts to control harmful pesticides, which inadvertently leads to harmful chemicals in our food. This again leads to export restrictions due to strict pesticide controls in the western markets.

Extensive use of pesticides is contributing to the increasing level of cancer (circa 12% pa) cases in India coupled with degrading soil fertility, depleting water tables, increasing the risk of pests and pathogens from mono-cropping. We support farmers with integrated pest management techniques. Thereby, reducing the use of harmful pesticides and controlling carbon emissions.

To increase our sustainability initiatives at the farm level, we are also running soil nutrient and irrigation programmes via training, demonstrations and distributions of manuals to farmers.

We are bringing science and mathematics back to agriculture by focussing on value-additive farming and regenerative agriculture.

Circular Economy

Waste Management

Foods and Inns procures more than 2,00,000 MT of fruit, vegetables and spices, leading to a large amount of waste that is proactively and consciously diverted away from landfills and nearby villages. All efforts are made to circulate most of our waste in peels, stones and butter into briquettes (combustible biomass material) and organic compost, which we hand back to our direct smallholder farmers driving a circular economy and protecting biodiversity.

Upcycling: Creative Reuse of Waste

Being a front runner in food innovation, Foods and Inns is trying to leverage its waste towards more innovative and value-additive finished products such as pectins, butter, oils, leathers and paper. We are driving waste to wealth products for today's more conscious consumer. All these projects are under surveillance and are expected to be rolled over the next 2 to 3 years. These unique offerings could differentiate Foods and Inns and make us more purpose driven.



Carbon Emissions and Renewable Energy:

There is no doubt we have a climate crisis on our hands. We have all hands on deck to ensure we are not only minimising our climate impact but doing our utmost best to reduce our emissions over time.

Foods and Inns has played advocate and filed its first GHG (Greenhouse Gas) Inventory and carbon emission data via the Carbon Disclosure Project (CDP) in 2021. We have made firm commitments to reduce our emissions by 2030.

We are constantly evaluating our position regarding decarbonisation and are working towards Science Based Targets (SBTs). We are driving open dialogues with our customers regarding our environmental impact and evaluate how we fit into your climate action story for A Better Tomorrow.

Linking Communities via Data and Technology:

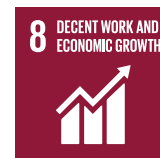
At Foods and Inns, we believe backward integration is the only sustainable way forward. We want to increase our links to the farmer to transform and scale our product offerings whilst improving farm yields and farmer income.

We are driving the theory of change regarding Indian farmers and are monitoring the outputs, outcomes and impacts from our efforts. AgriTech uptake is strong, and going forward, we expect 50% of farmers to rely on technology. This will help us better monitor and increase farm productivity whilst reduce costs and improve overall food security.

We are building data pools regarding farmers and crops to leverage big data and AI to make better decisions related to production, incentives, pricing and crop surveillance.

The combination of AgriTech and Data will help us link the farmer and the consumer, optimising the farm value chain.

Our sustainability is modelled on UNSDGs, and our Company is aligned with the following SDGs



Corporate Information

Board of Directors

Mr. Bhupendra Dalal

Chairman, Non-Executive, Non-Independent Director

Mr. Milan Dalal

Non-Executive, Non-Independent Director

Mr. Raymond Simkins

Non-Executive, Non-Independent Director

Mr. Vinod Kumar Beswal

Non-Executive, Independent Director

Mrs. Kamlini Maniar

Non-Executive, Independent Director

Mr. Hormazdiyaar Vakil

Non-Executive, Independent Director

Mr. Maneck Davar

Non-Executive, Independent Director

Mrs. Pallavi Dhupelia

Non-Executive, Non-Independent Director

Key Managerial Persons

Mr. Moloy Saha

Chief Executive Officer

Mr. Anand Krishnan

Chief Financial Officer w.e.f. October 26, 2020

Mrs. Randeep Kaur

Company Secretary & Compliance Officer, Nodal Officer

Statutory Auditors

M/s. G.M. Kapadia & Co

Chartered Accountants

Registrars & Transfer Agents

Link Intime India Pvt. Ltd

C 101, 247 Park, L.B.S Marg,

Vikhroli (W), Mumbai-400083

Bankers

Union Bank of India (formerly Andhra Bank)

Export Import Bank of India

State Bank of India

HDFC Bank Limited

Corporate Office

J. N. Heredia Marg, Hamilton House,

3rd Floor, Ballard Estate, Mumbai-400038

Tel: 022-22613102

Website: www.foodsandinns.com

Email: writetous@foodsandinns.com

CIN:L55200MH1967PLC013837

Registered Office

Udyog Bhavan, 2nd Floor, 29 Walchand Hirachand Marg,
Ballard Estate, Mumbai-400038

Plant Locations

Southern Region

Chittor

Gollmadugu Village, Pallur post, Vellor Rd, Chittor, Andhra Pradesh-517132

Western Region

Gonde, Nashik

S.No340, At Post Gonde Tal, Sinnar, Dist Nashik,
Maharashtra-422606

Sinnar, Nashik

Plot No. A-1, MIDC, Indl. Estate Malegaon, Tal, Sinnar, Dist
Nashik-422113

Valsad, Gujarat

N H No-8, Vavfalia, Village Abrama, Bulsar, Gujarat-396001

49th ANNUAL GENERAL MEETING

Date: September 29, 2021

Time: 3:30 p.m through video conferencing facility

E- VOTING PERIOD

Commences on: Sunday September 26, 2021 at 10:00 am

Closes on: Tuesday September 28, 2021 at 5:00 pm

Board of Director's Profile



Mr. Bhupendra Dalal, aged 79 years, is the Chairman, Non-Executive, Non-Independent Director. Mr. Dalal holds a B.Com degree from Sydenham College and L.L.B from University of Mumbai. He was first associated with the Company as a managing broker during the Initial Public Offering of the Company.

He was instrumental in the acquisition of Foods and Inns Ltd from Mr. Suresh Mahindra in 1979 at a time when it was in dire straits. The company was in the business of manufacture of Egg Powder. After one-time settlement with Citi Bank, the balance sheet became positive. In 1982, he worked towards acquisition of fruit canning plant at Valsad, built by Coca-Cola Corporation. This company changed its course to become a major force in fruit processing. Mr. Dalal has been the driving force to take the Company to become a food conglomerate and also in branded space. The acquisition of the 49-year-old spice brand 'Kusum Masala' on October 2019 is a step towards branded food products.



Mr. Raymond Simkins, aged 78 years, is the Non-Executive, Non-Independent Director of the Company. Mr. Simkins holds an M.E. degree from Buckingham Technical College. He is currently president of the Getz Group with interest throughout the Asia/Pacific region, where he had been associated with it since 1966. He has been associated with F&I since 1995.



Mr Milan Dalal, aged 59 years, is the Promoter, Non-Executive, Non-Independent Director of the Company. He graduated from the University of Mumbai with a B.Com degree. He is an active member of the Executive Committee of the Directors.

He actively participates in policy decisions and is instrumental in changing the system of active reporting in the Company to make it transparent and effective, which is helping the Company immensely, as he also participates in Banking and Finance portfolio of the Company.

Mr. Dalal is instrumental in head-gearing the capital restructuring exercise of the Company. His experience in entrepreneurship sprawls across sectors of agricultural commodities processing, printing, retail, broking and real estate. He has spearheaded various acquisitions across the portfolio of companies that he and his family own.



Mr. Vakil, aged 68 years, is a Non-Executive, Independent Director of the Company.

He has been into legal practice since 1977 with Mulla & Mulla & Craigie Blunt & Caroe. He was admitted as a solicitor to the Supreme Court of England in 1985. He became a partner in 1992 and specialises in commercial, tax and corporate law, arbitration, banking and real estate besides having a varied general practice advising clients both local and foreign.

He is enrolled on the Roll of Solicitors of the Bombay Incorporated Law Society in 1976.



Mr. V.K. Beswal, aged 67 years, is a Non-Executive, Independent Director of the Company. He holds a B.Com degree and is a Chartered Accountant and fellow member of the Institute of Chartered Accountant of India. He has wide range of exposure in the field of consultancy/advisory services. He is in this profession for the last 45 years.



Mrs. Kamlini Maniar, aged 82 years, is a Women Non-Executive, Independent Director of the Company. She holds a degree in B.Com and LLB. Mrs. Maniar has vast experience spanning over 30 years in the field of Banking with specialisation in Corporate Banking, Foreign Exchange & Lending. She had also headed an NBFC with focus on Investment Banking & Inter-Corporate Lending.



Mrs. Pallavi Dhupelia, aged 66 years, is the Promoter of Foods and Inns Limited and wife of Late Managing Director, Mr. Utsav Dhupelia. She is a Non-Executive Non-Independent Director of the Company. Mrs. Dhupelia has done her B.A. (Hons) in Psychology from Sophia College, Mumbai, and has a focused career in Liberal Arts.

She excels in CSR activities such as upskilling of children with disabilities and mental illness. She is the Chairman of her family office, which has a diversified portfolio of multi-currency equities, debt and housing projects. Additionally, she is an Executive running operations for a 300-acre tea business established in the early 1900s and part of her family lineage.

Mrs. Dhupelia has qualified as a teacher from the Sogetsu, School of Ikebana, Japan, and the Institute of Floral Design, Mexico.



Mr. Maneck Davar, aged 63 years, is a Non-Executive, Independent Director of the Company. Mr. Davar has done a B.A. Hons from Mumbai University. He has over 43 years of experience in print journalism and publishing with leading newspapers and magazines.

Mr. Davar is presently on the board of Spenta Multimedia Private Limited as Chairman and Managing Director, the largest custom magazine publisher. He is also the Chairman and Managing Director of Spenta Digital Media Private Limited and Independent Director, Kemp & Co. Ltd. He is the Chairman of the Services Export Promotion Council (SEPC) of the Ministry of Commerce, Government of India. He is a former Independent Director of Export Credit Guarantee Corporation (ECGC) Ministry of Commerce, Government of India. Mr. Davar is also associated with various public organisations as a trustee, including Make-A-Wish Foundation India and Society for Human and Environment Development (SHED).

NOTICE

Notice is hereby given that the 49th Annual General Meeting (AGM) of the Members of Foods and Inns Limited will be held on Wednesday, September 29, 2021 at 3:30 P.M through video conferencing facility to transact the following business:

ORDINARY BUSINESS:

Item No 1- Adoption of Financial Statements

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

RESOLVED THAT the Company to consider and approve the Audited Financial Statements of the Company on standalone and consolidated basis for the Financial Year ended March 31, 2021, together with the Reports of the Directors and Auditors thereon.

Item No 2- Declaration of Dividend

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

RESOLVED THAT the Company to declare final dividend of ₹ 0.20 per equity shares for the year ended March 31, 2021.

Item No 3- Re-appointment of Mr. Milan Dalal (DIN: 00062453) as a Director liable to retire by rotation

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

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Milan Dalal (DIN: 00062453), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

Item No 4- Approval for renewal of contract period and remuneration of Mr. Ameya Dhupelia as Country Head, United Kingdom pursuant to Section 188(1) (f) of Companies Act, 2013

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

RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules

made there under, consent of the members of the Company be and is hereby granted for renewal of contract for a period of one year commencing from October 17, 2021 and to remunerate during such contract period to Mr. Ameya Dhupelia, acting as Country Head, United Kingdom with effect from October 17, 2020 who holds the place of profit in the company and is a relative of Mrs. Pallavi Dhupelia (DIN: 00169818), Non-Executive Non- Independent director appointed by the members of the company, wide ordinary resolution passed at the annual general meeting of the company held on September 30, 2020, at Gross GBP 55,000 p.a. plus relocation/ settlement and accommodation expenses subject to maximum of Gross GBP 26,000 p.a. together with other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees of the Company occupying similar position in the said cadre as per the applicable rules of the Company.

Item No 5- Commission to Non-Executive Directors

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

RESOLVED THAT pursuant to the provisions of Sections 149(9), 197 and other applicable provisions, if any of the Companies Act, 2013 (the "Act") and the rules thereunder (including any statutory modifications or re- enactment thereof, for the time being in force), a profit related commission of a sum not exceeding in aggregate one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst any or all of the Directors of the Company other than Managing Director / Joint Managing Director/ Whole Time Director(s)/Manager of the Company, but including the Independent Directors of the Company in such amounts or proportions and in such manner and in all respects as may be approved by the Board of Directors, for a period of five financial years commencing from April 01, 2022.

RESOLVED FURTHER THAT no such commission will be paid where there are no profits for any financial year or where company suffers loss in any financial year during the said period of five years.

Item No 6- Approval of 'Foods and Inns Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan")'

To consider and pass the following resolution as a **Special Resolution**, with or without modification, as though fit:

RESOLVED THAT pursuant to the provisions of Section 62(1) (b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 6 of the Securities and Exchange Board of



Foods & Inns

NOTICE (CONTD.)

India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members' of the Company be and is hereby accorded to the introduction and implementation of 'Foods and Inns Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") and authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) to create, and grant from time to time, in one or more tranches, not exceeding 25,16,913 (Twenty Five Lakhs Sixteen Thousand Nine Hundred Thirteen) employee stock Options ("Option(s)") to or for the benefit of such person(s) who are in permanent employment of the Company within the meaning of the Plan, including any director, whether whole time or otherwise (other than promoter or person belonging to the promoter group of the Company, independent directors and director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as may be decided under the Plan, exercisable into not more than 25,16,913 (Twenty Five Lakhs Sixteen Thousand Nine Hundred Thirteen) equity shares of face value of Re.1/- (Rupee One) each fully paid-up, where one employee stock Option would convert in to one equity share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the Option grantees for the purpose of making a

fair and reasonable adjustment to the employee stock Options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under the Plan on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the Board be and is hereby authorised at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations, the Memorandum and Articles of Association of the Company and any other applicable laws in force.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to do all such acts, deeds, and things, as may, at its absolute discretion, deem necessary including authorising or directing to appoint merchant Bankers, brokers, solicitors,

NOTICE (CONTD.)

registrars, compliance officer, investors service centre and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

Place : Mumbai
Date : August 12, 2021

By order of the Board of Directors
For **FOODS AND INNS LIMITED**

Registered Office:

Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai 400038

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

NOTES:

- In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip and route map of AGM are not annexed to this Notice.
- Corporate members are requested to send to the Company a scanned copy (PDF/JPG Format), certified copy of the Board Resolution/ Authorisation authorising their representative to attend and vote on their behalf through remote evoting at randeep@foodsandinns.com. The said Resolution/Authorisation shall also be sent to the Scrutiniser by email through its registered email address randeep@foodsandinns.com with a copy marked to ragini.c@rediffmail.com.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.foodsandinns.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- Members seeking any information with regard to the accounts, inspection of documents or any matter to be placed at the AGM, are requested to write to the Company on or before one week from the date of AGM through email on writetous@foodsandinns.com. The same will be replied by the Company suitably.
- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out all material facts relating to item no. 4, 5 and 6 of this notice is annexed herewith and the same should be taken as part of this Notice.
- The meeting shall be deemed to be conducted at the Registered Office of the Company situated at Udyog Bhavan, 2nd Floor, 29 Walchand Hirachand Marg, Ballard Estate, Mumbai 400038.

NOTICE (CONTD.)

11. In view of the countrywide lockdown and restriction on movement across the country imposed by the Government due to the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020, allowed companies:
- to send the annual reports to shareholders only on email who have registered their email ID with the Company / Depositories,
 - to hold Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OVAM) and
12. The Annual Report and Notice of the AGM is being sent to members who have registered their email ID with the

Company / Depositories. The members who have not registered their email ID with the Company can access the Annual Report on the website of the Company www.foodsandinns.com. Members who would like to obtain pdf copy on their email ID may write an email to randeep@foodsandinns.com. Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.

13. In respect of Resolution at Item No 3, a statement giving additional information on the Director seeking re-appointment is provided below as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Mr. Milan Dalal
Date of Birth & Age	February 09, 1962, 59 years
Appointed on	April 29, 2006
Qualifications	B.Com
Expertise/ Experience	Finance and general Management
Shareholding	3.37%

The other Directorships / Committee Membership of Mr. Milan Dalal are as follows:

Sr. No.	Name of the Company	Committee Membership	Board Membership
1.	CFL Securities Limited	--	Director
2.	Arcadia Investments Company Limited	--	Director
3.	Cifco Limited	--	Vice Chairman
4.	Cifco Properties Private Limited	--	Chairman
5.	Foods and Inns Limited	Chairman- Stakeholders Relationship Committee, Member- Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Executive Committee and Risk Management Committee	Director
6.	Gateway International Private Limited	--	Director
7.	Grishma Constructions & Trading Private Limited	--	Director
8.	Muller and Phipps (India) Limited	Chairman- Stakeholders Relationship Committee and Risk Management Committee	Director
9.	Muller & Phipps (Industrial Services) Limited	--	Director
10.	Shriya Capital Services Private Limited	--	Director
11.	Satyajyoti Holdings Private Limited	--	Director
12.	Swarnadhara Holdings Private Limited	--	Director

NOTICE (CONTD.)

Sr. No.	Name of the Company	Committee Membership	Board Membership
13.	Amalgamated Electricity Company Limited	Member in Nomination and Remuneration	Director
14.	Tropical Securities & Investments Private Limited	--	Director
15.	Western Press Private Limited	--	Chairman
16.	MPIL Corporation Limited	Chairman- Risk Management Committee, Member in Nomination and Remuneration Committee, Stakeholders Relationship Committee	Chairman

14. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday September 23, 2021 to Wednesday September 29, 2021 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
15. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company in advance, a duly certified copy of the Board resolution/ Power of Attorney authorising their representative to attend and vote on their behalf the Annual General meeting.
16. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Company/ RTA for assistance in this regard.
17. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
18. SEBI Regulations has mandated companies to credit the dividends electronically to the Member's bank account. Members who hold shares in dematerialised form should inform their depository Participants (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their pan to the Company/ RTA.
20. Kindly note that as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, (hereinafter referred to as 'Listing Regulations') it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to update/ register your correct bank account details with the Company/ RTA/ Depository participant as the case may be
21. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Notices, Circulars, etc. from the Company electronically.
22. Members wishing to claim dividend, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agents. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.
23. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and

NOTICE (CONTD.)

Transfer Agent, Link In Time India Private Limited ('RTA') at ashok.sherugar@linkintime.co.in for assistance in this regard.

24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
25. Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again.
26. A person whose name is recorded in the Register of Members as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before as well as during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. Wednesday September 22, 2021, may obtain the User ID and password by sending a request at evoting@nsdl.co.in.
27. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
28. The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman after

the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The results declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges on which the Company's shares are listed, NSDL and RTA and will also be displayed on the Company's website at www.foodsandinns.com.

29. The remote e-voting period commences on Sunday September 26, 2021 from 10:00 a.m. IST and ends on Tuesday September 28, 2021 at 5:00 p.m. IST.
30. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- II. Members are encouraged to join the Meeting through Laptops for better experience.
- III. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- IV. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at writetous@foodsandinns.com from

NOTICE (CONTD.)

Wednesday, September 22, 2021 to Friday, September 24, 2021. The same will be replied by the company suitably. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NOTICE (CONTD.)

	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](https://web.cdslindia.com).

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

NOTICE (CONTD.)

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



NOTICE (CONTD.)

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to ragini.c@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal or Ms. Pallavi Mhatre or Mr. Pratik Bhatt at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to randeep@foodsandinns.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to randeep@foodsandinns.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

NOTICE (CONTD.)

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at randeep@foodsandinns.com. The same will be replied by the company suitably.



NOTICE (CONTD.)

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

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items no. 4, 5 and 6 of the accompanying notice.

Item No. 4

The members in the 48th AGM held on Wednesday, September 30, 2020 at 3:30 P.M through video conferencing facility, had approved the appointment of Mr. Ameya Dhupelia as Country Head, United Kingdom pursuant to section 188(1) (f) of Companies Act, 2013 as an annual contract with effective from October 17, 2020 and to pay the remuneration of Gross GBP 55,000 p.a. plus relocation/settlement and accommodation expenses subject to maximum of USD 26,000 p.a. together with other benefits, perquisites, allowances, amenities and facilities, as applicable/payable to the other employees of the Company during such contract period.

Based on recommendation of the Nomination and Remuneration Committee at their meeting held on August 11, 2021 and after considering his performance, the Board of Directors at their meeting held on August 12, 2021 have consented the renewal of contract period for further one year with effect from October 17, 2021 on the remuneration of Gross GBP 55,000 p.a. plus relocation/settlement and accommodation expenses subject to maximum of Gross GBP 26,000 p.a. together with other benefits, perquisites, allowances, amenities and facilities, as applicable / payable to the other employees of the Company occupying similar position in the said cadre as per the applicable rules of the Company.

In terms of Section 188(1) (f) of the Companies Act, 2013, the appointment of a director or a relative of director to an office or place of profit in a company requires approval of the shareholders of the company. Since Mr. Ameya Dhupelia is a son of Mrs. Pallavi Dhupelia (DIN: 00169818), Non-Executive Non- Independent Director of the Company, provisions of Section 188(1) (f) of the Companies Act, 2013 would be applicable for renewal of the contract period and the remuneration payable during such contract period of Mr. Ameya Dhupelia to a place of profit being the office of Country Head, United Kingdom.

In the light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No.4 of the accompanying Notice.

Mrs. Pallavi Dhupelia (DIN: 00169818), Non-Executive Non- Independent Director of the Company and her relatives may be deemed to be concerned or interested in the said resolution. Except the above, none of the Directors and Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5

The Members at the 44th Annual General meeting of the Company held on September 08, 2016 passed a special resolution under Sections 149(9), 197 and other applicable provisions, if any of the Companies Act, 2013 (the "Act") and the rules thereunder (including any statutory modifications or re- enactment thereof, for the time being in force), to pay and distribute ,amongst any or all of the Directors of the Company other than Managing Director / Joint Managing Director/ Whole Time Director(s)/Manager of the Company, but including the Independent Directors of the Company, a profit related commission in aggregate not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, for a period of five years commencing from April 01, 2016 to March 31, 2021.

It is now proposed to renew it for further five financial years commencing from April 01, 2022 for making the payment of the overall commission to all the Non- Executive, Independent Directors including the Independent Directors of the Company not exceeding in aggregate one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act.

Within the overall limits, commission in respect of each financial year, will be distributed amongst the Directors in accordance with the recommendation of Nomination and Remuneration committee and directions given by the Board of Directors. The commission will be in addition to fees payable to the Directors for attending the meetings of the Board or committees thereof and reimbursement of expenses for participation in the board and other meetings.

NOTICE (CONTD.)

The Board of directors recommends the Special resolution set out in item no. 5 of the Notice, for approval of Members,

The non- Executive Directors and the Independent Directors may be deemed to be concerned or interested in passing of the resolution at Item No. 5.

No Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution set out in Item No. 5 of the Notice.

ITEM NO. 6

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organisational objectives by participating in the ownership of the Company through stock-based compensation scheme. Your Company believes that equity-based compensation plans are an effective tool to reward the talents working with your Company. With a view to motivate the key work force seeking their contribution to the corporate growth, create an employee ownership culture, attract new talents, and retain them for ensuring sustained growth, your Company intends to implement an employee stock Option plan namely '**Foods and Inns Employee Stock Option Plan 2021**' ("**ESOP 2021**" / "**Plan**") seeking to cover eligible employees of the Company.

Accordingly, the Nomination and Remuneration Committee of the Directors ("Committee") and the Board of Directors of the Company at their respective meetings held on August 11, 2021 and August 12, 2021 had approved the introduction of the Plan, subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 and Rules made thereunder read with Regulation 6 of the SEBI SBEB Regulations and SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, the Company seeks your approval as regards implementation of the Plan and grant of Options thereunder to the eligible employees of the Company, as decided from time to time as per provisions of the Plan read with provisions of SEBI SBEB Regulations.

The main features of the Plan are as under:

a) Brief Description of the Plan:

Keeping in view the aforesaid objectives, the Plan contemplates grant of Options to the Employees of the Company. After vesting of Options, the Employees earn a right, but not obligation, to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

b) Total number of Options to be granted:

The total number of Options to be granted under the Plan shall not exceed 25,16,913 (Twenty-Five Lakhs Sixteen Thousand Nine Hundred Thirteen). Each Option when exercised would be converted in to one equity share of Re.1/- (Rupee One) each fully paid-up.

Further, SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under the Plan remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of 25,16,913 (Twenty-Five Lakhs Sixteen Thousand Nine Hundred Thirteen), shall be deemed to be increased to the extent of such additional Options issued.

c) Identification of classes of employees entitled to participate in the Plan:

All permanent employees and Directors (hereinafter referred to as "Employees") of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

NOTICE (CONTD.)

- a) a permanent employee of the Company who has been working in India or outside India;
- b) a director of the Company, whether a whole-time director or not but excluding an independent director; or

but does not include—

- (i) an employee who is a Promoter or belongs to the Promoter Group; and
- (ii) a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

d) Requirements of Vesting and period of Vesting:

All the Options granted on any date shall vest on expiry of the minimum period of 1 (One) year from the date of grant of Options and not later than maximum period of 4 (four) years from the date of Grant.

The vesting dates in respect of the Options granted under the Plan shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of Options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

e) Maximum period within which the Options shall be vested:

All the Options granted on any date shall vest not later than the maximum period of **4 (four) years** from the date of grant.

f) Exercise price or pricing formula:

The Exercise Price per Option shall neither be less than the face value of shares of the Company nor higher than its prevailing Market Price as on the date of Grant. The Exercise Price shall be decided by the Committee as on date of Grant.

g) Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion **4 (Four)** years from the date of respective vesting, or such other shorter period as may be decided by the Committee.

The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under the Plan:

The appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee.

i) Maximum number of Options to be issued per employee and in aggregate:

The maximum number of Options under the Plan that may be granted to each Employee in any year shall in aggregate not more than 4,50,000 (Four Lakhs Fifty Thousand Only) Options at the time of Grant of Option.

j) Maximum quantum of benefits to be provided per employee under the Plan:

Apart from grant of Options as stated above, no monetary benefits are contemplated under the Plan.

k) Route of the Plan implementation:

The Plan shall be implemented and administered directly by the Company.

NOTICE (CONTD.)

l) Source of acquisition of shares under the Plan:

The Plan contemplates issue of fresh/ primary shares by the Company.

m) Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilisation, repayment terms, etc.:

This is currently not contemplated under the present Plan.

n) Maximum percentage of secondary acquisition:

This is not relevant under the present Plan.

o) Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB Regulations. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

p) Method of Option valuation:

The Company shall adopt 'fair value method' for valuation of Options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

q) Declaration:

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the Plan is available for inspection at the Company's website till the date of the 49th Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No.6 of the accompanying notice.

By order of the Board of Directors
For **FOODS AND INNS LIMITED**

Place : Mumbai
Date : August 12, 2021

Registered Office:

Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai 400038

BHUPENDRA DALAL
Chairman
(DIN : 00061492)

DIRECTORS' REPORT

Dear Members,

The Directors present their report on the financial performance, business and operations of the Company for the year ended March 31, 2021

1. FINANCIAL RESULTS

The highlights of the financial performance for the year gone by and its comparison with previous year are given below:

Particulars	Standalone		Consolidated	
	FY 2020-21 (₹)	FY 2019-20 (₹)	FY 2020-21 (₹)	FY 2019-20 (₹)
Total Income	36,858.08	38,892.28	38,143.07	39,614.25
Total Income excluding Excise Duty	36,858.08	38,892.28	38,143.07	39,614.25
Profit Before Depreciation, Finance and Tax (PBDIT) inclusive of other Income	3,164.07	3,467.19	3,242.48	3,523.99
Finance Cost	1,443.42	1,135.28	1,444.63	1,135.28
Depreciation	1,243.82	1,240.39	1,249.35	1,242.69
Profit before share of profit/(loss) from Associate/ Joint venture and exceptional items	476.83	1,091.52	548.50	1,146.02
Share of profit/(loss) from Associate/ Joint venture	Nil	Nil	0.01	Nil
Profit before exceptional items and tax	476.83	1,091.52	548.49	1,146.02
Exceptional items net(Loss)/ gain	Nil	Nil	Nil	Nil
Tax Expenses	87.96	(11.95)	155.47	37.05
Net Profit for the year	388.87	1,103.47	393.02	1,108.97
Appropriations				
Transfer to General Reserves	Nil	Nil	Nil	Nil
Balance carried to Balance sheet	388.87	1,103.47	393.02	1,108.97

2. RESULTS OF OPERATIONS

As per the Standalone Financials for year ended on March 31, 2021 the turnover of the Company is ₹ 356.57 Crores as compared to ₹ 384.29 Crores for the year ended on March 31, 2020. The Company made a profit before tax of ₹ 4.77 Crores during the year ended March 31, 2021 against the profit before tax of ₹ 10.92 Crores during the year ended on March 31, 2020.

As per the Consolidated Financials for year ended on March 31, 2021 the turnover of the Company is ₹ 370.79 Crores as compared to ₹ 392.25 Crores for the year ended on March 31, 2020. The Company made a profit before tax of ₹ 5.48 Crores during the year ended March 31, 2021 against the profit before tax of ₹ 11.46 Crores during the year ended on March 31, 2020.

The Company's exports during the year was ₹ 189.09 Crores (₹ 203.07 Crores) and domestic sale was ₹ 160.85 Crores (₹ 167.78 Crores). This translates into a ratio of 54.03 % to 45.97 % (54.76 % to 45.24%) between exports and domestic sales.

3. DIVIDEND

Your Board of Directors, in its meeting held on June 4, 2021 has recommended a Final Dividend of ₹ 0.20 (i.e. 20 %) per equity share (last year ₹ 0.20 per equity share) for the financial year ended March 31, 2021 amounting to ₹ 100.68 lakhs as against ₹100.68 lakhs. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

4. TRANSFER TO RESERVES

The Company proposes to transfer NIL to the general reserves out of the amount available for appropriation and an amount of NIL are proposed to be retained in the profit and loss account.

5. FIXED DEPOSITS

The Company had discontinued its Fixed Deposit scheme in FY 2014-15. The Company has transferred the unclaimed fixed deposit to Investor Education and Protection Fund (IEPF).

DIRECTORS' REPORT (CONTD.)

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred after March 31, 2021 till date of this report.

7. CORPORATE SOCIAL RESPONSIBILITY

The Company has always considered Corporate Social Responsibility (CSR) as a voluntary activity and a part of its long term vision of creating value for all its stakeholders. Our Company believes that giving back to society is not a mandate but something which is integral to its beliefs. Accordingly, CSR is an integral part of the Company's business and is even promoted at the Board level.

The Company has contributed directly in urban and rural areas in sectors such as education, water & sanitation, promoting health care, promoting holistic education and value development for children in government and low income aided schools.

Further details on the prescribed CSR spend under section 135 of the Companies Act, 2013 and the amount committed and distributed during the year under review are provided in the Annual Report on CSR activities annexed as **Annexure-1** to this report.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, is annexed as **Annexure-2** to this report.

9. SUBSIDIARY COMPANIES

FNI Asia PTE Limited Singapore based wholly owned subsidiary Company has struck off from the Register of Companies w.e.f. March 4, 2021.

The Company had acquired M/s Kusum Spices w.e.f. October 2, 2019 having 99.99 % of the rights of the partnership firm.

Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed Form AOC-1 is annexed as **Annexure-3**.

10. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements)

Regulations, 2015 (the listing Regulations), consolidated financial statements of the Company and its subsidiary has been prepared for the year under report. The Audited Consolidated financial statements along with the auditors' report thereon forms part of this Annual report.

11. CORPORATE GOVERNANCE

Corporate Governance is about maximising shareholders value legally, ethically and sustainably. We believe sound corporate governance is critical to enhance and retain investor trust. Our Board exercises its fiduciary responsibilities in the widest sense of term.

Our Corporate governance report forms part of this Annual report.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (7) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Act, Mr. Milan Dalal retires by rotation and is eligible for re-appointment.

Further, the details of Directors include remuneration, independence, performance, Committees and Directors meeting, are given in the Corporate Governance Report, which is integral part of this Annual and Board's Report.

13. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that;

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year ended March 31, 2021 and of the profit of the Company for that year.
- we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

DIRECTORS' REPORT (CONTD.)

- we have prepared the Annual Accounts on a going concern basis.
- we have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- we have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. INSURANCE

The assets of the Company are adequately insured against the loss of fire and other risks which are considered necessary by the management.

15. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Board and Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meeting like preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in meetings.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of directors.

16. NUMBER OF MEETINGS OF THE BOARD

The Board has met Five times during the financial year, the details of which are given in the Corporate Governance report.

17. INDEPENDENT DIRECTORS MEETING

The Independent Directors met once during the year under review, without the attendance of the Non – Independent Directors and members of the Management. The

Independent Directors reviewed the performance of the Non Independent directors and the Board as a whole and the performance of the Chairman of the Company, taking into account the views of the Directors and assessed the quality, quantity and timeline of the flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

18. COMMITTEES OF THE BOARD

Currently, the Board has five committees, the audit committee, the nomination and remuneration committee, the stakeholder's relationship committee, the corporate social responsibility committee and the risk management committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance report section of this Annual Report.

19. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on director's appointment and remuneration and other matters provided in Section 178 (3) of the Act has been disclosed on the website of the Company.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

21. RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the Company during the year. Related Party Transactions Policy is posted on the website of the Company and is available at <https://www.foodsandinns.com/pdf/policies/related-party-transaction-policy.pdf>. The details of all the transactions with the related parties are disclosed in the Notes forming part of financial statements annexed to the financial statements for FY 2020-21.

All the Related Party Transactions entered into by the Company are in ordinary course of business and on an arm's length basis for which requisite approvals from the Audit Committee and the Board of Directors were obtained.

DIRECTORS' REPORT (CONTD.)

22. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are given below:

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No	Name of the director	Total (₹ in lakhs)	Ratio (times)
A)	MEDIAN EMPLOYEE REMUNERATION	2.88	
B)	NON-EXECUTIVE DIRECTORS REMUNERATION		
1.	Mr. Bhupendra Dalal	6.35	2.20
2.	Mr. Milan Dalal	6.35	2.20
3.	Mr. VinodKumar Beswal	4.25	1.48
4.	Mr. Raymond Simkins	2.75	0.95
5.	Mrs. Kamlini Maniar	3.80	1.32
6.	Mr. Hormazdiyaar Vakil	5.45	1.89
7.	Mr. Maneck Davar	2.15	0.75
8.	Mrs. Pallavi Dhupelia	2.25	0.78

- ii. The percentage increase/ (decrease) in remuneration of each director, Chief Executive Officer, Company Secretary, if any, in the financial year:

Chief Executive Officer: (8.51)%, Company Secretary: (8.15)%, *Chief Financial Officer: (48.36)%

* Change in remuneration of CFO is for Mr. Ameya Dhupelia upto October 16, 2020. Mr. Anand Krishnan was appointed as CFO w.e.f October 26, 2020 therefore, there is no change in his remuneration as on March 31, 2021.

- iii. The percentage decrease in the median remuneration of employees in the financial year: 13.70%.
- iv. There were 374 permanent employees on the payroll of the Company as on March 31, 2021.
- v. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- The Average increase in the remuneration of all employees was 1.43% in FY 2020-21.

The average increase in the remuneration of both, the managerial and non-managerial personnel was determined based on the overall performance of the Company. Further the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

- vi. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year, no significant or material orders were passed by any regulators against the Company other than that disclosed separately in the notes of the financial statements.

24. EXTRACT OF ANNUAL RETURN- FORM NO MGT-9

The details forming part of the extract of then Annual Return in Form No MGT-9 is annexed as **Annexure-4** to this report.

25. AUDITORS

25.1 Statutory Auditors

The Company's Auditors Messrs G M Kapadia & Co, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the Forty Fifth Annual General Meeting of the Company held on September 13, 2017 till the conclusion of the Fifty Annual General Meeting to be held in the year 2022. They have confirmed their eligibility under section 141 of the Act, and the rules framed thereunder for reappointment as Auditors of the Company as required under SEBI regulations, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors.

DIRECTORS' REPORT (CONTD.)

25.2. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ragini Chokshi & Co, Practising Company Secretaries, to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report along with the secretarial compliance report is annexed as **Annexure-5** to this report and does not contain any qualifications. However, there are two observations given by our auditor to which the management would like to give the explanation as below:

1. As per Sub Regulation 6 of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, read with sub-para 4 of Para A of Schedule III, the disclosure for the Board Meeting where Financial Results were considered, was not informed to the Stock Exchange/Exchanges within 30 minutes of closure of Board Meeting held on June 11, 2020 and August 20, 2020*.
2. During the FY 2020-21, all forms were filed in time with MCA except two which were filed with necessary additional fees.**

* The delay in reporting to stock exchange for the June 11, 2020 was due to the lock down and Covid-19 pandemic situation and that the virtual meeting was held for the first time, there were technical issues for printing, signing, scanning and uploading and the delay for the August 20, 2020 was due to internet issues on the size of file which took a short while to rectify.

**The two forms were delayed due to technical issue.

25.3 INTERNAL AUDITORS

The Company has appointed firms of chartered accountants as its internal auditors at the locations of the factories situated at Chittoor, Bulsar, Nashik, Gonde and corporate office to evaluate the efficacy and adequacy of internal control systems, compliances with operating systems, accounting procedures and policies. The Internal Auditors submitted their reports from time to time.

26. DISCLOSURE ON SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

The Company has set up an Internal Complaints Committee for providing a redressal mechanism

pertaining to sexual harassment of woman employees at workplace. There was no case of sexual harassment reported during the year under review.

27. UNCLAIMED DIVIDEND

The Company / RTA has been periodically intimating the concerned shareholders, requesting them to encash their dividend before it becomes due for transfer to the IEPF.

Unclaimed dividend amounting to ₹ 39,026 for FY 2012-13 was transferred to the IEPF on October 18, 2020.

28. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of section 125 of the companies Act, 2013, read with IEPF authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the rules'), all unpaid and unclaimed dividends are required to be transferred by the Company to IEPF established by the Government of India after the completion of seven years. Further, according to the said Rules, the shares on which dividend remain unpaid or unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. Accordingly, the Company has transferred the corresponding shares to the demat account of the IEPF Authority as per the requirements of the IEPF rules for the dividend remained unpaid or unclaimed upto the financial year 2012-13.

29. GREEN INITIATIVES

In the line with the 'Green initiative', the Company has affected electronic delivery of the Annual Report 2020-21 are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). Your Company would encourage other Members also to register themselves for receiving Annual Report in electronic form.

30. ACKNOWLEDGEMENT

We thank our customers, vendors, investors, bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, cooperation and support.

On behalf of the Board

BHUPENDRA DALAL

Chairman
(DIN: 00061492)

Mumbai, August 12, 2021

DIRECTORS' REPORT (CONTD.)

Annexure to Directors' Report- 1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A. brief outline of the Company CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects	CSR policy is committed to operate and grow its business in a socially responsible way. The Company vision is aimed at demonstrating care for the community through its focus on health & wellness and environmental sustainability. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.
2. Composition of the CSR Committee	Mrs. Kamlini Maniar (Chairperson) Mr. Milan Dalal Mr. Moloy Saha During the year under review, the committee met, on August 12, 2020.
3. Average net profit of the Company for the last three financial years	₹ 740 lakhs
4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above)	₹ 14.80 lakhs
5. Details of CSR spent during the financial year.	
a. Total amount to be spent for the financial year	₹ 14.80 lakhs
b. Amount unspent, if any	Nil
c. Manner in which the amount spent during the financial year	Given in CSR spent table

Details of Amount Spent on CSR Activities during the Financial Year 2020-21

CSR Project / activity/ identified	Sector	Location of the project/ program	Amount Outlay	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent, direct / implementing agency
Payment towards eradicating hunger during COVID-19 Pandemic by distributing food items to hunger deprived migrants labourers and other general public	eradicating hunger	Chittoor	3,48,192	3,48,192	3,48,192	Foods and Inns Limited
Payment towards eradicating hunger for the people affected by the cyclone at Dapoli	eradicating hunger	Maharashtra	64,620	64,620	64,620	Foods and Inns Limited
Payment towards promoting education to Shree Odhavram Arogya Nidhi Trust	promoting health care and education	Nasik	11,00,000	11,00,000	11,00,000	Foods and Inns Limited
Payment towards COVID-19 pandemic by contributing PPE KIT and providing Ceiling fans for COVID-19 patients	promoting health care	Chittoor and Maharashtra	1,65,750	1,65,750	1,65,750	Foods and Inns Limited
TOTAL			16,78,562	16,78,562	16,78,562	

- 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. N.A.**
- 7. The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.'**

Our CSR activities are guided by the vision and objectives as provided in our CSR Policy

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

KAMLINI MANIAR

Chairperson, CSR Committee

(DIN: 06926167)

Mumbai, August 12, 2021

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(i) Steps taken for conservation of energy

Energy conservation dictates how efficiently a company can conduct its operations. Due to our sustainability initiatives the Company has and will continue to undertake various energy efficient practices that have reduced the growth in carbon di-oxide (CO₂) emissions and strengthened the Company's commitment towards becoming an environment friendly organisation.

MAJOR ENERGY CONSERVATION INITIATIVES TAKEN DURING THE F.Y 2020-21

- Optimal utilization of plant and equipments
- Conversion of lighting systems from conventional to LED lights
- Implementation of energy efficient plant via installation of solar panels
- Reprocesses fruit waste to create a compost use in making a green and sustainable paper back (i.e. instead of using trees)

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

The company has planned on converting all its boilers to biomass fuel and also to generate methane gas from the effluent treatment plant. Trials are being conducted for conversion of skin and seed waste to fuel for online feeding to the boilers.

We continue to invest in solar power and expect to have it installed across all our units within the next 3 years.

B. TECHNOLOGY ABSORPTION AND RESEARCH AND DEVELOPMENT (R&D)

(i) The Company aims to focus on new product development, safety, hygiene, quality and most of all customer needs. The Company already has world class certified plants allowing us uninterrupted supply to the worlds FMCH majors.

(ii) Major R&D and technology absorption takes place in the following areas:

- Innovate and environmentally friendly packaging material
- Conversion of fruit and vegetable waste into edible oils, butters and pectin's
- New product development focused on health and immunity
- Proprietary technology in optimizing fruit and vegetable processing
- Leveraging and building proprietary agricultural technology (AgTech)

Benefits derived include but are not limited to, cost reduction, better product quality, customer relationship management, traceability and new products

(iii) The Company is using state of the art technology in its Greenfield expansion at Vankal, Gujarat which is likely to commence operation in the current financial year, including the Tetra Recart Technology which will be the 10th of its kind globally.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

The Company has a well-diversified business across the both export and domestic market. The Company has a stronghold sales channel and market share in Europe (including the UK), Japan, Middle East and China. The company is aggressively focusing on maximizing its revenue from Africa, Australia, USA and other different markets

(a) TOTAL FOREIGN EXCHANGE USED AND EARNED:

Total foreign exchange earnings and outgo for the financial period is as follows:

- | | | |
|------------------------------------|---|---------------------------------------|
| a. Total Foreign Exchange earnings | : | FOB value of exports ₹ 1,79,70,10,855 |
| | | (Previous year ₹ 1,96,20,54,041) |
| b. Total Foreign Exchange outgo | : | ₹ 23,03,97,959 |
| | | (Previous year ₹ 21,32,56,629) |

DIRECTORS' REPORT (CONTD.)

Annexure to Directors' Report- 3

FORM AOC-1

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

Statements containing salient features of the financial statements of subsidiaries/ associate Company/ joint ventures

PART "A": SUBSIDIARIES

(₹ in Lakhs)	
1. Name of the Subsidiary	FNI Asia PTE Limited
2. Reporting period for the subsidiary concerned , if different from the holding Company reporting period	August 31, 2020*
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	S \$ 1S\$ = ₹ 53.97
4. Share Capital	-
5. Other Equity	-
6. Total Assets	-
7. Total Liabilities	-
8. Investments	-
9. Turnover	-
10. Profit/ (Loss) before taxation	33.50
11. Provision for taxation	-
12. Profit/ (Loss) after taxation	33.50
13. Other Comprehensive Income	-
14. Total Comprehensive Income	33.50
15. Proposed Dividend	-
16. % of shareholding	100

* FNI Asia PTE Limited Singapore based wholly owned subsidiary Company has struck off from the Register of Companies w.e.f March 4, 2021, August 31, 2020 was the last date the accounts were prepared.

Name of subsidiaries which have been sold during the year: NIL

PART "B": Associates and Joint Ventures:

Name of Associates/Joint Ventures	Kusum Spices
1. Latest audited Balance Sheet Date	March 31, 2021
2. Shares of Associate/Joint Ventures held by the Company on the year end	March 31, 2021
Number*	N.A
Amount of Investment in Associates/Joint Venture	₹ 13,99,86,000/-
Extend of Holding %	99.99 %

DIRECTORS' REPORT (CONTD.)

Name of Associates/Joint Ventures	Kusum Spices
3. Description of how there is significant influence	Share of profits/ losses in the partnership firm is 99.99%
4. Reason why the associate/joint venture is not consolidated	N.A
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	N.A
6. Profit / (Loss) for the year	₹ 1,41,84,421
i. Considered in Consolidation	₹ 1,41,84,421
ii. Not Considered in Consolidation	NIL

****since it is a partnership firm there is no shareholding**

For and on behalf of the Board of Directors

Place: Mumbai
Date : August 12, 2021

BHUPENDRA DALAL
Chairman
(DIN : 00061492)

MILAN DALAL
Director
(DIN: 00062453)

Annexure to Directors' Report- 4

FORM NO MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2021

[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

CIN	L55200MH1967PLC013837
Registration Date	October 11, 1967
Name of the Company	FOODS AND INNS LIMITED
Category/ Sub- Category of the Company	Company Having Share Capital
Address of the Registered Office and contact details	Udyog Bhavan, 2 nd Floor, 29 Walchand Hirachand Marg, Ballard Estate, Mumbai 400038 Tel 022-22613102
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link In-Time India Private Limited C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai 400 083 Tel: +91 22 4918600

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

Name and Description of main Products / services	NIC Code of the Product/ Service	% to total turnover of the Company
Fruit Pulp and Concentrate (Mango)	99611215	100

DIRECTORS' REPORT (CONTD.)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/ Registration No	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
FNI Asia PTE Limited 17 Phillips Street, #05-01, Grand Building, Singapore 048695	201327110M	Subsidiary (upto March 4, 2021)	100	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

I) CATEGORY –WISE SHAREHOLDING

Category of Shareholders	No of Shares held at the beginning of the year April 01, 2020				No of Shares held at the end of the year March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual / HUF	18215710	--	18215710	36.19	18117210	--	18117210	35.99	0.20
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corporate	4634910	--	4634910	9.21	4635910	--	4635910	9.21	--
e) Banks /FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub-Total (A) (1)	22850620	--	22850620	45.40	22752120	--	22753120	45.20	0.20
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI- Individuals	--	--	--	--	--	--	--	--	--
b) Other- Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/ FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub-Total (A) (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoters (A)=(A) (1)+(A)(2)	22850620	--	22850620	45.40	22753120	--	22753120	45.20	0.20
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	--	--	--	--	--	--	--	--	--
b) Banks/ FI	10.00	--	10.00	0.00	9.00	--	9.00	0.00	0.00
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt.(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Company	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Other (specify)	--	--	--	--	--	--	--	--	--
Sub-Total (B) (1)	10.00	--	10.00	0.00	9.00	--	9.00	0.00	0.00

DIRECTORS' REPORT (CONTD.)

(2) Non- Institutions									
a) Bodies Corporate									
i) Indian	3232380	24000	3256380	6.47	3446256	18000	3464256	6.88	(0.41)
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 Lakh	8264601	1185110	9449711	18.77	8037465	1110009	9147474	18.17	0.60
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	5338973	--	5338973	10.60	5283523	--	5283523	10.50	0.10
(c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	--	--	--	--	--	--	--	--	--
ii) Other Foreign Nationals	6426660	--	6426660	12.77	6426660	--	6426660	12.77	--
iii) Foreign Bodies	--	--	--	--	--	--	--	--	--
iv) NRI/ OCBs	1643339	7500	1650839	3.28	1576942	7500	1584442	3.15	0.13
v) Clearing Members/ Clearing House	33985	--	33985	0.07	72262	--	72262	0.14	(0.07)
vi) Trusts	33000	--	33000	0.07	33000	--	33000	0.07	--
vii) Limited Liability Partnership	--	--	--	--	--	--	--	--	--
viii) Foreign Portfolio Investor (Corporate)	--	--	--	--	--	--	--	--	--
ix) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
x) Directors/ Relatives	9000	--	9000	0.02	9000	--	9000	0.02	--
xi) HUF	421452	--	421452	0.84	699758	1500	701258	1.39	(0.55)
xii) IEPF	639930	--	639930	1.27	635556	--	635556	1.26	0.01
(d) NBFC registered with RBI	136200	--	136200	0.27	136200	--	136200	0.27	--
Trust Employees	91500	--	91500	0.18	91500	--	91500	0.18	--
Sub- Total (B) (2)	26271020	1216610	27487630	54.60	26448122	1137009	27585131	54.80	(0.20)
Total Public Shareholding (B)= (B)(1) + (B)(2)	26271030	1216610	27487640	54.60	26448131	1137009	27585140	54.80	(0.20)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	49121650	1216610	50338260	100	49201251	1137009	50338260	100	--

DIRECTORS' REPORT (CONTD.)

II) SHAREHOLDING OF PROMOTERS

Shareholders Name	Shareholding at the beginning of the year April 01, 2020			Shareholding at the end of the year March 31, 2021			% change in shareholding during the year
	No of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
Pallavi Dhupelia	10000450	19.87	--	10000450	19.87	--	--
Western Press Private Limited	3450000	6.85	1.79	3451000	6.86	1.79	0.01
Rekha Dalal	2250000	4.47	--	2250500	4.47	--	--
Veena Dalal	1052250	2.09	--	1052250	2.09	--	--
Satyen Dalal	1802790	3.58	3.58	1802790	3.58	3.58	--
Cifco Limited	650550	1.29	--	650550	1.29	--	--
Asim Dalal	790500	1.57	0.36	690500	1.38	0.36	0.19
Aditi Dalal	478500	0.95	--	478500	0.95	--	--
Milan Dalal	1697250	3.37	--	1697250	3.37	--	--
Satyajyoti Holdings Private Limited	288000	0.57	0.40	288000	0.57	0.40	--
Devdutt Dalal	126000	0.25	--	126000	0.25	--	--
Avanti Dalal	9000	0.02	--	10000	0.02	--	--
Gaurika Dalal	4500	0.01	--	4500	0.01	--	--
Ameya Dhupelia	4470	0.01	--	4470	0.01	--	--
MPIL Corporation Limited	246360	0.48	--	246360	0.48	--	--
Total	22850620	45.39	6.13	22753120	45.20	6.13	0.20

III) CHANGE IN PROMOTERS SHAREHOLDING

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
Western Press Private Limited				
At the beginning of the year	3450000	6.85	3450000	6.85
Acquired shares on 26.06.2020	1000	0.01	1000	0.01
At the end of the year	3451000	6.86	3451000	6.86
Mrs. Rekha Dalal				
At the beginning of the year	2250000	4.47	2250000	4.47
Acquired shares on 26.06.2020	500	--	500	--
At the end of the year	2250500	4.47	2250500	4.47
Mr. Asim Dalal				
At the beginning of the year	790500	1.57	790500	1.57
Sold shares on 26.06.2020	100000	0.19	100000	0.19
At the end of the year	690500	1.38	690500	1.38
Ms. Avanti Dalal				
At the beginning of the year	9000	0.02	9000	0.02
Acquired shares on 26.06.2020	1000	--	1000	--
At the end of the year	10000	0.02	10000	0.02

DIRECTORS' REPORT (CONTD.)

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year April 01, 2020		Shareholding at the end of the year March 31, 2021	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Radhakishan S Damani	2376000	4.72	2376000	4.72
Gopikishan S Damani				
Pilot Consultant Private Limited	1812540	3.60	2097289	4.16
Salim Mohamedhussein Punjani	1404930	2.79	1404930	2.79
Karan G Mehta	826530	1.64	826530	1.64
Vijaya Devi Nahar	649680	1.29	649680	1.29
Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	639930	1.27	635556	1.26
Anjana Projects Private Limited	--	--	480600	0.95
Sheetal Praatul Dalal Pratul N. Dalal	466770	0.92	467275	0.93
Emjay Overseas Private Limited	330000	0.66	330000	0.66
Shrihari Sirdeshpande	328000	0.65	328000	0.65

V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of Shares	% of total share of the Company	No of Shares	% of total shares of the Company
Mr. Milan Dalal, Director				
At the beginning of the year	16,97,250	3.37	16,97,250	3.37
At the end of the year	16,97,250	3.37	16,97,250	3.37
Mr. Raymond Simkins, Director				
At the beginning of the year	6426660	12.77	6426660	12.77
At the end of the year	6426660	12.77	6426660	12.77
Mrs. Kamlini Maniar, Director				
At the beginning of the year	9000	0.02	9000	0.02
At the end of the year	9000	0.02	9000	0.02
Mrs. Pallavi Dhupelia, Director				
At the beginning of the year	10000450	19.87	10000450	19.87
At the end of the year	10000450	19.87	10000450	19.87
Mr. Moloy Saha, Chief Executive Officer				
At the beginning of the year	171831	0.34	171831	0.34
At the end of the year	171831	0.34	171831	0.34
Mr. Anand Krishnan, Chief Financial Officer				
At the beginning of the year	1000	0.01	1000	0.01
At the end of the year	1000	0.01	1000	0.01

DIRECTORS' REPORT (CONTD.)

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness (₹ Lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,053.21	103.92	151.51	13,308.64
ii) Interest due but no paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	208.85	0.00	0.00	208.85
Total (i+ii+iii)	13,262.06	103.92	151.51	13,517.49
Change in Indebtedness during the financial year				
Addition	19,400.79	0.00	151.58	19,552.37
Reduction	16,604.61	103.92	0.20	16,708.73
Net Change	2,796.18	103.92	151.38	2,843.64
Indebtedness at the end of the financial year				
i) Principal Amount	15,996.38	0.00	302.89	16,299.27
ii) Interest due but no paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	61.86	0.00	0.00	61.86
Total (i+ii+iii)	16,058.24	0.00	302.89	16,361.13

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and / or Manager

Sr.No.	Particulars of Remuneration	
1	Gross Salary	NOT APPLICABLE
	(a) Salary as per the provisions contained in Section 17 (1) of the Income tax Act, 1961	
	(b) Value of perquisites under Section 17(2) Income tax Act, 1961	
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	
2	Stock Options	
3	Sweat Equity	
4	Commission	
	- as % of profit	
	- others, specify	
5	Others, please specify	
	ii) Retrials	
	iii) Contribution to Statutory Provident Fund	
	Total (A)	

DIRECTORS' REPORT (CONTD.)

B. Remuneration to other Directors:

1. Independent Directors

Sr.No	Particulars of Remuneration	Name of Directors				Total Amount (₹ Lakh)
		Mr. Maneck Davar	Mr. V K Beswal	Mrs. Kamlini Maniar	Mr. H S Vakil	
	Fees for attending Board/ Committee Meetings	1.15	2.75	2.30	3.95	10.15
	Commission	1.00	1.50	1.50	1.50	5.50
	Others, please specify	--	--	--	--	--
	Total (B) (1)	2.15	4.25	3.80	5.45	15.65

2. Other Non- Executive Directors

Sr.No	Particulars of Remuneration	Name of Directors				Total Amount (₹ Lakh)
		Mr. Bhupendra Dalal	Mr. Milan Dalal	Mr. Raymond Simkins	Mrs. Pallavi Dhupelia	
	Fees for attending Board/ Committee Meetings	3.35	3.35	1.25	1.25	9.20
	Commission	3.00	3.00	1.50	1.00	8.50
	Others, please specify	--	--	--	--	--
	Total (B) (2)	6.35	6.35	2.75	2.25	17.70
		Total (B)= (B)(1)+(B)(2)				33.35

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel				Total Amount (₹ Lakh)
		Mr. Moley Saha CEO	Mr. Ameya Dhupelia CFO (upto 16.10.2020)	Mrs. Randeep Kaur CS	Mr. Anand Krishnan CFO (w.e.f 26.10.2020)	
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	54.39	12.97	4.40	9.83	81.59
	(b) Value of perquisites under section 17(2) Income tax Act, 1961	10.55	0.20	0.00	0.00	10.75
	(c) Profit in lieu of salary under section 17(3) Income tax act, 1961					
2	Stock Options					
3	Sweat Equity					
4	Commission					
	- as % of profit					
	- others specify					
5	Others , please specify- Retrials					
	i) Contribution to Statutory Provident Fund	2.66	0.85	0.22	0.56	4.29
	ii) Contribution to Superannuation Fund	3.33	0.00	0.00	0.00	3.33
	Total (C)	70.93	14.02	4.62	10.39	99.96

DIRECTORS' REPORT (CONTD.)

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ punishment/ compounding of offence for the breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year

On behalf of the Board

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

Mumbai, August 12, 2021

Annexure to Directors' Report- 5

FORM NO MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE PERIOD April 01, 2020 TO March 31, 2021

To,
The Members,
FOODS & INNS LIMITED
Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai 400038

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FOODS & INNS LIMITED, CIN L55200MH1967PLC013837** (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 **FOODS & INNS LIMITED**, 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering April 01, 2020 to March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **FOODS & INNS LIMITED** for the audit period **April 01, 2020 to March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings- **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **(Not Applicable to the Company during the Audit Period)**

DIRECTORS' REPORT (CONTD.)

- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable to the Company during the period under review.)**
- (g) 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- **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review)**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **(Not applicable to the Company during the period under review)**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Factories Act, 1948;
2. Industries Development Regulation Act, 1951;
3. Food Safety and Standards Act, 2006;
4. The Payment of Bonus Act, 1965;
5. The Child Labour (Prohibition and regulation) Act, 1986;
6. The Payment of Wages Act, 1936;
7. The Payment of Gratuity Act, 1972;
8. The Employees' Provident Funds and miscellaneous Provisions Act, 1952;
9. The Water (prevention and control of pollution) Act 1981;
10. The Air (prevention and control of pollution) Act 1981
11. The Environment (Protection) Act 1986;
12. Income Tax Act 1961;
13. The Goods and Service Tax Act, 2017;
14. Acts as prescribed under Shop and Establishment Act of various local authorities
e.g The Bombay shops and establishment Act 1948
15. Laws related to manufacturing activity, viz. Energy Conservation,
16. The Customs Act, 1962.
Central Excise, Boiler Act and Gas Cylinders Rules, etc.
17. The Sale of Goods Act, 1930;
18. The Transfer of Property Act, 1882 ;
19. Negotiable Instrument Act, 1881; etc.

Based on the Compliance Certificates obtained by the Company from the various functional heads and Factory Managers, we relied on the Compliances of the above mentioned statutes.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges as specified in the Securities Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' REPORT (CONTD.)

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

1. As per Sub Regulation 6 of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, read with sub-para 4 of Para A of Schedule III, the disclosure for the Board Meeting where Financial Results were considered, was not informed to the Stock Exchange/Exchanges within 30 minutes of closure of Board Meeting held on June 11, 2020 and August 20, 2020.
2. During FY 2020-21, all forms were filed in time with MCA except two which were filed with necessary additional fees.

We further report that

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.

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

During the reporting period, following changes took place in Board of Directors of the Company:

1. Mrs. Pallavi Utsav Dhupelia was appointed as Additional Director on September 30, 2019. She was appointed as Non-Executive Woman Director, Non- Independent Director with effect from September 30, 2020.
2. Mr. Maneck Eruch Davar was appointed as Additional Director on September 30, 2019. He was appointed as Non-Executive Independent Director with effect from September 30, 2020.

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

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

We further report that during the audit period the Company has following specific events or actions which might have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company has declared dividend on June 11, 2020 at the rate of 20 paise per equity share of face value of Re. 1/-

For **Ragini Chokshi & Co**

KULDEEP BOTHRA

Partner

(DIN: 00062453)

ACS: 37452

CP No: 15159

UDIN: A037452C000776707

Place: Mumbai

Date : August 12, 2021



DIRECTORS' REPORT (CONTD.)

'ANNEXURE -1'

To,
The Members,
FOODS & INNS LIMITED
Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai 400038

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

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

For **Ragini Chokshi & Co**

KULDEEP BOTHRA

Partner

(DIN: 00062453)

ACS: 37452

CP No: 15159

UDIN: A037452C000776707

Place: Mumbai

Date : August 12, 2021

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE:

Corporate governance is the application of best management practices, compliance of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhance stakeholder value and discharge of social responsibility. The Corporate Governance Structure in the Company assigns responsibility and authority to the Board of Directors, its committee and the executive management and senior management employees.

Company's Philosophy on code of Governance

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders.

We consider stakeholders as partners in our success and we remain committed to maximising stakeholders value, be it shareholders, employees, suppliers, investors, communities. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation.

We are in compliance with the requirements of the revised guidelines on corporate governance stipulated under Regulation 27 of SEBI (LODR), Regulations 2015.

2. BOARD OF DIRECTORS:

Composition of the Board as on March 31, 2021

Category	No of Directors
Non Executive & Independent Directors	4
Non-Executive & Non- Independent Directors	4
TOTAL	8

The Chairman of the Board of Directors is a Non Executive Director. The Composition of the Board of Directors is in conformity with the SEBI Regulations.

Responsibilities of the Chairman

The Chairman is the leader of the Board. As Chairman, he is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long term benefit of the Company and all its stakeholders. The Chairman presides over meetings of the Board and of the Shareholders of the

Company. The Chairman takes a lead role in managing the Board and facilitating effective communication among directors.

Selection of new Directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the Nomination and Remuneration Committee, which consists of independent directors. The Nomination and Remuneration Committee makes recommendations to the Board on the induction of new directors.

MEETINGS

Board Meetings held during the year

Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors present
June 11, 2020	8	8
August 20, 2020	8	8
September 1, 2020	8	8
November 12, 2020	8	8
February 12, 2021	8	7

CORPORATE GOVERNANCE REPORT (CONTD.)

Attendance of Directors at Board Meetings and Annual General Meeting

Name of Director	Attendance at the Board Meetings held on					Attendance at AGM held on September 30, 2020
	June 11, 2020	August 20, 2020	September 01, 2020	November 12, 2020	February 12, 2021	
Mr. Bhupendra Dalal	✓	✓	✓	✓	✓	✓
Mr. V.K. Beswal	✓	✓	✓	✓	✓	✓
Mrs. Kamlini Maniar						
Mr. Milan Dalal	✓	✓	✓	✓	✓	✓
Mr. Raymond Simkins	✓	✓	✓	✓	✓	✓
Mr. Hormazdiyar Wakil	✓	✓	✓	✓	✓	✓
Mr. Maneck Davar	✓	✓	✓	✓	Leave of Absence	Leave of Absence
Mrs. Pallavi Dhupelia	✓	✓	✓	✓	✓	✓

Directorships and Membership on Committees:

The total number of Directorships held by the Directors and the position of Membership/ Chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and "SEBI Regulations" in this regard

Director	Date of Appointment	No of other Directorship held (including F&I)	Committee Membership(s) (including F&I)	
			Chairman	Member
Mr. Bhupendra Dalal	22/09/2014	5	1	1
Mr. Vinod Kumar Beswal	29/09/2015	6	5	5
Mr. Raymond Simkins	09/08/1995	3	--	--
Mr. Milan Dalal	29/04/2006	16	4	7
Mrs. Kamlini Maniar	29/09/2015	3	3	3
Mr. Hormazdiyar Wakil	14/08/2018	5	1	3
Mr. Maneck Davar	30/09/2019	9	2	1
Mrs. Pallavi Dhupelia	30/09/2019	2	--	--

Board Procedures

Agenda is circulated well in advance to the Board of Directors. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.

3. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board

has constituted the following mandatory committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Minutes of the Committee Meetings are tabled at the Board Meetings.

3 (a).AUDIT COMMITTEE:

Terms of Reference:

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, fixing

CORPORATE GOVERNANCE REPORT (CONTD.)

the audit fees and also approving the payment for any other services, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control systems, structure and staffing of the internal audit function, reviewing findings of the internal investigations, etc.

To grant omnibus approval for related party transactions which are in the ordinary course of business and on arm length pricing basis and to review and approve such transactions subject to the approval of the board.

The terms of reference and powers of the Audit Committee are as per SEBI (LODR) Regulations 2015 and also as per the Companies Act, 2013. The Audit Committee was constituted on January 30, 2010.

COMPOSITION:

The Audit Committee consists as at March 31, 2021 and details of the member's participation at the meetings of the committee are as under:

Name	Category	Attendance at the Audit Committee meeting held on				
		June 11, 2020	August 20, 2020	September 1, 2020	November 12, 2020	February 12, 2021
Mr. V. K. Beswal (Chairman)	Independent, Non Executive	✓	✓	✓	✓	✓
Mr. Bhupendra Dalal	Non Independent, Non Executive	✓	✓	✓	✓	✓
Mrs. Kamlini Maniar	Independent, Non Executive	✓	✓	✓	✓	✓
Mr. Hormazdiyar Vakil	Independent, Non Executive	✓	✓	✓	✓	✓

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General meeting and Extra Ordinary General Meeting of the Company

non-receipt of balance sheet/ dividend/interest etc. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors

Composition

The Board of Directors formed a Stakeholders Relationship Committee, on 30th January 2010 and the composition of the Stakeholders Relationship Committee as at March 31, 2021 and details of the member's participation at the Meetings of the Committee are as under:

3 (B). STAKEHOLDERS RELATIONSHIP COMMITTEE:**Terms of Reference**

The role and functions of the Stakeholders Relationship Committee are the effective redressal of the Complaints of the Shareholders regarding dematerialisation, transfer,

Name	Category	February 12, 2021
Mr. Milan Dalal (Chairman)	Non Independent, Non Executive	✓
Mr. Maneck Davar	Independent, Non Executive	✓
Mr. V. K. Beswal	Independent, Non Executive	✓

Number of requests received from the shareholders during the period April 1, 2020 to March 31, 2021.	77
Number of requests resolved during the April 1, 2020 to March 31, 2021.	73
Number of pending requests as on March 31, 2021	6

Note: There were no complaints received during the period April 1, 2020 to March 31, 2021.

3 (C). NOMINATION & REMUNERATION COMMITTEE:**Terms of Reference:**

The roles and functions of the Nomination and Remuneration Committee inter alia, include identifying and selection of candidates for appointment as Directors/ Independent Directors based on certain laid down criteria. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions.

Composition:

The Nomination & Remuneration was constituted on August 12, 2011 and the composition of the Nomination and Remuneration committee as at March 31, 2021 and the details of the member's participation at the meetings of the Committee are as under

CORPORATE GOVERNANCE REPORT (CONTD.)

Name	Category	Attendance at the Nomination & Remuneration Committee meeting held on		
		August 20, 2020	September 1, 2020	November 13, 2020
Mr. Hormazdiyar Vakil (Chairman)	Independent, Non Executive	✓	✓	✓
Mr. Milan Dalal	Non Independent, Non Executive	✓	✓	✓
Mr. V.K. Beswal	Independent, Non Executive	✓	✓	✓

3 (D). CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Terms of Reference:

The terms of reference of the Corporate Social Responsibility Committee is to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

To monitor the progress by the Company of the CSR activities undertaken.

Composition:

The Corporate Social Responsibility Committee was constituted on August 14, 2014 and consists of the following Directors as at March 31, 2021 and the details of the member's participation at the meetings of the Committee are as under

Name	Category	Attendance at the Corporate Social Responsibility Committee meeting held on August 12, 2020
Mrs. Kamlini Maniar (Chairperson)	Independent, Non Executive	✓
Mr. Milan Dalal	Non Independent, Non Executive	✓
Mr. Moloy Saha	Chief Executive Officer	✓

3 (E). RISK MANAGEMENT COMMITTEE:

Terms of Reference:

The Company has a robust risk management framework to identify, monitor and minimise risks as also identify business opportunities

The objectives and scope of the Risk Management Committees broadly comprises:

- Oversight of risk management performed by the executive management.
- Reviewing risks and evaluates treatment.
- Defining framework for identification, assessment, monitoring and reporting of risks.

Composition:

The Risk Management Committee was constituted on August 14, 2014 and consists of the following Directors as at March 31, 2021 and during the year the committee did not have any meeting.

Name	Category	No meetings held during the year
Mr. Bhupendra Dalal	Non Independent, Non Executive	---
Mr. Milan Dalal	Non Independent, Non Executive	---

4. INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on February 12, 2021, inter alia, to discuss:

- Evaluation of the performance of the Non- Independent Directors and the Board of the Directors as whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and Non Executive Directors.

CORPORATE GOVERNANCE REPORT (CONTD.)

- iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Name of Director	Category	Attendance at the Independent Committee meeting held on
		February 12, 2021
Mr. V. K. Beswal	Independent, Non Executive	✓
Mrs. Kamlini Maniar	Independent, Non Executive	✓
Mr. Hormazdiyar Vakil	Independent, Non Executive	✓
Mr. Maneck Davar	Independent, Non Executive	Leave of Absence

5. GENERAL BODY MEETINGS:

Details of location and time of holding the last three year's Annual General Meeting and the Special resolution passed thereat:

Financial Year	AGM/ EGM	Location	Date	Time
2019-2020	48 th AGM	video conferencing facility	30/09/2020	3:30 P.M
2018-2019	47 th AGM	M. C Ghia Hall, Indian Textile Accessories & Machinery Manufacturers' Association, Bhogilal Hargovindas Building, 4 th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 001	27/09/2019	10:15 A.M
2017-18	46 th AGM	Kilachand Conference Room, Indian Merchant Chambers, 2 nd Floor, Churchgate, Mumbai 400020	24/09/2018	5.00P.M

The following Special Resolutions were passed by the requisite majority of members in the last three Annual General Meeting and Extra Ordinary General Meeting:

48th Annual General Meeting held on September 30, 2020

- Re-appointment of Mr. Bhupendra Dalal (DIN: 00061492) as a Director liable to retire by rotation

47th Annual General Meeting held on September 27, 2019

- Alteration of Objects Clause in the Memorandum of Association of the Company

46th Annual General Meeting held on September 24, 2018

- Re-appointment of Mr. Vinod Kumar Beswal (din: 00120095) as an Independent Director of the Company
- Re-Appointment of Mrs. Kamlini Maniar (DIN: 06926167) as Woman Independent Director
- Approval for continuation of holding office of Non-Executive Director of the Company, by Mr. Bhupendra Dalal (DIN: 00061492) who will be above the age of 75 (Seventy Five) years as on April 01, 2019
- Approval for continuation of holding office of Non-Executive Director of the Company, by Mr. Raymond Simkins (DIN: 01573312) who will be above the age of 75 (Seventy Five) years as on April 01, 2019.
- Approval for continuation of holding office of Women Non- Executive - Independent Director of the Company, by Mrs. Kamlini Maniar (DIN: 06926167)

who will be above the age of 75 (Seventy Five) years as on April 01, 2019

- Approval for continuation of holding office of Non-Executive - Independent Director of the Company, by Mr. Dinkarray Trivedi (DIN: 00380306) who will be above the age of 75 (Seventy Five) years as on April 01, 2019.

6. CODE OF CONDUCT

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained.

7. DISCLOSURES

a) Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure has been made in the notes to the financial statements.

CORPORATE GOVERNANCE REPORT (CONTD.)

b) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock exchange or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

c) CEO / CFO Certification

The CEO and CFO has issued certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represents a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

d) PCS's certificate on Corporate Governance

As required by Clause 49 of the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the PCS's certificate

on corporate governance is annexed to the report

8. MEANS OF COMMUNICATION

The Company publishes its quarterly, half yearly, financial results in national and regional newspapers. The Company also sends the financial results to the Stock Exchange immediately after its approval by the Board. The Company has not sent half yearly report to the shareholders. No presentations were made to the Institutional Investors or analysts during the year under review.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting scheduled to be held:

Date : Wednesday, September 29, 2021

Time : 3:30 P.M through video conferencing facility

1. Book Closure:

Thursday September 23, 2021 to Wednesday September 29, 2021 (Both days inclusive).

2. Financial Calendar (tentative):

Financial Reporting for FY 2021-22	Tentative month of reporting
Un-audited Financial Results for the quarter ending June 30, 2021.	August, 2021
Un-audited Financial Results for the half year ending September 30, 2021.	November, 2021
Un-audited Financial Results for the quarter ending December 31, 2021.	February, 2021
Audited Financial Results for the year ending March 31, 2022.	May, 2022

3. Listing of Equity Shares on Stock Exchange :

Equity Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE). An annual listing fee for FY 2021-22 has been paid to the Bombay Stock Exchange Limited, Mumbai.

4. Stock Code:

- Bombay Stock Exchange Limited, Mumbai (BSE): 507552
- ISIN : INE976E01023
- CIN: L55200MH1967PLC013837

5. Stock Price Data:

Month wise high and low price of the Company's Shares at Bombay Stock Exchange Limited (BSE) from April, 2020 to March, 2021

Month	Bombay Stock Exchange Limited (BSE)	
	High (₹)	Low (₹)
April 2020	53.35	34.00
May 2020	52.30	38.40
June 2020	65.00	46.05
July 2020	57.80	46.00
August 2020	58.25	47.35
September 2020	54.40	46.05
October 2020	50.90	45.25
November 2020	51.80	44.50
December 2020	57.50	46.80
January 2021	63.95	50.70
February 2021	56.90	47.55
March 2021	57.80	49.25

CORPORATE GOVERNANCE REPORT (CONTD.)

6. Compliance Officer:

Mrs. Randeep Kaur –Company Secretary & Compliance Officer

J. N. Heredia Marg, Hamilton House, 3rd floor, Ballard Estate, Mumbai - 400038.

Ph: 022- 22613102, email:writetous@foodsandinns.com

7. Address For Correspondence:

Shareholders can correspond to: Secretarial Department, J. N. Heredia Marg, Hamilton House, 3rd floor, Ballard Estate, Mumbai - 400038.

Link Intime India Private Limited: C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083, Tel: 022-49186000, email: mumbai@linkintime.co.in

Shareholders holding shares in electronic mode should address their Correspondence to their respective Depository Participants. The Company also has designated email id: writetous@foodsandinns.com or randeep@foodsandinns.com where shareholders can correspond with the Company.

8. SHARE TRANSFER SYSTEM

Shares sent for transfer in physical form to R&T Agents, are registered and returned within a period of 30 days from the date of receipt, if the documents are in order. The Share Transfer Committee (Executive Committee) meets generally on a fortnightly basis to consider the transfer proposals. All requests for dematerialisation of shares are processed by R&T Agent within 15 days.

9. DEMATERIALISATION OF SHARES

Trading in Equity Shares of the Company is permitted only in dematerialised form with effect from January 29, 2001 as per notification issued by the Securities & Exchange Board of India (SEBI). As on March 31, 2021, out of total Equity Share Capital 5,03,38,260 Equity Shares 4,92,01,251 Equity Shares representing 97.74% of the total Equity Shares are held in dematerialised form with NSDL and CDSL. Transfer cum demat facility is available to all Shareholders of the Company, who request for such facility.

10. Distribution of Shareholding as on March 31, 2021

Range in	Number of Shareholders	% of Total Holders
1 to 500	6153	72.5846
501 to 1000	698	8.234
1001 to 2000	640	7.5498
2001 to 3000	354	4.176
3001 to 4000	87	1.0263
4001 to 5000	141	1.6633
5001 to 10000	209	2.4655
10001 and above	195	2.3003
TOTAL	8477	100

11. SHAREHOLDING PATTERN AS ON MARCH 31, 2021

Cat. Code	Category of Shareholder	Total No. of Shares held	% Share Holding
A.	Shareholding of Promoter and Promoter Group		
1	Indian		
(a)	Individuals / Hindu Undivided Family	18117210	35.99
(b)	Central Govt. / State Govt.	-	-
(c)	Bodies Corporate	4635910	9.21
(d)	Financial Institutions / Banks	-	-
(e)	Any other	-	-
	Sub Total – A(1)	22753120	45.20
2	Foreign		
(a)	Non Resident Individuals / Foreign Individuals	-	-
(b)	Bodies Corporate	-	-
(c)	Institutions	-	-

CORPORATE GOVERNANCE REPORT (CONTD.)

Cat. Code	Category of Shareholder	Total No. of Shares held	% Share Holding
(d)	Any other	-	-
	Sub Total A(1) + A(2)	22753120	45.20
	Total Shareholding of Promoter Group		
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds / UTI	-	-
(b)	Financial Institutions / Banks	9	0
(c)	Central Govt. / State Govt.	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Foreign Institutional Investors	-	-
(g)	Foreign Venture Capital Investors	-	-
(h)	Any other	-	-
(h1)	NRI Banks	-	-
	Sub Total B(1)	9	0
2	Non Institutions		
(a)	Individuals		
(a1)	Individuals-shareholders holding normal Share Capital up to ₹ 2 Lakh	9147474	18.17
(a2)	Individuals-shareholders holding normal Share Capital in excess of ₹ 2 Lakh	5283523	10.50
(b)	NBFCs Registered with RBI	136200	0.27
(c)	Employee Trusts	91500	0.18
(d)	Overseas Depositories (holding DRs)		
(c)	Any other (specify)		
(c1)	Other Foreign Nationals	6426660	12.77
(c2)	NRI (Non Repat)	100889	0.20
(c3)	NRI (Repat)	1483553	2.95
(c4)	Clearing Member	72262	0.02
(c5)	Directors/ Relatives	9000	0.14
(c6)	Trust	33000	0.07
(c7)	Hindu Undivided Family	701258	1.39
(c8)	Bodies Corporate	3464256	6.88
(c9)	IEPF	635556	1.26
	Sub Total B(2)	27585140	54.80
	Total Public Shareholding B(1) + B(2)	27585140	54.80
C	Shares held by Custodians and against which Depository receipts have been issued-	-	-
	Grand Total	50338260	100

Declaration regarding affirmation and Compliance of Code of Business Conduct and Ethics

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2021

On behalf of the Board

Bhupendra Dalal
Chairman
(DIN: 00061492)

Mumbai, August 12, 2021

CORPORATE GOVERNANCE REPORT (CONTD.)

CEO/ CFO CERTIFICATION

We, the undersigned, in our respective capacity as Chief Executive Officer and Chief Financial Officer of Foods and Inns Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
 - (i) there has not been any significant changes in internal control over financial reporting during the year;
 - (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there has not been any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : August 12, 2021

MOLOY SAHA
Chief Executive Officer

ANAND KRISHNAN
Chief Financial Officer



CORPORATE GOVERNANCE REPORT (CONTD.)

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

Certificate on compliance with the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Members of
FOODS & INNS LIMITED**

Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai 400038

We have examined the compliance of the conditions of Corporate Governance by **FOODS & INNS LIMITED** ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ragini Chokshi & Co.
(Company Secretaries)

Kuldeep Bothra
Partner

ACS No.: 37452
CP No.: 15159

UDIN: A037452C000776718

Place: Mumbai
Date: August 12, 2021

CORPORATE GOVERNANCE REPORT (CONTD.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
FOODS & INNS LIMITED
Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai 400038

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **FOODS & INNS LIMITED**, having **CIN L55200MH1967PLC013837** and having registered office at Udyog Bhavan, 2nd Floor, 9 Walchand Hirachand Marg, Ballard Estate, Mumbai 400038 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No	Name of Director	DIN	Date of Appointment
1.	Hormazdiyaar Shiavax Vakil	0060835	14/08/2018
2.	Bhupendra Champaklal Dalal	0061492	30/04/2008
3.	Milan Bhupendra Dalal	0062453	29/04/2006
4.	Vinod Kumar Beswal	0120095	14/11/2014
5.	Pallavi Dhupelia Utsav	0169818	30/09/2020
6.	Raymond Simkins	1573312	09/08/1995
7.	Maneck Eruch Davar	1990326	30/09/2020
8.	Kamlini Chaitan Maniar	6926167	30/03/2015

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ragini Chokshi & Co.
(Company Secretaries)

Kuldeep Bothra
Partner
ACS No.: 37452
CP No.: 15159

Place: Mumbai
Date: August 12, 2021

FINANCIAL STATEMENTS

STANDALONE FINANCIAL STATEMENTS: 83 - 141

CONSOLIDATED FINANCIAL STATEMENTS: 142 - 205

INDEPENDENT AUDITOR'S REPORT

To the Members of Foods and Inns Limited

REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These

matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

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

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

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

opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 39 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund.

For G. M. Kapadia & Co.

Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner
Membership No. 039569
UDIN: 21039569AAAAIP3401

Place : Mumbai
Dated this 04th day of June, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2021:

- (i) (a) The Company has maintained proper records of Property, Plant and Equipment showing particulars of assets including quantitative details and situation of its property, plant and equipment;
- (b) The Company has a regular programme of physical verification of property, plant and equipment by which all property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of property, plant and equipment has been physically verified by the management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records; and
- (c) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management and further based on certificate received, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) (a) Inventories other than stock-in-transit and stock lying in overseas godown, have been physically verified during the year by the management during the year or at the year end. For stock in transit at the year end, the necessary documentary evidence have been obtained. In case of stock lying in the overseas godown at the year end, the certificate confirming such stock has been received. In our opinion, the frequency of verification is reasonable; and
- (b) The discrepancies noticed on physical verification as compared to the book records were not material having regards to size and nature of operations and have been properly dealt with in the books of account;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a), (b) and (c) of the Order are not applicable;
- (iv) There are no overdue amounts in respect of such loan. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of investments made and loans, guarantees and securities granted;
- (v) The Company has complied with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, to the extent applicable. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;
- (vi) According to the information and explanations given to us, pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with section 148(1) of the Act, the Central government has not prescribed maintenance of cost records in respect of any of the Company's product. Accordingly, paragraph 3 (vi) of the order is not applicable to the Company;
- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2021, for a period of more than six months from the date they became payable;

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Sr No	Name of the Statute	Nature of the Dues	Amount involved (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
1	The Income Tax Act, 1961	Income tax	170.03	AY 2017-18	Commissioner of Income tax (Appeal)
2	The Finance Act, 1994	Service tax	2.43	2004-05 to 2007-08	Commissioner of Central Excise (Appeals)

- (viii) The Company has not defaulted in repayment of dues to the financial institutions, banks, and government. The Company has not issued any debentures;
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the term loans have been applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments);
- (x) To the best of our knowledge and belief and 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 based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act;
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of records of the Company, the Company is in compliance with the provisions of section 177 and 188 of the Act, where applicable, for transactions with the related parties and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, 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 the Order is not applicable to the Company.

- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under section 192 of the Act. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company; and

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

For G. M. Kapadia & Co.

Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner
Membership No. 039569
UDIN: 21039569AAAAIP3401

Place : Mumbai
Dated this 04th day of June, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2021

Opinion

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 ('Guidance Note') issued by the 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, 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 system 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 standalone 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

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone 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 G. M. Kapadia & Co.

Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner
Membership No. 039569
UDIN: 21039569AAAAIP3401

Place : Mumbai
Dated this 04th day of June, 2021



STANDALONE BALANCE SHEET

AS AT MARCH 31, 2021

(₹ in Lakhs)			
Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	11,261.49	11,880.37
(b) Right of Use Asset	3	46.53	73.67
(c) Capital work-in-progress	3	1,773.50	304.65
(d) Intangible Assets	4	1,315.43	1,328.67
(e) Financial Assets			
(i) Investments	5	493.67	348.75
(ii) Loans	6	466.86	467.44
(iii) Others	7	20.51	-
(f) Deferred Tax Assets (Net)	8	896.39	919.51
(g) Other Non-current assets	9	165.71	256.86
Total Non-Current Assets		16,440.09	15,579.92
Current Assets			
(a) Inventories	10	13,023.24	13,777.85
(b) Financial Assets			
(i) Investments	11	10.19	-
(ii) Trade Receivables	12	8,141.69	8,112.84
(iii) Cash and Cash Equivalents	13	995.36	193.41
(iv) Bank balance other than (iii) above	14	300.74	404.46
(v) Loans	15	991.45	745.44
(vi) Other Financial Assets	16	432.37	244.90
(c) Current Tax Assets (Net)	17	399.48	395.05
(d) Other Current Assets	18	1,843.34	2,406.39
Total Current Assets		26,137.86	26,280.34
Total Assets		42,577.95	41,860.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity	19	503.38	503.38
(b) Other Equity	20	17,758.65	17,451.39
Total Equity		18,262.03	17,954.77
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,228.86	1,198.54
(ii) Lease Liability		24.70	53.08
(b) Provisions	22	45.71	48.59
Total Non-Current Liabilities		1,299.27	1,300.21
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	14,292.59	11,806.95
(ii) Lease Liability		28.38	26.16
(iii) Trade Payables			
Outstanding of Micro and Small Enterprises		211.43	92.78
Other than Micro and Small Enterprises		5,977.76	7,664.37
(iv) Other Financial Liabilities	24	1,342.74	1,381.69
(b) Other Current liabilities	25	1,033.29	1,526.26
(c) Provisions	26	112.25	99.23
(d) Current Tax Liabilities (Net)	27	18.21	7.84
Total Current Liabilities		23,016.65	22,605.29
Total Liabilities		24,315.92	23,905.50
Total Equity and Liabilities		42,577.95	41,860.26
Significant Accounting Policies	2		

See accompanying notes forming part of the financial statements

As per our report of even date attached
For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No.104767W

For and on behalf of the Board of Directors

ATUL SHAH
Partner
Membership No.039569

BHUPENDRA DALAL
Chairman
(DIN : 00061492)

MILAN DALAL
Director
(DIN : 00062453)

MOLOY SAHA
Chief Executive Officer

Place : Mumbai
Date : June 4, 2021

ANAND KRISHNAN
Chief Financial Officer

RANDEEP KAUR
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakhs)			
Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
I Revenue from Operations	28	35,657.27	38,429.62
II Other Income	29	1,200.81	462.66
III Total Income (I+II)		36,858.08	38,892.28
IV EXPENSES			
Cost of materials consumed		21,774.22	23,516.12
Purchases of Stock-in-Trade		118.71	3,328.09
Changes in inventories of Finished Goods	30	1,642.90	(2,426.94)
Employee Benefits Expense	31	2,212.07	2,246.85
Finance Costs	32	1,443.42	1,135.28
Depreciation and Amortisation Expense	33	1,243.82	1,240.39
Other Expenses	34	7,946.11	8,760.97
Total Expenses		36,381.25	37,800.76
V Profit before and Tax (III-IV)		476.83	1,091.52
VI Tax Expense			
Current Tax	35	71.00	500.00
Excess provision for tax of earlier years written back		-	(189.54)
Deferred Tax	35	16.96	(322.41)
Total Tax Expenses		87.96	(11.95)
VII Profit for the year (V-VI)		388.87	1,103.47
VIII Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the defined benefit plans		22.13	(52.08)
Equity instruments through Other Comprehensive Income		3.09	(0.45)
Income tax on above		(6.16)	15.17
Total Other Comprehensive Income		19.06	(37.36)
Total Comprehensive Income for the year		407.93	1,066.11
Earnings per share (Face Value ₹ 1 Per Share)	36		
Basic (in ₹)		0.77	2.33
Diluted (in ₹)		0.77	2.33
Significant Accounting Policies	2		

See accompanying notes forming part of the financial statements

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board of Directors

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	476.83	1,091.52
Adjustments for :		
Depreciation/ Amortisation	1,243.82	1,240.39
Finance Costs	1,443.42	1,130.68
Unrealised Loss/(Gain) on Foreign Exchange	(16.03)	(59.02)
Impairment of financial assets	-	99.98
Provision for Impairment of Advance to Subsidiary	3.67	-
Bad Debts Written off	76.26	0.18
Dividend Income	(0.02)	(0.03)
Interest Received on Deposits and Others	(121.23)	(122.15)
Mark to Market Loss/(Gain) on Financial Assets	(138.05)	276.27
Balance / Provision Write Back-(Net)	(10.77)	(0.70)
Provision for Gratuity	(5.24)	40.86
Provision for Sales Return	10.55	(11.74)
Provision for Bonus	4.57	7.32
Provision for Leave Encashment	(4.98)	(33.82)
(Profit)/Loss on Sale of Property, Plant and Equipment	(5.22)	(5.26)
Net Gain on fair valuation of Mutual Fund	(0.19)	-
Reversal of Impairment of Trade Receivables	(50.99)	-
Share of profit from partnership firm	(141.82)	(81.84)
Operating Profit Before Working Capital Changes	2,764.58	3,572.64
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(13.81)	(1,659.92)
(Increase)/Decrease in Inventories	754.61	(2,872.09)
(Increase)/Decrease in Financial Assets	(221.22)	119.63
Increase/(Decrease) in Trade payables	(1,575.90)	4,229.33
Increase/(Decrease) in Other Financial Liabilities	(275.91)	(135.28)
Increase/(Decrease) in Other Liabilities and Provisions	(465.60)	(3,147.25)
(Increase)/Decrease in Other Assets	549.19	272.53
Cash Generated From Operations	1,515.94	379.59
Income Tax paid	(50.00)	(385.52)
Net Cash From Operating Activities (A)	1,465.94	(5.93)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	43.92	43.57
Dividend Received	0.02	0.03
Acquisition of Tangible and Intangible assets	(2,044.92)	(2,792.37)
Sale of Property, Plant and Equipment	11.45	6.47
Purchase of Investments	(25.49)	(0.30)
Investment in Partnership Firm	-	(259.86)
Invested in Fixed Deposits/Margin Money	(442.81)	(139.12)
Proceeds from Fixed Deposits	527.44	956.84
Net Cash From Investing Activities (B)	(1,930.39)	(2,184.74)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Audited	Audited
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs Paid	(1,585.14)	(915.42)
Dividend Paid (Including Dividend Distribution Tax)	(102.10)	(122.37)
Mark to Market Loss/(Gain) on Investments	-	0.01
Payments for Lease	(31.43)	(28.17)
Proceeds from Non-current Borrowings	968.90	599.65
Repayment of Non-current Borrowings	(469.47)	(91.33)
Increase/(Decrease) in Current Borrowings	218.95	2,196.99
Net Cash From Financing Activities (C)	(1,000.29)	1,639.36
Net Increase in Cash and Cash Equivalents (A+B+C)	(1,464.74)	(551.31)
Cash and Cash Equivalents at the beginning of the year	(2,927.98)	(2,376.67)
Cash and Cash Equivalents at the end of the Period	(4,392.72)	(2,927.98)
Cash and Cash Equivalents comprises of		
Balances with Banks	986.47	189.54
Cash on hand	8.89	3.87
Bank Overdraft	(5,388.08)	(3,121.39)
Closing Balance of Cash and Cash Equivalents	(4,392.72)	(2,927.98)

Notes: 1 Disclosure to evaluate changes in Liabilities arising from financial activities:

Particulars	(₹ in Lakhs)			
	As at March 31, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
Non-current Borrowings (Refer Note 21)	1,501.69	499.43	5.56	2,006.68
Current Borrowings (Refer Note 23)	8,685.56	218.95	-	8,904.51
Total	10,187.25	718.38	5.56	10,911.19

Particulars	(₹ in Lakhs)			
	As at March 31, 2019	Cash Flows	Non-cash changes	As at March 31, 2020
Non-current Borrowings (Refer Note 21)	952.36	508.32	41.01	1,501.69
Current Borrowings (Refer Note 23)	6,488.57	2,196.99	-	8,685.56
Total	7,440.93	2,705.31	41.01	10,187.25

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Figures in brackets represent outflows / deductions.

As per our report of even date
For G. M. KAPADIA & CO.
 Chartered Accountants
 Firm Registration No.104767W

ATUL SHAH
 Partner
 Membership No.039569

Place : Mumbai
 Date : June 4, 2021

For and on behalf of the Board of Directors

BHUPENDRA DALAL
 Chairman
 (DIN : 00061492)

ANAND KRISHNAN
 Chief Financial Officer

MILAN DALAL
 Director
 (DIN : 00062453)

RANDEEP KAUR
 Company Secretary

MOLOY SAHA
 Chief Executive Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Note No.	Amount
Balance as at April 1, 2019	19	167.79
Add: Issue of Bonus Shares		335.59
Balance as at April 1, 2020		503.38
Add: Changes during the year		-
Balance as at March 31, 2021		503.38

B. Other Equity

(₹ in Lakhs)

Particulars	Note No.	Reserves and Surplus				Other Comprehensive Income	Total
		General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instruments through OCI	
Balance as at April 1, 2019	20	2,567.85	2,159.58	308.37	11,806.24	0.19	16,842.24
Profit for the year		-	-	-	1,103.47	-	1,103.47
Other Comprehensive Income for the year		-	-	-	(52.08)	(0.45)	(52.53)
Income tax on above		-	-	-	15.17	-	15.17
Dividends (includes Dividend Distribution Tax)		-	-	-	(121.37)	-	(121.37)
Issue of Bonus Shares		(335.59)	-	-	-	-	(335.59)
Balance as at April 1, 2020	20	2,232.26	2,159.58	308.37	12,751.43	(0.26)	17,451.39
Profit for the year		-	-	-	388.87	-	388.87
Other Comprehensive Income for the year		-	-	-	22.13	3.09	25.22
Income tax on above		-	-	-	(6.16)	-	(6.16)
Dividends		-	-	-	(100.68)	-	(100.68)
Balance as at March 31, 2021		2,232.26	2,159.58	308.37	13,055.59	2.83	17,758.65

Significant Accounting Policies

2

See accompanying notes forming part of the financial statements

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board of Directors

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1. CORPORATE INFORMATION

Foods and Inns Limited (hereinafter referred as "FNI" or "the Company") is domiciled and incorporated in India and its shares are publically traded on the BSE Limited in India. The Company is engaged in business of processing and marketing fruit pulps, concentrates and spray dried fruit and vegetable powders both into domestic and international markets.

Authorisation of standalone financial statements

The authorisation of standalone financial statements (hereinafter referred as "Financial Statements") of the Company for the year ended March 31, 2021 were authorised for issue by the Board of Directors at their meeting held on June 4, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparations

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the "Act") and other relevant provisions of the Act. In accordance with proviso to Rule 4A of The Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definition and other requirements specified in the applicable Accounting Standards.

These standalone financial statements have been prepared on an accrual basis under the historical cost convention or amortisation cost basis except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- ii. Defined benefits plans-plan assets measured at fair value, and
- iii. Assets held for sale measured at fair value less cost to sell.

2.2 Rounding of Financial Statements

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest Lakhs (INR '00,000) upto two decimals, except when otherwise indicated.

2.3 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current or non-current classification.

An asset is treated as current if it is :

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelvemonths after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when :

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) 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 assets and liabilities are classified as non-current on net basis.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its normal operating cycle.

2.4 Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Property, Plant and Equipment stated at cost less accumulated depreciation and accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then those are accounted as separate items (major components) of Property, Plant and Equipment. The carrying amount of any component accounted as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Store and spares which meets the definition of Property, Plant and Equipment and satisfy the recognition criteria as per Ind As 16 are capitalised as Property, Plant and Equipment.

Freehold land is carried at historical cost less impairment loss, if any.

The carrying amount of an item of Property, Plant and Equipment is de-recognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the de-recognition of an item of Property, Plant and Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit or Loss.

2.5. Capital Work-in-progress

Property, plant and equipment which are not ready for intended use on the date of Balance Sheet are disclosed as capital work-in-progress. It is carried at cost, less any recognised impairment loss. Such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2.6 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Act. The Company has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed therein except for Land on finance lease which is amortised over the period of lease.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and changes, if any, are accounted prospectively.

Depreciation for assets purchased or sold during the period is charged on a pro-rata basis.

Items of Property, Plant and Equipment costing up to ₹ 5,000 are fully depreciated in the year of purchase or capitalisation.

The Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, Plant and Equipment is assessed based on the historical experience and internal technical inputs.

2.7 Investments in Subsidiary

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns. The Company's investments in its Subsidiary is accounted at cost.

2.8 Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets with finite useful lives are amortised on straight line basis over their economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful life and amortisation method are reviewed at the end of each reporting period, and any changes, if any, are accounted prospectively. Gain or loss arising from de-recognition of an intangible are recognised in Statement of Profit or Loss when asset is derecognised.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

2.9 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible, intangible assets and investment in subsidiary to determine whether there is any indication that those assets may be impaired and also whether there is any indication of reversal of impairment loss recognised in previous periods. If any such indication exists, the recoverable amount is estimated, and impairment loss, if any, is recognised and the carrying amount is reduced to its recoverable amount. Recoverable amount is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be. Recoverable amount is determined for individual assets, unless asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit or Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

2.10 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, fuels, stores and spares and components which are not considered as Property, Plant and Equipment, are valued at lower of cost and net realisable value. Cost is determined on the basis of the first-in-first out basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of Finished Goods consists of direct materials, labour and other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Excise duty is accounted for at the point of manufacture of goods, accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on balance Sheet date.

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

Stock of materials sold by one unit to other is works/factory costs of the transferor unit/ division, plus transport and other charges.

2.11 Financial Instruments

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition Financial Assets and Financial Liabilities:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit or Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of following:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

FVTOCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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.

FVTPL:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

The Company's financial liabilities include trade and other payables, loans and borrowing including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

2.12 Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.13 Impairment of financial assets:

The Company recognises loss allowance using expected credit loss model for financial assets which carried at amortised cost. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade Receivables, the Company uses the simplified approach permitted by Ind AS 109 Financial Instruments which requires expected life time losses to be recognised from initial recognition of receivables.

2.14 Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15 Financial liabilities and equity instruments:

- Classification as debt or equity:
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
- Equity instruments:
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.
Equity instruments issued by a Company are recognised at the proceeds received.

2.16 Derecognition of financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

2.17 Offsetting financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where

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 legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

2.18 Cash and Cash Equivalent

Cash and Cash Equivalent in the Balance Sheet Comprises of cash at bank and on hand and short term deposit with an original deposit of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits as defined above, bank overdraft, and short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.19 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

The identification of geographical information is based on the geographical location of its customers.

2.20 Non-current Assets held for Sale

Non-current assets are classified as 'held for sale' when all of the following criteria's are met: a) decision has been made to sell. b) the assets are available for immediate sale in its present condition. c) the assets are being actively marketed and d) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of de-recognition.

2.21 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.22 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provisions are made at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, unless the probability of outflow of resources are remote.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.23 Revenue Recognition

i. Revenue from contracts with customers

The Company derives revenues primarily from sale

of products and services. Revenue from sale of goods is recognised net of returns and discounts.

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

To recognise revenues, the Company applies the following five step approach

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

ii. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. 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 that financial asset.

iii. Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

2.24 Foreign Currency Transactions

On initial recognition, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in the Statement of Profit or Loss account in the period in which they arise.

2.25 Employee Benefits:

Short-term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the Statement of Profit or Loss of the year in which the related service is rendered.

Long-term employee benefits:

- **Defined Contribution Plan:**

- a. **Provident and Family Pension Fund**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the Provident Fund Account under the Employees' Provident Fund and Misc. Provisions Act, 1952. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to the Statement of Profit or Loss as incurred.

- b. **Superannuation fund:**

The superannuation fund benefits are administered by a Trust formed for this purpose through the Group scheme of Life Insurance Corporation of India. The Company's contribution to superannuation fund are charged to the Statement of Profit or Loss as paid.

- **Defined Benefit Plan:**

- Gratuity**

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit

retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or death while in employment or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Vesting occurs upon completion of five years of service. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. The Company makes contribution to the Group Gratuity Scheme with SBI Life Insurance Company Limited based on an independent actuarial valuation made at the year-end.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

2.26 Compensated Absences

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The Company provides for the encashment of absence or absence with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

2.27 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit or Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the Statement of Profit or Loss is recognised outside the Statement of Profit or Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

2.28 Leases

As a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Short-term leases and leases of low-value assets

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

As a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease income from operating leases where the Company is a lessor are recognised on either a straight-line basis or another systematic basis. The Company shall apply another

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The Company present underlying assets subject to operating leases in its balance sheet according to the nature of the underlying asset.

2.29 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders, adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.30 Research and Development

Revenue expenditure on research and development is charged to Statement of Profit or Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to Property, Plant and Equipment / Intangible Assets.

2.31 Government Grants and Subsidies

Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable towards capital investments under State Investment Promotion Scheme are recognised in the Statement of Profit or Loss in the period in which they become receivable.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

2.32 Use of Judgements, Estimates and assumptions

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 35.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

3. PROPERTY, PLANT & EQUIPMENT AND RIGHT OF USE ASSETS

Particulars	Land	Factory Buildings	Administrative Building	Plant and Machinery	Generators	Forklift Accessories	Furniture and Fixtures	Office Equipments	Vehicles	Computers	Total	Right of Use Assets			Capital Work-in-Progress
												Plant and Machinery	Vehicles	Total	
Gross Block															
As at April 1, 2019	486.21	4,964.47	320.79	8,464.42	50.46	90.81	68.66	57.00	302.56	40.76	14,846.14	-	-	-	157.94
Additions	-	805.95	42.67	352.22	-	32.15	9.97	17.46	69.16	7.41	1,336.99	66.57	31.45	98.02	302.46
Disposals / Adjustments	-	-	-	4.43	-	-	-	-	4.56	-	8.99	-	-	-	155.75
As at April 1, 2020	486.21	5,770.42	363.46	8,812.21	50.46	122.96	78.63	74.46	367.16	48.17	16,174.14	66.57	31.45	98.02	304.65
Additions	19.82	41.83	-	491.37	-	10.73	7.99	11.90	-	7.17	590.81	-	-	-	1,471.23
Disposals / Adjustments	0.06	-	-	7.22	-	-	-	0.01	-	-	7.29	-	-	-	2.38
As at March 31, 2021	505.97	5,812.25	363.46	9,296.36	50.46	133.69	86.62	86.35	367.16	55.34	16,757.66	66.57	31.45	98.02	1,773.50
Accumulated Depreciation															
Up to March 31, 2019	-	612.47	31.55	2,254.37	19.48	31.06	22.21	27.01	75.21	22.39	3,095.74	-	-	-	
Charge for the year	-	186.96	14.03	912.32	6.48	13.33	7.98	10.15	42.70	8.87	1,202.82	13.87	10.48	24.35	
Withdrawal for Disposal / Adjustments	-	-	-	0.68	-	-	-	-	4.11	-	4.79	-	-	-	
Up to March 31, 2020	-	799.43	45.58	3,166.01	25.96	44.39	30.19	37.16	113.80	31.26	4,293.77	13.87	10.48	24.35	
Charge for the year	-	203.48	14.28	894.52	5.79	12.90	8.15	11.80	43.40	9.12	1,203.44	16.65	10.49	27.14	
Withdrawal for Disposal / Adjustments	-	-	-	1.03	-	-	-	0.01	-	-	1.04	-	-	-	
Up to March 31, 2021	-	1,002.91	59.86	4,059.50	31.75	57.29	38.34	48.96	157.21	40.38	5,496.17	30.52	20.97	51.49	
Net Block															
Balance as at March 31, 2020	486.21	4,970.99	317.88	5,646.20	24.50	78.57	48.45	37.31	253.36	16.91	11,880.37	52.70	20.97	73.67	304.65
Balance as at March 31, 2021	505.97	4,809.34	303.60	5,236.86	18.71	76.40	48.28	37.39	209.95	14.96	11,261.49	36.05	10.48	46.53	1,773.50

Refer note 21 for information on Property, Plant and Equipment pledged as security of the group.

Refer note 40 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

4. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)				
Particulars	SAP Software	Trademark & Copyrights	Goodwill	Total
Gross Block				
As at April 1, 2019	137.97	-	-	137.97
Additions	0.35	0.10	-	0.45
Acquisition through business combination	-	-	1,210.00	1,210.00
As at April 1, 2020	138.32	0.10	1,210.00	1,348.42
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
As at March 31, 2021	138.32	0.10	1,210.00	1,348.42
Accumulated Depreciation				
Up to March 31, 2019	6.54	-	-	6.54
Charge for the year	13.20	0.01	-	13.21
Withdrawal for Disposal / Adjustments	-	-	-	-
Up to March 31, 2020	19.74	0.01	-	19.75
Charge for the year	13.22	0.02	-	13.24
Withdrawal for Disposal / Adjustments	-	-	-	-
Up to March 31, 2021	32.96	0.03	-	32.99
Net Block				
Balance as at March 31, 2020	118.58	0.09	1,210.00	1,328.67
Balance as at March 31, 2021	105.36	0.07	1,210.00	1,315.43

5. INVESTMENTS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted		
Investments In Equity Instruments (Fully Paid up) (Measured at Cost)		
Subsidiaries		
1,000(As at March 31, 2020, 1,000 shares) Equity Shares of FNI Asia PTE Limited of face value of S\$ 1 par each	0.49	0.49
Less : Impairment in value of Investments	(0.49)	(0.49)
Investment in Equity Instruments (Fully Paid up) (Measured at FVTOCI)		
1,00,000 (As at March 31, 2020, 1,00,000 shares) Equity Shares of CIFCO Finance Limited of face value of ₹10 each	-	-
2,000 (As at March 31, 2020, 2,000 shares) Equity Shares of Western Foods Limited of face value of ₹10 each	-	-
6 (As at March 31, 2020, 6 shares) Equity Shares of Dravya Finance Limited of face value of ₹10 each	-	-
Other Investments (Measured at amortised cost)		
Investments in Government or trust Securities		
National Savings Certificate (VIII Issue)	0.30	0.30
Indira Vikas Patra #	0.00	0.00

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Partnership Firm (measured at cost)		
Investment in the nature of Subsidiary		
Kusum Spices Capital Account	483.53	341.70
Quoted		
Investments In Equity Shares (Fully Paid up) (measured at FVTOCI)		
66 (As at March 31, 2020, 66 shares) Equity Shares of Hindustan Unilever Limited of face value of ₹1 each	1.61	1.51
2,000 (As at March 31, 2020, 2,000 shares) Equity Shares of FDC Limited of face value of ₹1 each	5.71	3.92
9,400 (As at March 31, 2020, 9,400 shares) Equity Shares of Bank of Maharashtra Limited of face value of ₹10 each	1.96	0.84
1,656 (As at March 31, 2020, 5098 shares of Erstwhile Andhra Bank Limited) Equity Shares of Union Bank Of India Limited of face value of ₹ 90 each	0.56	0.48
Total	493.67	348.74
Aggregate Amount Of Quoted Investments and Market Value thereof	9.84	6.75
Aggregate Amount Of Unquoted Investments	483.83	342.00
Aggregate value of Investments measured at FVTOCI	9.84	6.75
Aggregate amount of impairment in value of Investments	0.49	0.49

Details of investments in partnership firm
M/s Kusum Spices Capital Account

(₹ in Lakhs)		
Name of partner and share in profits (%)	As at March 31, 2021	As at March 31, 2020
Foods and Inns Limited	99.99%	99.99%
Moloy Saha	0.01%	0.01%
Total capital of the partnership firm M/s Kusum Spices Capital Account		
Foods and Inns Limited	483.50	341.70
Moloy Saha	0.03	0.14

#This amount is less than ₹ 1,000

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

6. LOANS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, considered good	451.82	451.52
Loan to staff		
Unsecured, considered good	15.04	15.92
Total	466.86	467.44

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except ₹ 3.96 Lakhs (As at March 31, 2020 ₹ 9.21 Lakhs) which is loan to Chief Executive Officer.

7. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Term Deposits (Originally Maturity for more than Twelve months) (restricted use) (refer Note 7.1)	20.51	-
Total	20.51	-

7.1 The above, Fixed deposits pledged as collateral in respect of secured loan taken from banks (Refer Note 23.4)

8. DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax Assets		
Other temporary difference / unutilised tax assets	113.57	206.63
MAT Credit Entitlement	1,838.62	1,838.62
Total Deferred tax Assets (A)	1,952.19	2,045.25
Deferred tax Liabilities		
Property, Plant and Equipment	1,055.80	1,125.74
Total Deferred tax Liabilities (B)	1,055.80	1,125.74
Deferred tax Assets (A-B)	896.39	919.51
Total	896.39	919.51

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)				
Particulars	As at March 31, 2021	Others	Recognised in Profit or Loss / OCI	As at March 31, 2020
Other temporary difference/unutilised tax assets	113.57	-	(93.06)	206.63
MAT Credit Entitlement utilisation	1,838.62	-	-	1,838.62
Property, plant & Equipments	(1,055.80)	-	69.94	(1,125.74)
Total	896.39	-	(23.12)	919.51

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)				
Particulars	As at March 31, 2020	Others	Recognised in Profit or Loss / OCI	As at March 31, 2019
Other temporary difference/unutilised tax assets	206.63	-	17.98	188.65
Unabsorbed depreciation/ Business loss as per Income tax	-	-	(202.57)	202.57
MAT Credit Entitlement utilisation	1,838.62	(232.24)	-	2,070.86
Property, plant & Equipments	(1,125.74)	-	522.17	(1,647.91)
Total	919.51	(232.24)	337.58	814.17

9. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	147.93	253.37
Advances other than capital advances		
Advances to creditors		
Unsecured, Considered Doubtful	0.59	0.59
Less: Provision for Doubtful Advances	(0.59)	(0.59)
Prepaid Expenses	2.29	3.49
Advance for Investment	15.49	-
Total	165.71	256.86

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

10. INVENTORIES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	257.75	159.55
Finished goods	6,555.41	8,480.79
Add: Goods-in-transit	38.58	29.07
	6,593.99	8,509.86
Stock-in-trade (Trading)	2,074.98	1,347.64
Work-in-progress	580.22	1,034.59
Packing materials	3,516.30	2,726.21
Total	13,023.24	13,777.85

Charge to Statement of Profit and Loss on account of write-down of inventories to net realisable value for the year is ₹ Nil (As at March 31, 2020, ₹ Nil)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

11. INVESTMENTS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Mutual Funds (Measured at FVTPL)		
Quoted		
Union Medium duration Fund Regular, Growth 99,895.105 units (As at March 31, 2020, Nil units)	10.19	-
Total	10.19	-
Aggregate value of Quoted Investments	10.19	-
Aggregate value of Investments measured at FVTPL	10.19	-

12. TRADE RECEIVABLES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good	8,305.99	8,316.47
Less: Provision for impairment	(164.30)	(203.63)
Total	8,141.69	8,112.84

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

13. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Current Accounts	986.47	189.54
Cash on hand	8.89	3.87
Total	995.36	193.41

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unclaimed Dividend Accounts	7.23	5.81
Margin money with banks (original maturity for more than three months but less than twelve months)	137.70	251.13
Term Deposit (original maturity for more than three months but less than twelve months) (restricted use)	155.81	147.52
Total	300.74	404.46

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

15. LOANS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered good	4.50	-
Inter-Corporate Deposit		
Unsecured, Considered good	964.05	713.10
Loans to Staff		
Unsecured, Considered good	22.90	32.34
Total	991.45	745.44

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except ₹ 4.20 Lakhs (As at March 31, 2020 ₹ 4.20 Lakhs) which is Loan to Chief Executive Officer.

16. OTHER FINANCIAL ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Derivative Assets (A)	138.07	-
Interest Receivable on Fixed Deposits/ICD (B)	276.74	199.43
Advance to others (C)	11.86	41.66
Advance to Related Parties	36.18	30.62
Less: Provision for Impairment	30.48	26.81
(D)	5.70	3.81
Total (A+B+C+D)	432.37	244.90

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

17. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax Assets		
Taxes paid (net of provision)	399.48	395.05
Total	399.48	395.05

18. OTHER CURRENT ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Advances other than capital advances		
Unsecured and considered good		
Advances to Suppliers	444.69	951.99
Advances to Employees	64.67	56.65
Advances to Other Parties	19.44	9.37
Others		
Export Benefits Receivable	1,018.49	733.24

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
CENVAT / VAT/ GST Receivable	125.09	306.91
GST Refund Receivable	93.37	236.77
Prepaid Expenses	77.59	111.46
Total	1,843.34	2,406.39

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

19. EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital		
16,00,00,000 (As at March 31, 2020 16,00,00,000) Equity shares of ₹ 1/- par value	1,600.00	1,600.00
3,00,000 (As at March 31, 2020 3,00,000) Redeemable Preference shares of ₹ 100/- par value	300.00	300.00
Total Authorised Share Capital	1,900.00	1,900.00
5,03,38,260 (As at March 31, 2020 5,03,38,260) Equity shares of ₹ 1/- par value	503.38	503.38
Total Issued, Subscribed and Paid up Share Capital	503.38	503.38

19.1 Reconciliation of the number of shares outstanding :

Particulars	(₹ in Lakhs)			
	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares at the beginning	5,03,38,260	503.38	1,67,79,420	167.79
Add : Bonus shares issued during the year to ₹ 1 each (refer note 19.5)	-	-	3,35,58,840	335.59
Equity Shares at the end	5,03,38,260	503.38	5,03,38,260	503.38

19.2 Rights, preferences and restrictions :

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 1 Each holder of Equity Shares is entitled to one vote per share.(Refer Note 19.4)
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

19.3 Dividend

The Board of Directors in their meeting held on June 4, 2021, have proposed a final dividend of ₹ 0.20 per equity share (Previous year ₹ 0.20 per Equity Share) for the financial year ended March 31, 2021. The proposal is subject to the approval of the shareholders at the Annual General meeting to be held on September, 2021 and if approved will result in a cash outflow of approximately ₹ 100.68 Lakhs (Previous year ₹ 100.68 Lakhs).

19.4 During the previous year, pursuant to sub-division of the Equity shares of the Company, each Equity share of the face value of ₹10 each was sub-divided into 10 Equity shares of ₹ 1 each.

19.5 During the previous year, Company has allotted bonus equity shares in the ratio of 2 equity shares for every one equity share held.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

19.6 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company :

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% held	No. of Shares held	% held
1. Mrs. Pallavi Dhupelia	1,00,00,450	19.87	1,00,00,450	19.87
2. Mr. Raymond Simkins	64,26,660	12.77	64,26,660	12.77
3. Western Press Private Limited	34,51,000	6.86	34,50,000	6.85

(₹ in Lakhs)

20. OTHER EQUITY

Particulars	As at	
	March 31, 2021	March 31, 2020
Capital Reserve	308.37	308.37
Securities Premium Reserve	2,159.58	2,159.58
General Reserve	2,232.26	2,232.26
Retained Earnings	13,055.61	12,751.44
Equity Instruments through Other Comprehensive Income	2.83	(0.26)
Total	17,758.65	17,451.39

(₹ in Lakhs)

Description of the nature and purpose of Other Equity

Capital Reserve: Capital reserve represents capital surplus and not normally available for distribution as dividend. Capital Reserve amount represents amount transferred on forfeiture of equity shares during F.Y. 1987-1988 and also on accounts of merger of Company's wholly own subsidiary Finns Frozen Foods (India) Limited.

Securities Premium: Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013. During the previous year Company has issued bonus shares in the ratio of 2:1 and utilised ₹ 335.59 Lakhs towards issue of bonus shares.

Retained Earnings: Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

21. BORROWINGS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks	534.40	-
From Others	1,091.93	1,224.31
Vehicle Loans		
From Banks	8.99	15.49
From Others	68.47	110.38
Unsecured		
Loans from related parties		
From Directors	302.89	151.51
	2,006.68	1,501.69
Less : Disclosed under other financial liabilities (Refer Note 24)		
Current maturities of non-current borrowings	777.82	303.15
Total	1,228.86	1,198.54

Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 24) :

(₹ in Lakhs)		
Nature of Security	As at March 31, 2021	As at March 31, 2020
TERM LOANS		
From Banks:		
a. Term Loan availed from Union Bank of India - Covid Loan 375.00 Lakhs @ 8% p.a.repayable in 18 equited monthly installments commencing from January 2021	312.50	-
Primary Security:		
Extension of charge on existing inventory and book assets of the Company		
b. Term Loan availed from State Bank of India - Covid Loan 235.00 Lakhs @ 7.25 % p.m. repayable in 24 equated monthly installments commencing from February,2021	208.89	-
Primary Security:		
Extension of charge on existing inventory and book assets of the Company		
c. Term Loan availed from State Bank of India 2400.00 Lakhs @ 11.50 % repayable in 72 equated monthly installments commencing from March, 2022	13.01	-
Primary Security:		
Exclusive First Charge on movable and immovable assets of the Company alongwith Land at vankal situated at Valsad both present and future procured/to be procured out of this term loan		
From Others:		
a. Term Loan availed from Export Import Bank of India for USD \$ 8.10 Lakhs (Sanctioned USD \$ 10.79 Lakhs) @ 6 months LIBOR + 4.50% p.a. repayable in 22 equated quarterly instalments commencing from April, 2020.	516.74	615.73
Primary Security:		
Exclusive First Charge on movable and immovable assets of the Company both present and future procured/to be procured out of this term loan		
Collateral Security:		
Exclusive First Charge on movable and immovable assets of the Company alongwith Land at FPP - II situated at Chittoor both present and future procured/to be procured out of this term loan		

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

		(₹ in Lakhs)	
Nature of Security		As at March 31, 2021	As at March 31, 2020
b.	Term Loan availed from Export Import Bank of India for USD \$ 5.98 Lakhs (Sanctioned USD \$ 8.07 Lakhs) @ 6 months LIBOR + 4.50% p.a. repayable in 22 equated quarterly instalments commencing from July, 2020.	357.07	455.20
	Primary Security:		
	Exclusive First Charge on movable and immovable assets of the Company both present and future procured/to be procured out of this term loan		
	Collateral Security:		
	Exclusive First Charge on movable and immovable assets of the Company alongwith Land at FPP - II situated at Chittoor both present and future procured/to be procured out of this term loan		
c.	Term Loan availed from Siemens Financial Services Private Limited of ₹ 163.63 Lakhs @ 12.25% p.a. repayable in 36 equated monthly instalments commencing from July, 2019 against specified machinery.	75.57	128.16
	Primary Security:		
	Exclusive First Charge on the machinery of the Company procured out of this Term Loan		
d.	Term Loan availed from Siemens Financial Services Private Limited of ₹ 100.00 Lakhs @ 11.50% p.a. repayable in 24 equated monthly instalments commencing from July, 2020	65.82	-
	Primary Security:		
	Exclusive First Charge on the asset of the Company procured out of this Term Loan		
e.	Term Loan availed from Siemens Financial Services Private Limited of ₹ 108.90 Lakhs @ 11.50% p.a. repayable in 36 equated monthly instalments commencing from July, 2020	85.21	-
	Primary Security:		
	Exclusive First Charge on the asset of the Company procured out of this Term Loan		
	Unsecured Loan		
	Unsecured Loan @ 12.50% p.a.	302.89	151.51
	VEHICLE LOANS		
	From Banks:		
a.	Vehicle Loan availed from Andhra Bank Limited of ₹ 20.00 Lakhs, repayable in 36 equated monthly instalments commencing from August 22, 2019 is secured against the specified car	9.00	15.48
	From Others:		
a.	Vehicle Loan availed from Volkswagen Finance Private Limited of ₹ 36.00 Lakhs, repayable in 60 equated monthly instalments commencing from May 20, 2016 is secured against the specified car	0.60	9.07
b.	Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 24.29 Lakhs, repayable in 59 equated monthly instalments commencing from June 5, 2016 is secured against the specified car	0.52	6.38
c.	Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 7.64 Lakhs, repayable in 59 equated monthly instalments commencing from September 1, 2016 is secured against the specified car	0.65	2.46
d.	Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 67.43 Lakhs, repayable in 59 equated monthly instalments commencing from December 1, 2017 is secured against the specified car	24.82	38.83

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Nature of Security	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
e. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 50.72 Lakhs, repayable in 59 equated monthly instalments commencing from March 1, 2019 is secured against the specified car	31.95	41.31
f. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 13.71 Lakhs, repayable in 59 equated monthly instalments commencing from September 5, 2019 is secured against the specified car	9.96	12.34
Total	2,015.18	1,476.46
Add: Loans fully repaid prior to the Balance Sheet date	-	33.60
Less: Loans Processing Fees	8.50	8.37
Total	2,006.68	1,501.69

Assets pledged as security

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current		
Receivables	8,141.69	8,112.84
Inventories	13,023.24	13,777.85
Fixed Deposits with Bank	24.60	23.56
Total A	21,189.53	21,914.25
Non-current		
Land	505.97	486.21
Factory Buildings	4,809.34	4,970.99
Administrative Building	303.60	317.88
Plant and Machinery	5,236.86	5,646.20
Generators	18.71	24.50
Forklift Accessories	76.40	78.57
Furniture and Fixtures	48.28	48.45
Office Equipments	37.39	37.31
Vehicles	209.95	253.36
Computers	14.96	16.91
Total B	11,261.49	11,880.37
Total (A+B)	32,451.02	33,794.62

Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Term loans from banks		
Principal	534.40	-
Term loans from Others		
Principal	1,100.41	1,232.69
Interest	133.70	66.98

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

22. PROVISIONS : NON-CURRENT

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Leave Encashment	45.71	48.59
Total	45.71	48.59

23. BORROWINGS : CURRENT

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Secured		
Loans Repayable on demand		
From Banks		
Open Cash Credit (Refer Notes 23.1 and 23.4)	783.26	990.96
Packing Credit / Foreign Bills purchased (Refer Notes 23.2 and 23.4)	8,121.25	7,590.68
Overdraft Facilities (Refer Notes 23.3)	5,388.08	3,121.39
Unsecured		
Deposit - Inter Corporate	-	103.92
Total	14,292.59	11,806.95

23.1 Secured by way of hypothecation of inventory and book debts and charge on all the Property, Plant and Equipments excluding the assets financed out of the Term Loan.

23.2 Secured by way of hypothecation of inventory and book debts, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover, charge on Property, Plant and Equipments excluding the assets financed out of the Term Loan

23.3 For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers and its receivables.

23.4 Secured by way of collateral against pledge of Fixed Deposit of ₹ 24.60 Lakhs (As at March 31, 2020, ₹ 23.56 Lakhs) which includes Interest Receivable of ₹ 4.09 Lakhs (As at March 31, 2020, ₹ 3.05 Lakhs) (Refer Note 7.1).

23.5 Details of short-term borrowings guaranteed by directors or others:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Loans Repayable on demand		
From Banks		
Principal	8,904.51	8,581.64
Interest	670.57	893.71

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

24. OTHER FINANCIAL LIABILITIES : CURRENT

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of Long-term debt (Refer Note 21)	777.82	303.15
Interest accrued	61.86	208.85
Payable for acquisition of Property, Plant and Equipment	104.75	195.47
Unclaimed dividends *	7.23	5.81
Derivative Liabilities	-	274.54
Liabilities for expenses	391.08	393.87
Total	1,342.74	1,381.69

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2021

Details of Current maturities of non-current borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Term Loans (Refer Notes 21)		
Secured		
From Banks	406.67	-
From Others	334.73	257.02
Other Loans (Refer Notes 21)		
Secured		
From Banks	6.44	3.98
From Others	29.98	41.95
Deposits (Refer Notes 21)		
Unsecured		
Fixed deposits	-	0.20
Total	777.82	303.15

25. OTHER CURRENT LIABILITIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance from customers	778.42	1,262.90
Statutory liabilities	83.83	87.08
Gratuity Payable	171.04	176.28
Total	1,033.29	1,526.26

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

26. PROVISIONS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Leave Encashment	5.24	7.34
Provision for Bonus	61.68	57.11
Others		
Provision for Sales Return		
Opening Balance	34.78	46.52
Add: Provided during the year	10.55	-
Less: Provision written back during the year	-	11.74
Closing Balance	45.33	34.78
Total	112.25	99.23

27. CURRENT TAX LIABILITIES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for taxation (net of taxes paid/adjusted)	18.21	7.84
Total	18.21	7.84

28. REVENUE FROM OPERATIONS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Sale of products	34,993.89	37,084.64
Other Operating Revenue		
Export Benefits	551.65	1,228.88
Processing Charges	7.92	13.77
Sale of Scrap / Wastages	103.81	102.33
Total Revenue From Operations	35,657.27	38,429.62

Revenue from contracts with customers

I. Revenue from contracts with customers disaggregated based on geography :

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Domestic	16,748.54	18,122.75
Export	18,908.73	20,306.87
Total	35,657.27	38,429.62

II. Reconciliation of gross revenue with the revenue from contracts with customers

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gross Revenue	35,657.27	38,429.62
Less : Discounts and incentives	-	-
Net Revenue recognised from Contracts with Customers	35,657.27	38,429.62

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

III. Revenue recognised from Contract liability (Advances from Customers)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Closing Contract liability	778.42	1,262.90

29. OTHER INCOME

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Export Benefits	-	15.36
Transport & Marketing Assistance	196.15	-
Interest Income earned on financial assets :		
On Financial Assets measured (at Amortised Cost)		
Interest on employee loan	2.44	2.95
Interest on Fixed and Other Deposits	121.23	122.15
Dividend Income	0.02	0.03
Other Non-Operating Income :		
Insurance Claims	-	9.70
Share of Profit from investment in Partnership firm	141.82	81.84
Reversal of Impairment of Trade Receivables	50.99	-
Rent Received	-	0.36
Miscellaneous Income	4.21	10.20
Balances / Provisions written back (Net)	10.77	0.70
Other Gains and Losses :		
Net gain on foreign exchange fluctuation	665.69	214.11
Net Gain on fair valuation of Mutual Fund	0.19	-
Net Gain on disposal of Property Plant and Equipments	7.30	5.26
Total	1,200.81	462.66

30. CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Finished Goods		
Closing Stock	6,593.99	8,509.86
Less: Opening Stock	8,509.86	7,621.01
	1,915.87	(888.85)
Stock-in-trade (Trading)		
Closing Stock	2,074.98	1,347.64
Less: Opening Stock	1,347.64	375.97
	(727.34)	(971.67)
Work-in-progress		
Closing Stock	580.22	1,034.59
Less: Opening Stock	1,034.59	468.17
	454.37	(566.42)
Total	1,642.90	(2,426.94)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

31. EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	1,944.85	1,967.77
Contribution to Provident and Other Funds	128.80	127.81
Gratuity	36.89	28.79
Staff Welfare Expenses	101.53	122.48
Total	2,212.07	2,246.85

32. FINANCE COSTS

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest and finance charges on financial liabilities		
On Cash Credit Facilities /Buyers Credit	1,116.78	963.59
On borrowings	121.91	67.08
Exchange difference to the extent considered as an adjustment to borrowing cost	4.97	10.01
On Others	188.95	84.57
Other Borrowing Costs		
Interest on Lease Liability	5.27	6.39
Brokerage on Fund Arrangements	5.54	3.65
Total	1,443.42	1,135.28

32.1 Interest on Cash Credit Facilities / Buyers Credit is net of subsidy F.Y. 2020-2021 ₹ 102.64 Lakhs (F.Y. 2019-2020 ₹ 107.52 Lakhs) received under Interest Equalisation Scheme on pre-shipment and post-shipment credit.

33. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, Plant and Equipment	1,203.44	1,202.83
Depreciation on Right of Use Assets	27.14	24.35
Amortisation of Intangible Assets	13.24	13.21
Total	1,243.82	1,240.39

34. OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Fruit Ripening Charges (Refer Note 34.1)	1,885.97	2,130.29
Water Charges	23.65	67.71
Testing Fees	24.84	50.36
Consumption of stores and spare parts	499.92	504.81

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)**

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and Fuel	735.49	806.57
Rent	178.33	192.65
Repair and Maintenance		
Repairs to Buildings	33.93	73.35
Repairs to Machinery	210.33	249.06
Repairs Others	101.77	91.58
Insurance	107.67	96.32
Rates and Taxes	113.80	145.29
Freight and Forwarding (Net)	2,313.89	2,351.83
Warehousing Charges	394.54	356.35
Bank Charges	189.16	178.26
Legal and Professional Charges / Fees	328.69	448.30
Advertisement and Sales Promotion	76.76	179.86
Membership and Subscription	65.24	25.54
Travelling and Motor Car Expenses	257.22	386.39
Loss on disposal of Property, Plant and Equipments	2.08	-
Security Charges	72.76	74.80
Interest on delayed payment under MSMED Act and Others	7.22	5.41
Bad Debts Written off	198.47	0.18
Less: Provision for Impairment of financial assets written back	(122.21)	-
Impairment of financial assets	-	99.98
Impairment of Investment	-	0.49
Provision for Impairment of Advance to Subsidiary	3.67	26.81
Miscellaneous Expenses	242.92	218.78
Total	7,946.11	8,760.97

34.1 Expenses incurred on Fruit Ripening Charges during the year are included in the Statement of Profit and Loss as under:

Nature of expenses	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Hiring Charges	26.57	36.86
Labour Charges	890.49	937.09
Miscellaneous Expenses	15.89	19.98
Fruit Ripening Charges	388.05	551.67
Processing Charges	546.04	547.75
Travelling Expenses	17.74	36.15
Rent	1.19	0.79
Total	1,885.97	2,130.29

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

35. DISCLOSURE PURSUANT TO IND AS 12 ON "INCOME TAXES"

A. Components of Tax Expenses/(Income)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax	71.00	500.00
Excess provision for tax of earlier years written back	-	(189.54)
Deferred Tax movement	23.12	(337.58)
Income Tax Expense reported in the statement of Profit or Loss	94.12	(27.12)

B. A Reconciliation between the statutory Income Tax rate applicable to the Company and the effective Income tax rate is as Follows.

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit Before Tax	476.83	1,091.52
Corporate Tax rate as per Income Tax Act, 1961	27.82%	29.12%
Tax on Accounting Profit	132.65	317.85
Add:		
Expenses disallowed	415.60	556.08
Incremental Deferred Tax liabilities on account of other temporary differences	23.08	(337.58)
Previous year taxation	-	(189.54)
Income Exempt from Tax	(39.45)	(0.01)
Expenses allowed	(437.76)	(373.93)
Tax expenses recognised during the year	94.12	(27.12)

36. EARNINGS PER SHARE (EPS)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	388.87	1,103.47
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	5,03,38,260	4,74,04,154
Add: Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	5,03,38,260	4,74,04,154
Face Value per Equity Share (Refer Note 19.4)	1	1
Basic Earnings per Share	0.77	2.33
Diluted Earnings per Share	0.77	2.33

*During the previous year the Company has issued fully paid Bonus shares of ₹ 1 each in ratio of two equity shares for every one Equity shares held to eligible members of the Company. The Company has allotted 3,35,58,840 number of equity shares of ₹ 1 each and it ranks pari-passu in all respect with existing fully paid up Equity Shares of ₹ 1 each. In view of the same, for the purpose of ease of comparison, earnings per share of the previous periods have been accordingly re-stated considering the revised weighted average number of equity shares.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

37. DISCLOSURE AS PER IND AS 17 ON "LEASES":

As Lessee :

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Plant & Machinery and Vehicles.

- a) Following are the changes in the carrying value of Right of Use assets for the year ended March 31, 2021 :

Particulars	Category of ROU		Total
	Machinery	Vehicle	
Balance as at March 31, 2020	52.70	20.97	73.67
Depreciation of Right of use assets	16.65	10.49	27.14
Balance as at March 31, 2021	36.05	10.48	46.53

Following are the changes in the carrying value of Right of Use assets for the year ended March 31, 2020 :

Particulars	Category of ROU		Total
	Machinery	Vehicle	
Balance as at April 1, 2019	-	-	-
Transition impact on account of Ind AS 116 " Leases"	66.57	31.45	98.02
Depreciation of Right of use assets	13.87	10.48	24.35
Balance as at March 31, 2020	52.70	20.97	73.67

- b) The following are the changes in the carrying value of lease liability during the year ended March 31, 2021:

Particulars	(₹ in Lakhs)
	For the year ended March 31, 2021
Balance as at April 1, 2020	79.24
Finance cost accrued during the year	5.27
Payment of lease liabilities	31.43
Balance as at March 31, 2021	53.08
Current portion of Lease liability	28.38
Non Current portion of Lease liability	24.70
	53.08

The following are the changes in the carrying value of lease liability during the year ended March 31, 2020:

Particulars	(₹ in Lakhs)
	For the year ended March 31, 2020
Balance as at April 1, 2019	-
Transition impact on account of Ind AS 116 " Leases"	98.02
Finance cost accrued during the year	6.39
Payment of lease liabilities	25.17
Balance as at March 31, 2020	79.24
Current portion of Lease liability	26.16
Non Current portion of Lease liability	53.08
	79.24

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

- c) Amounts recognised in the statement of cash flows

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Total cash outflow for leases	31.43	28.17

- d) Rental expense recorded for short-term leases was ₹ 359.04 Lakhs for the year ended March 31, 2021 (₹ 436.20 Lakhs for the year ended March 31, 2020).
- e) The maturity analysis of lease liabilities are disclosed in Note 40 D. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- f) The period of these leasing arrangements, range between three to four years and some of them are renewable by mutual consent.
- g) Future lease payments which will start from April 1, 2021 is ₹ 330.00 Lakhs. (₹ Nil from March 31, 2020)

As Lessor

Operating Lease

Rental income on assets given on operating lease is ₹ nil for the year ended March 31, 2021 (₹ 0.36 Lakhs for the year ended March 31, 2020).

38. EMPLOYEE BENEFITS

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

The Company contributes to following funds which are considered as defined contribution plans

Provident Fund

Superannuation Fund

State Defined Contribution Plans

Employers' Contribution to Employees' State Insurance

Employers' Contribution to Employees' Pension Scheme 1995

The Provident Fund and the State Defined Contribution Plans are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

B. Defined Benefit Plans

Gratuity

Compensated Absences

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	(₹ in Lakhs)	
	Valuation as at	
	March 31, 2021	March 31, 2020
i. Discount Rate (per annum)	6.87%	6.84%
ii. Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iii. Expected Rate of Return on Assets	6.87%	6.84%
iv. Attrition Rate	2.00%	2.00%
v. Retirement Age	58 years	58 years

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

- vi. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.
- vii. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- viii. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note on other risks:

Investment risk - The funds are invested by SBI Life Insurance Company Limited and they provide returns basis the prevalent bond yields, SBI Life Insurance Company Limited on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

Interest Risk – SBI Life Insurance Company Limited does not provide market value of assets, rather maintains a running statement with interest rates declared annually – The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Longevity Risk – Since the gratuity payment happens at the retirement age of 58, longevity impact is very low at this age, hence this is a non-risk.

Salary risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
i. Changes in Present value of Obligation		
Present value of defined benefit obligation at the beginning of the year	350.53	257.44
Current Service Cost	24.83	20.71
Interest Cost	23.98	20.05
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	(0.81)	0.38
Actuarial (gains)/ losses arising from changes in experience adjustment	(21.09)	53.94
Past Service cost	-	-
Benefits Paid	(17.96)	(2.00)
Liability Transferred in	-	-
Present value of defined benefit obligation at the end of the year	359.48	350.53
ii. Changes in Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	174.25	122.02
Interest Income	11.92	9.51
Expected Return on Plan Assets	0.23	2.25
Employer's Contributions	20.00	40.00
Benefits Paid	(17.96)	(2.00)
Return on plan assets, excluding interest income	-	-
Assets Transferred in / Acquisitions	-	2.47
Fair value of plan assets at the end of the year	188.44	174.25
iii. Net Benefit (Asset) /Liability		
Defined benefit obligation	(359.48)	(350.53)
Fair value of plan assets	188.44	174.25
Funded Status (Surplus/ (Deficit))	(171.04)	(176.28)
Net Benefit (Asset) /Liability	(171.04)	(176.28)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
The net liability disclosed above relates to funded plans are as follows:		
Projected benefit obligation at end of the year	359.48	350.53
Fair Value of plan assets at the end of the year	188.44	174.25
iv. Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	350.53	257.44
(Fair Value of Plan Assets at the Beginning of the Period)	(174.25)	(122.02)
Net Liability/(Asset) at the Beginning	176.28	135.42
Interest Cost	23.98	20.05
(Interest Income)	(11.92)	(9.51)
Net Interest Cost for Current Period	12.06	10.55
v. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	24.83	20.71
Interest cost on benefit obligation (net)	12.06	10.55
Past Service cost	-	-
Total Expenses recognised in the Statement of Profit and Loss	36.89	31.26
vi. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	(21.90)	54.32
Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
Return on plan asset	(0.23)	(2.25)
Recognised in Other Comprehensive Income	(22.13)	52.08
vii. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	49.25	59.57
2 nd following year	18.71	8.83
3 rd following year	19.46	18.21
4 th following year	24.27	18.85
5 th following year	18.83	23.52
Sum of Years 6 To 10	184.76	175.25
Sum of Years 11 and above	376.21	371.39
The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2020: 5 years)		
viii. Sensitivity Analysis		
"Projected Benefit Obligation on Current Assumptions"	359.48	350.53
Delta Effect of +1% Change in Rate of Discounting	(25.23)	(24.81)
Delta Effect of -1% Change in Rate of Discounting	29.02	28.55
Delta Effect of +1% Change in Rate of Salary Increase	26.81	26.43
Delta Effect of -1% Change in Rate of Salary Increase	(23.85)	(23.30)
Delta Effect of +1% Change in Rate of Employee Turnover	4.34	4.18
Delta Effect of -1% Change in Rate of Employee Turnover	(4.87)	(4.69)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
ix. The major categories of plan assets as a percentage of total		
Insurer managed funds		

Changes in Fair value of Plan Assets

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
Fair value of plan assets at the beginning of the year	174.25	122.02
Interest Income	11.92	9.51
Expected Return on Plan Assets	-	-
Employer's Contributions	20.00	40.00
Assets Transferred in / Acquisitions	-	2.47
Benefits Paid	(17.96)	(2.00)
Return on plan assets, excluding interest income	0.23	2.25
Fair value of plan assets at the end of the year	188.44	174.25

Note on Sensitivity Analysis

The Sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The Sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

39. CONTINGENT LIABILITIES, FINANCIAL GUARANTEES AND COMMITMENTS

A. Components of Tax Expenses/(Income)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Contingent Liabilities not provided for		
Claims against the Company not acknowledged as debt		
i Income-tax matters under appeal	170.03	170.03
ii Service Tax matters under appeal	2.43	2.43
iii Additional Statutory Bonus for Financial Year 2014-2015	22.54	22.54
Total	195.00	195.00
B. Capital and other commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	1,551.59	1,892.20

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
b. Others		
i. Quantum of Export Obligation of Packing Materials with 20% value addition against Advance licences- Duty saved *	277.49	25.60
ii. Export obligations of ₹ 72.45 Lakhs (F.Y. 2019-20 - ₹ 72.45 Lakhs) against EPCG Licenses utilised for purchase of Fixed Assets but not yet installed - Duty saved **	72.45	72.45
Total	349.94	98.05

* Export obligations against the advance licence of ₹ 424.30 Lakhs (F.Y. 2019-2020 - ₹ 531.08 Lakhs) have already been fulfilled by the Company. However, procedural formalities for the closure of the Advance Licences are pending.

** "Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 312.99 Lakhs (F.Y. 2019-2020 - ₹ 494.47 Lakhs) have already been fulfilled by the Company, However, procedural formalities for the closure of the EPCG Licenses are pending."

40. CAPITAL MANAGEMENT AND FINANCIAL RISK MANAGEMENT POLICY

A. Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value.

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Company is monitoring Capital using debt equity ratio as its base, which is debt to equity. The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Net debt (total borrowing net of cash and cash equivalents) divided by "Total equity" (as shown in the balance sheet).

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	15,303.91	13,115.23
Total Equity	18,262.03	17,954.77
Debt Equity Ratio	0.84%	0.73%

B. Financial Risk Management and Policies

Risk is events, situation or circumstances which may lead to negative consequences on the Company's business. Risk management is a structure approach to manage uncertainty. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The Company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk : interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The above mentioned risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

i. Foreign Currency Risk:

The Company is subject to the risk that changes in foreign currency values impact the Company's export, import and other payables.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar, Euro, Singapore Dollars and Great Britain Pound.

The Company manages currency exposures within prescribed limits, through use of derivative instruments such as Options, futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows :

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)
Payable USD	14.32	1,053.00	17.72	1,347.90
Receivable USD	38.50	2,832.35	39.36	2,951.43
Payable EUR	0.57	49.06	1.56	131.31
Receivable EUR	12.13	1,044.24	9.06	745.99
Payable GBP	0.39	39.23	0.50	47.11
Receivable GBP	2.52	254.29	3.48	320.55
Payable SGD	-	-	2.84	152.45
Receivable SGD	-	-	0.51	26.81

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)
Payable USD	14.32	1,053.00	17.72	1,347.90
Payable EUR	0.57	49.06	1.56	131.31
Payable GBP	0.39	39.23	0.50	47.11
Receivable GBP	2.52	254.29	3.48	320.55
Payable SGD	-	-	2.84	152.45
Receivable SGD	-	-	0.51	26.81

Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

Particulars	As at March 31, 2021		As at March 31, 2020	
	5% increase	5% decrease	5% decrease	5% decrease
Impact on Profit and Loss				
USD	(52.65)	52.65	(67.40)	67.40
EURO	(2.45)	2.45	(6.57)	6.57
GBP	10.75	(10.75)	13.67	(13.67)
SGD	-	-	(6.28)	6.28
Total	(44.36)	44.36	(66.58)	66.58

ii. Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD and Euro. The Company enters in to contracts with terms up to 360 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that we follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

Regulatory Requirements: The Company will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time. Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period.

Outstanding contracts	Foreign currency (In Lakhs)		Fair Value Assets/(Liabilities)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD - Sell	\$92.63	\$120.57	7,001.95	7,561.79
EUR - Sell	€ 32.22	€ 15.25	2,843.58	1,013.10

iii. Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. During the year the Company is less exposed to interest rate risk because the Company has borrowed funds substantially at Fixed interest rates. The interest rate risk is managed by the Company by the use of interest rate swap wherever relevant and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings *	71.53	49.15
Fixed rate borrowings *	1,361.38	1,072.48

* Include ₹ 8.50 (as at March 2020: ₹ 8.37) as Prepaid Financial Charges.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

Particulars	Impact on Profit : Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Interest rates - increase by 100 basis points *	(0.72)	(0.49)	(0.72)	(0.49)
Interest rates - decrease by 100 basis points *	0.72	0.49	0.72	0.49

* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR & USD (being the significant currencies last year in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

iv. Price risk

The Company is expose to price risk due to its Investment in equity instruments recognised at FVTOCI. The fair value of a financial instrument will fluctuate due to changes in market traded price. As at March 31, 2021, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 9.84 Lakhs (As at March 31, 2020 ₹ 6.75 Lakhs).

Price risk sensitivity:

0.10% increase or decrease in prices will have the following impact on profit/(loss) before tax and on other components of equity.

Particulars	Impact on Profit : Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Price - increase by 0.10%*	0.98	0.68	0.98	0.68
Price - decrease by 0.10% *	(0.98)	(0.68)	(0.98)	(0.68)

C. CREDIT RISK

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company by failing to discharge its contractual obligations as agreed. The Company's exposure to credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. Credit risk arising from derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies. The companies exposure are continuously monitored.

In addition, the Company is exposes to credit risk in relation to financial guarantees given to banks for the facilities availed by subsidiary. The Company's maximum exposures in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

The Company uses a provision matrix to determine impairment loss on portfolio of its Trade Receivables. The provision matrix is based on its historically observed default rates over the expected life of the Trade Receivable and is adjusted for forward-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company follows a simplified approach (i.e. based on life time ECL) for recognition of impairment loss allowances on trade receivables. For the purpose of measuring the life time ECL allowance for trade receivables, the Company uses a provision matrix which comprises a customer spread across the geographical areas and the same are grouped into homogenous group and assessed for impairment collectively. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing Ageing of Trade Receivables and Movement in Expected Credit Loss Allowance

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Age of receivables:		
Within the credit period	7,638.97	6,960.40
0- 3 Months	28.50	162.27
3- 6 Months	170.05	552.52
6- 9 Months	70.90	286.14
9- 12 Months	81.52	80.22
12- 15 Months	99.74	23.48
15- 18 Months	31.49	17.30
18- 21 Months	126.44	14.59
More than 21 Months	58.36	219.55
Total	8,305.99	8,316.47
Movement in the credit loss allowance		
Balance at the beginning of the year	203.63	103.65
Net Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	(39.33)	99.98
Balance at the end of the year	164.30	203.63

D. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities. The Company's approach for managing liquidity is to ensure 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 Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

(₹ in Lakhs)				
Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2021				
Non-derivative financial liabilities				
Borrowings	15,070.41	1,224.52	4.34	16,299.27
Trade Payables	6,189.19	-	-	6,189.19
Lease Liability	28.38	24.70		53.08

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)**

(₹ in Lakhs)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
Other Financial Liabilities	564.92	-	-	564.92
	21,852.90	1,249.22	4.34	23,106.46
Derivative financial liabilities				
Foreign Exchange Forward Contracts	-	-	-	-
	-	-	-	-
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	12,110.10	1,080.49	118.05	13,308.64
Trade Payables	7,757.15	-	-	7,757.15
Lease Liability	26.16	53.08	-	79.24
Other Financial Liabilities	804.00	-	-	804.00
	20,697.41	1,133.57	118.05	21,949.03
Derivative financial liabilities				
Foreign Exchange Forward Contracts	274.54	-	-	274.54
	274.54	-	-	274.54

Financing arrangement

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds.

41. FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

- The fair values of investment in government securities and quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets 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.
- The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Unadjusted quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets				
Measured at Fair Value Through Profit and Loss				
Derivatives				
Forward Contracts	138.07	138.07	-	-
	138.07	138.07	-	-
Measured at Amortised Cost				
Investment in Government Securities	0.30	0.30	0.30	0.30
Loans	1,458.31	1,458.31	1,212.88	1,212.88
Fixed Deposits	20.51	20.51	-	-
Interest	276.74	276.74	199.43	199.43
Current Investments	10.19	10.19	-	-
Trade Receivable	8,141.69	8,141.69	8,112.84	8,112.84
Cash and Bank Balance	1,296.10	1,296.10	597.87	597.87
Advances	17.56	17.56	45.47	45.47
	11,221.40	11,221.40	10,168.79	10,168.79
Measured at FVTOCI				
Investment in equity instruments	9.84	9.84	6.75	6.75
	9.84	9.84	6.75	6.75
Total Financial Assets	11,369.31	11,369.31	10,175.54	10,175.54
Financial Liabilities				
Measured at Amortised Cost				
Borrowing	16,299.27	16,299.27	13,308.64	13,308.64
Lease Liability	53.08	53.08	79.24	79.24
Trade Payables	6,189.19	6,189.19	7,757.15	7,757.15
Other Financial Liabilities	564.92	564.92	804.00	804.00
Derivative financial liabilities				
Foreign Exchange Forward Contracts	-	-	274.54	274.54
Total Financial Liabilities	23,106.46	23,106.46	22,223.57	22,223.57

Level wise disclosure of financial instruments

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)				
Particulars	As at March 31, 2021	As at March 31, 2020	Level	Valuation techniques and key inputs
Foreign currency forward contracts - Assets	138.07	-	2	Quotes from banks or dealers
Foreign Exchange Forward Contracts - Liabilities	-	274.54	2	Quotes from banks or dealers

42. RELATED PARTY DISCLOSURES

Related Party Disclosures as required by Ind AS 24 on "Related Party Disclosures" are given below:

Name of Related Parties and related party relationship where control exists with whom transactions have taken place during the year.

I) Subsidiary

(₹ in Lakhs)			
Name Of Company	Principal place of business	Proportionate ownership interest	
		As at March 31, 2021	As at March 31, 2020
FNI Asia PTE Limited (wound up w.e.f. August 31, 2020)	Singapore	NIL	100%
Kusum Spices (w.e.f. October 01, 2019)	India	99.99%	99.99%

II) Other related parties

a Companies in which Directors and / or their relatives have significant influence

Muller & Phipps (India) Limited
Western Press Private Limited
MPIL Corporation Limited

b Key Managerial Personnel (KMP) and their relatives

i. Key Managerial Personnel (KMP)

Mr. Moloy Saha - Chief Executive Officer

ii. Non-executive Directors

Non-Independent Directors

Mr. Bhupendra Dalal - Chairman
Mr. Milan Dalal
Mr. Raymond Simkins
Mrs. Pallavi Dhupelia (w.e.f. September 30, 2019)

iii. Independent Directors

Mr. Dinkarray Trivedi (up to September 22, 2019)
Mr. Vinod Kumar Beswal
Mrs. Kamlini Maniar
Mr. Hormazdiyaar Vakil
Mr. Deepak Mohla (up to September 22, 2019)
Mr. Maneck Davar (w.e.f. September 30, 2019)

iv. Relatives of Directors

Mr. Devdutt Dalal - Grandson of Chairman and Son of Non Executive Director
Mr. Ameya Dhupelia - Son of Non Executive Director (w.e.f. September 30, 2019)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Transaction with Related Parties

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Compensation to key management personnel		
Salary and benefits	70.93	65.50
Payments to Directors		
Sitting fees	19.35	11.65
Commission	14.00	3.00
Salary and benefits to Relatives of Directors		
Salary and benefits	73.94	36.83
Membership Fees	3.32	3.25
Interest Receivable on ICD Written off		
Muller & Phipps (India) Limited	133.86	-
Impairment of Interest receivable on advances to Subsidiaries		
FNI Asia PTE Limited	3.67	-
Impairment in Value of Investment		
FNI Asia PTE Limited	-	0.49
Impairment of Advances to Subsidiaries		
FNI Asia PTE Limited	-	26.81
Rent paid to Related parties		
MPIL Corporation Limited	7.50	4.50
Interest paid to Related Parties		
Mrs. Pallavi Dhupelia	21.13	7.95
Purchase of Goods		
Kusum Spices	1.52	2.96
Sale of Goods		
Kusum Spices	1.19	-

Transaction with Related Parties

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Transactions incurred by Company on behalf of Related Parties		
Expenses incurred		
Kusum Spices	8.91	-
Loans Taken		
Mrs. Pallavi Dhupelia	150.00	20.00

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Outstanding Balances

		(₹ in Lakhs)
Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
Muller & Phipps (India) Limited	3.18	0.62
Kusum Spices	3.22	-
Trade Payables		
Muller & Phipps (India) Limited	-	10.00
Kusum Spices	-	3.11
Western Press Private Limited	0.06	0.06
MPIL Corporation Limited	1.66	-
Advances recoverable in cash or in kind		
Western Press Private Limited	3.19	3.19
FNI Asia PTE Limited	32.38	26.81
Interest Receivable on ICD		
Muller & Phipps (India) Limited	-	133.86
Western Press Private Limited	0.80	0.80
Interest Receivable on advances to Subsidiaries		
FNI Asia PTE Limited	3.67	3.67
Loans Taken		
Mrs. Pallavi Dhupelia	302.89	151.31
Security Deposit Given		
MPIL Corporation Limited	255.00	254.85
Commission Payable		
Mr. Raymond Simkins	2.72	1.69
Director sitting fees payable		
Mr. Milan Dalal	-	0.77
Mr. Bhupendra Dalal	-	0.86
Mr. Hormazdiyaar Vakil	-	0.59

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Mr. Raymond Simkins	1.03	0.17
Non Current Investment		
FNI Asia PTE Limited	0.49	0.49
Kusum Spices	483.53	341.70
Impairment of interest receivable on ICD		
Muller & Phipps (India) Limited	-	133.86
Impairment of interest receivable on advances to Subsidiaries		
FNI Asia PTE Limited	3.67	-
Impairment in Value of Investment		
FNI Asia PTE Limited	0.49	0.49
Impairment of Advances to Subsidiaries		
FNI Asia PTE Limited	26.81	26.81
Salary Payable to key management personnel	1.34	2.27
Salary Payable to relatives of Directors	5.87	3.01

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash.

43. The Company is entitled to Export Benefits, under Merchandise Exports from India Scheme (MEIS) vide Public Notice No.2/2015-20 dated April 1, 2015, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 542.41 Lakhs (For the year ended March 31, 2020 ₹ 1,210.63 Lakhs) on export of goods.

44. EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

		(₹ in Lakhs)
a	Gross amount required to be spent during the year	14.80
b	Amount approved by the Board to be spent during the year	16.78
c	Amount spent during the year on	
i.	Construction / acquisition of any asset	-
ii.	On purposes other than (i) above	16.78

In case of Section 135(5) Excess amount spent

(₹ in Lakhs)			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Nil	14.80	16.78	1.98

45. PAYMENTS TO STATUTORY AUDITORS

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fees	10.00	7.50
Reimbursement of Out of Pocket Expenses	0.54	0.18
Certification Work	6.25	1.75
Total	16.79	9.43

46. DISCLOSURE IN ACCORDANCE WITH SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the accounting year	199.58	82.56
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	11.85	5.41
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	145.72	-
The amount of interest due and payable for the year	7.22	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	11.85	10.22
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

47. The Company has considered the possible effects that may result due to the lockdown announced consequent to outbreak of COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts.

48. Information on Loans given, Investments made and Guarantee given pursuant to Section 186 (4) of the Companies Act, 2013

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loan given by the Company during the year ended March 31, 2021, repayable based on mutual consent		
Mount Estate Private Limited Inter-Corporate Lending @ 12.00% p.a.	-	5.00
Tri Global Foods Private Limited Inter-Corporate Lending @ 12.00% p.a.	290.95	62.05
Trivani Foods Inter-Corporate Lending @ 10.50% p.a.	-	115.00

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Disclosure under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Name of Subsidiary	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
FNI Asia PTE Limited		
Amount Outstanding	32.38	26.81
Maximum balance outstanding during the year	32.38	26.81

49. Figures of the previous periods have been regrouped wherever necessary.

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

For and on behalf of the Board of Directors

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Foods and Inns Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Foods and Inns Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and 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 the reports of other auditors on standalone financial statements and other financial information of the subsidiaries, the aforesaid Statement:

- (i) includes the annual standalone financial statements of FNI Asia PTE Limited (wound up w.e.f. August 31, 2020 and M/s Kusum Spices (w.e.f. October 02, 2019).
- (ii) give the information required by the Companies Act, 2013 ("the Act") in the manner so required; and
- (iii) give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI), together with the

independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on standalone financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and our Report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 works we have performed, we conclude that there is a material misstatement of this information, we are required to report the fact. We have nothing to report in this regard.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are

INDEPENDENT AUDITOR'S REPORT (Contd.)

required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the rules made thereunder and relevant provision of the Act. The respective Governing Bodies of the entities included in Group are responsible for maintenance adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Governing Bodies of the entities included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Governing Bodies of the entities included in the Group are responsible for overseeing the financial reporting process of the Group.

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 judgement 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph below.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the standalone financial statements of two subsidiaries whose financial statements reflects total assets of ₹ 647.94 lakhs as at March 31, 2021, total revenue of ₹ 1,462.82 lakhs, total net profit after tax of ₹ 175.85 lakhs, total comprehensive income/ (loss) of ₹ 175.36 lakhs and net cash flows amounting to ₹ 46 lakhs for the year ended on that date, as considered in the preparation of the consolidated financials statements.

These financial statements and other financial information have been audited by their respective independent auditors whose reports have been furnished to us by the Management of the Company and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiaries is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

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 reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 by the Holding Company 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 (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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;

INDEPENDENT AUDITOR'S REPORT (Contd.)

- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended,

in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, associates and joint ventures, as noted in the Other matters paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements;
- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For G. M. Kapadia & Co.

Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner
Membership No. 039569
UDIN: 21039569AAAAIR1019

Place : Mumbai
Dated this 04th day of June, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report on even date to the members of Foods and Inns Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2021:

Opinion

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of **Foods and Inns Limited (hereinafter referred to as 'the Holding Company')**. Since the reporting requirements under section 143(3)(i) of the Act are not applicable to the subsidiaries, this report is only in respect of the Holding Company.

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the 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 financial statement of the

Holding Company. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial control system 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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 G. M. Kapadia & Co.

Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner
Membership No. 039569
UDIN: 21039569AAAAIR1019

Place : Mumbai
Dated this 04th day of June, 2021



CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2021

		(₹ in Lakhs)	
Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	11,332.72	11,937.82
(b) Right of Use Asset	3	46.53	73.67
(c) Capital work-in-progress	3	1,773.50	304.65
(d) Intangible Assets	4	1,315.44	1,328.67
(e) Financial Assets			
(i) Investments	5	10.15	7.05
(ii) Loans	6	475.04	469.54
(iii) Others	7	20.51	-
(f) Deferred Tax Assets(Net)	8	896.39	919.51
(g) Other Non-current assets	9	165.71	256.86
Total Non-Current Assets		16,035.99	15,297.77
Current Assets			
(a) Inventories	10	13,336.60	14,003.78
(b) Financial Assets			
(i) Investments	11	10.19	-
(ii) Trade Receivables	12	8,251.75	8,198.02
(iii) Cash and Cash Equivalents	13	1,000.29	232.92
(iv) Bank balance other than(iii)above	14	370.74	404.46
(v) Loans	15	986.75	749.94
(vi) Other Financial Assets	16	432.62	242.90
(c) Current Tax Assets(Net)	17	399.54	395.05
(d) Other Current Assets	18	1,914.69	2,446.19
Total Current Assets		26,703.17	26,673.26
Total Assets		42,739.16	41,971.03
EQUITY AND LIABILITIES			
Equity			
(a) Equity	19	503.38	503.38
(b) Other Equity	20	17,743.77	17,430.33
(c) Non-Controlling Interest	20	0.04	0.14
Total Equity		18,247.19	17,933.85
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,228.86	1,198.54
(ii) Lease Liability		24.70	53.08
(b) Provisions	22	47.77	48.59
(c) Deferred tax liabilities(Net)	23	0.05	2.46
Total Non-Current Liabilities		1,301.38	1,302.67
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	14,306.60	11,806.95
(ii) Lease Liability		28.38	26.16
(iii) Trade Payables			
Outstanding of Micro and Small Enterprises		211.43	92.78
Other than Micro and Small Enterprises		6,091.26	7,759.45
(iv) Other Financial Liabilities	25	1,369.33	1,401.59
(b) Other Current liabilities	26	1,040.54	1,528.97
(c) Provisions	27	112.25	99.23
(d) Current Tax Liabilities (Net)	28	30.80	19.38
Total Current Liabilities		23,190.59	22,734.51
Total Liabilities		24,491.97	24,037.18
Total Equity and Liabilities		42,739.16	41,971.03

Significant Accounting Policies

2

See accompanying notes forming part of the financial statements

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board of Directors

ATUL SHAH

Partner

Membership No.039569

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

MILAN DALAL

Director

(DIN : 00062453)

MOLOY SAHA

Chief Executive Officer

Place : Mumbai

Date : June 4, 2021

ANAND KRISHNAN

Chief Financial Officer

RANDEEP KAUR

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

		(₹ in Lakhs)	
Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
I Revenue from Operations	29	37,079.28	39,225.46
II Other Income	30	1,063.79	388.79
III Total Income (I+II)		38,143.07	39,614.25
IV EXPENSES			
Cost of materials consumed		22,673.02	24,154.20
Purchases of Stock-in-Trade		118.71	3,328.09
Changes in inventories of Finished Goods	31	1,638.23	(2,501.14)
Employee Benefits Expense	32	2,349.44	2,286.73
Finance Costs	33	1,444.63	1,135.28
Depreciation and Amortisation Expense	34	1,249.35	1,242.69
Other Expenses	35	8,121.19	8,822.38
Total Expenses		37,594.57	38,468.23
V Profit Before Tax (III-IV)		548.50	1,146.02
VI Tax Expense			
Current Tax	36	140.71	546.54
Excess provision for tax of earlier years written back		-	(189.54)
Deferred Tax	36	14.76	(319.95)
Total Tax Expenses		155.47	37.05
VII Profit for the year (V-VI)		393.03	1,108.97
Non - controlling interest (on Net profit / loss for the period)		(0.01)	-
Net Profit / loss after tax and Non - controlling interest (net of tax)		393.02	1,108.97
VIII Other Comprehensive Income			
A. Items that will not be reclassified subsequently to profit or loss:			
i. Remeasurement of the defined benefit plans		21.53	(52.08)
ii. Effect [gain/(loss)] of measuring equity instruments at fair value through OCI		3.09	(0.45)
iii. Income tax on above		(5.95)	15.17
B. Items that will be reclassified subsequently to Profit /(Loss)			
Exchange difference on translation of foreign operation		2.42	(1.01)
Non - controlling interest (Other comprehensive income)		-	-
Other comprehensive income after Non - controlling interest (net of tax)		21.09	(38.37)
IX Total Comprehensive Income / (Loss) (comprising Profit/(Loss) and Other Comprehensive Income (VII+VIII))		21.09	(38.37)
Total Non - controlling interest		(0.01)	-
Total Comprehensive income for the period after Non - controlling interest comprising profit and other comprehensive income		414.13	1,070.60
Earnings per share (Face Value ₹ 1Per Share)	37		
Basic (in ₹)		0.78	2.34
Diluted (in ₹)		0.78	2.34

Significant Accounting Policies

See accompanying notes forming part of the financial statements

2

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board of Directors

ATUL SHAH

Partner

Membership No.039569

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

MILAN DALAL

Director

(DIN : 00062453)

MOLOY SAHA

Chief Executive Officer

Place : Mumbai

Date : June 4, 2021

ANAND KRISHNAN

Chief Financial Officer

RANDEEP KAUR

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	548.50	1,146.02
Adjustments for :		
Depreciation/ Amortisation	1,249.35	1,242.69
Finance Costs	1,444.63	1,130.68
Unrealised Loss on Foreign Exchange	(16.03)	(59.02)
(Profit)/Loss on Sale of Property, Plant and Equipment	(5.70)	(5.26)
Impairment of financial assets	-	99.98
Bad Debts Written off	76.26	0.18
Dividend Income	(0.02)	(0.03)
Interest Received on Deposits and Others	(121.86)	(122.15)
Mark to Market Loss/(Gain) on Financial Assets	(138.05)	276.27
Balance / Provision Write Back-(Net)	(10.77)	(0.70)
Provision for Gratuity	(2.64)	40.86
Provision for Sales Return	10.55	(11.74)
Provision for Bonus	4.57	7.32
Provision for Leave Encashment	(2.92)	(33.82)
Reversal of Impairment of Trade Receivables	(50.99)	-
Net Gain on fair valuation of Mutual Fund	(0.19)	-
Operating Profit Before Working Capital Changes	2,984.69	3,711.28
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(38.69)	(1,745.09)
(Increase)/Decrease in Inventories	667.18	(3,098.01)
(Increase)/Decrease in Financial Assets	(214.00)	54.59
Increase/(Decrease) in Trade payables	(1,557.48)	4,336.65
Increase/(Decrease) in Other Financial Liabilities	(269.24)	(135.28)
Increase/(Decrease) in Other Liabilities and Provisions	(464.36)	(3,147.25)
(Increase)/Decrease in Other Assets	517.63	272.53
Cash Generated From Operations	1,625.73	249.42
Income Tax paid	(118.71)	(420.52)
Net Cash From Operating Activities (A)	1,507.02	(171.10)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	44.30	43.57
Dividend Received	0.02	0.03
Acquisition of Tangible and Intangible assets	(2,064.56)	(2,852.12)
Sale of Property, Plant and Equipment	12.25	6.47
Purchase of Investments	(25.49)	(0.30)
Deposits held as Margin Money/FD	(442.81)	(139.12)
Proceeds from Fixed Deposits	457.44	956.84
Net Cash From Investing Activities (B)	(2,018.85)	(1,984.63)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Capital introduced by partner	-	0.14
Finance Costs Paid	(1,586.35)	(915.42)
Dividend Paid (Including Dividend Distribution Tax)	(102.10)	(122.37)
Mark to Market Loss/(Gain) on Investments	-	0.01
Payments for Lease	(31.43)	(28.17)

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Audited	Audited
Proceeds from Non-current Borrowings	968.90	599.65
Repayment of Non-current Borrowings	(469.47)	(91.33)
Increase/(Decrease) in Current Borrowings	218.95	2,196.99
Net Cash From Financing Activities (C)	(1,001.50)	1,639.50
Increase in Cash and Cash Equivalents (A+B+C)	(1,513.33)	(516.23)
Cash and Cash Equivalents at the beginning of the year	(2,888.47)	(2,372.24)
Cash and Cash Equivalents at the end of the year	(4,401.80)	(2,888.47)
Cash and Cash Equivalents comprises of		
Balances with Banks	990.33	221.00
Cheques in hand	-	7.07
Cash on hand	9.96	4.85
Bank Overdraft	(5,402.09)	(3,121.39)
Closing Balance of Cash and Cash Equivalents	(4,401.80)	(2,888.47)

Notes: 1 Disclosure to evaluate changes in Liabilities arising from financial activities:

Particulars	(₹ in Lakhs)			
	As at March 31, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
Non-current Borrowings (Refer Note 21)	1,501.69	499.43	5.56	2,006.68
Current Borrowings (Refer Note 23)	8,685.56	218.95	-	8,904.51
Total	10,187.25	718.38	5.56	10,911.19

Particulars	(₹ in Lakhs)			
	As at March 31, 2019	Cash Flows	Non-cash changes	As at March 31, 2020
Non-current Borrowings (Refer Note 21)	952.36	508.32	41.01	1,501.69
Current Borrowings (Refer Note 23)	6,488.57	2,196.99	-	8,685.56
Total	7,440.93	2,705.31	41.01	10,187.25

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Figures in brackets represent outflows / deductions.

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

For and on behalf of the Board of Directors

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital

Particulars	Note No.	Amount (₹ in Lakhs)
Balance as at April 1, 2019	19	167.79
Add: Issue of Bonus Shares		335.59
Balance as at April 1, 2020	19	503.38
Add: Changes during the year		-
Balance as at March 31, 2021		503.38

B. Other Equity

Particulars	Note No.	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Other Comprehensive Income Equity Instruments through OCI	Foreign Currency translation reserve	Amount attributable to the owners of the parent	Non-Controlling Interest	Total (₹ in Lakhs)
Balance as at April 1, 2019	20	2,637.43	2,159.58	308.18	11,712.18	0.19	(0.87)	16,816.69	-	16,816.69
Profit for the year		-	-	-	1,108.97	-	-	1,108.97	*	1,108.97
Other comprehensive income for the year		-	-	-	(52.08)	(0.45)	(1.01)	(53.54)	-	(53.54)
Income tax on above		-	-	-	15.17	-	-	15.17	-	15.17
Dividend paid(Includes dividend distribution tax)		-	-	-	(121.37)	-	-	(121.37)	-	(121.37)
Issue of Bonus Shares		(335.59)	-	-	-	-	-	(335.59)	-	(335.59)
Addition / Deduction		-	-	-	-	-	-	-	0.14	0.14
Balance as at April 1, 2020	20	2,301.84	2,159.58	308.18	12,662.87	(0.26)	(1.88)	17,430.33	0.14	17,430.47
Profit for the year		-	-	-	393.03	-	-	393.03	0.01	393.04
Other Comprehensive Income for the year		-	-	-	21.53	3.09	2.42	27.04	-	27.04
Income tax on above		-	-	-	(5.95)	-	-	(5.95)	-	(5.95)
Dividends		-	-	-	(100.68)	-	-	(100.68)	-	(100.68)
Addition / Deduction		-	-	-	-	-	-	-	(0.11)	(0.11)
Balance as at March 31, 2021		2,301.84	2,159.58	308.18	12,970.80	2.83	0.54	17,743.77	0.04	17,743.81

Significant Accounting Policies

See accompanying notes forming part of the financial statements

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

For and on behalf of the Board of Directors

2

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statement of Foods and Inns Limited ("the Company") and its subsidiary (collectively the "Group") for the year ended March 31, 2021. The Company is public limited Company domiciled in India and is incorporated under provisions of the companies Act applicable in India. Its shares are publically traded on the BSE Limited in India.

The Group is engaged in business of processing and marketing fruit pulps, concentrates and spray dried fruit and vegetable powders, Powder of various spices, frozen vegetables and snacks, medicated products both into domestic and international markets.

Authorisation of financial statements

The authorisation of consolidated financial statements of the Group for the year ended March 31, 2021 were authorised for issue by the Board of Directors at their meeting held on June 4, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the Act) and other relevant provisions of the Act. In accordance with proviso to Rule 4A of The Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definition and other requirements specified in the applicable Accounting Standards.

These financial statements have been prepared on an accrual basis under the historical cost convention or amortisation cost basis except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- ii. Defined benefits plans-plan assets measured at fair value, and
- iii. Assets held for sale measured at fair value less cost to sell

2.2 Rounding of Financial Statements

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency and all amounts are rounded off to the nearest Lakhs (INR '00,000) upto two decimals, except when otherwise indicated.

2.3 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current or non-current classification.

An asset is treated as current if it is :

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) 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 assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Group has identified twelve months as its normal operating cycle.

2.4 Principles of consolidation and equity accounting

(i) Subsidiary

Subsidiary are the entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

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. Subsidiary 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 subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

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 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 between 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from Associates are recognised as a reduction in the carrying amount of the investment.

When the Group'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's does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its Associates are eliminated to the extent of the Group's interest in these entities. Unrealised 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. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.7 below.

2.5 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

2.6 Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then those are accounted as separate items (major components) of Property, Plant and Equipment. The carrying amount of any component accounted as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

Store and spares which meets the definition of Property, Plant and Equipment and satisfy the recognition criteria as per Ind AS 16 are capitalised as Property, Plant and Equipment.

Freehold land is carried at historical cost less impairment loss, if any.

The carrying amount of an item of Property, Plant and Equipment is de-recognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the de-recognition of an item of Property, Plant and Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit or Loss.

2.7 Capital Work-in-progress

Property, plant and equipment which are not ready for intended use on the date of Balance Sheet are disclosed as capital work-in-progress. It is carried at cost, less any recognised impairment loss. Such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2.8 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Act. The Group has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed therein except for Land on finance lease which is amortised over the period of lease.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and changes, if any, are accounted prospectively.

Depreciation for assets purchased or sold during the period is charged on a pro-rata basis.

Items of Property, Plant and Equipment costing up to ₹5,000 are fully depreciated in the year of purchase or capitalisation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

The Group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, Plant and Equipment is assessed based on the historical experience and internal technical inputs.

2.9 Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets with finite useful lives are amortised on straight line basis over their economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful life and amortisation method are reviewed at the end of each reporting period, and any changes, if any, are accounted prospectively. Gain or loss arising from de-recognition of an intangible are recognised in Statement of Profit or Loss when asset is derecognised.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

2.10 Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may be impaired and also whether there is any indication of reversal of

impairment loss recognised in previous periods. If any such indication exists, the recoverable amount is estimated, and impairment loss, if any, is recognised and the carrying amount is reduced to its recoverable amount. Recoverable amount is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be. Recoverable amount is determined for individual assets, unless asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit or Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

2.11 Investments in Subsidiary

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns. The Company's investments in its Subsidiary is accounted at cost.

2.12 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, fuels, stores and spares and components which are not considered as Property, Plant and Equipment, are valued at lower of cost and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

net realisable value. Cost is determined on the basis of the first-in-first out basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of Finished Goods consists of direct materials, labour and other direct cost and appropriation of manufacturing overheads based on normal operating capacity. Excise duty is accounted for at the point of manufacture of goods, accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on balance Sheet date.

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

Stock of materials sold by one unit to other is works/factory costs of the transferor unit/ division, plus transport and other charges.

2.13 Financial Instruments

Financial assets and Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition Financial Assets and Financial Liabilities:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit or Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or

fair value through profit or loss (FVTPL) on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

FVTOCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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.

FVTPL:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

The Company's financial liabilities include trade and other payables, loans and borrowing including bank overdrafts, financial guarantee contracts and derivative financial instruments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

2.14 Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.15 Impairment of financial assets

The Group recognises loss allowance using expected credit loss model for financial assets which carried at amortised cost. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

For Trade Receivables, the Group uses the simplified approach permitted by Ind AS 109 Financial Instruments which requires expected life time losses to be recognised from initial recognition of receivables.

2.16 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and

rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.17 Financial liabilities and equity instruments

- Classification as debt or equity:
Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Group are recognised at the proceeds received.

2.18 Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

2.19 Offsetting financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where 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 legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

2.20 Cash and Cash Equivalent

Cash and Cash Equivalent in the Balance Sheet comprises of cash at bank and on hand and short term deposit with an original deposit of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits as defined above, bank overdraft, and short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.21 Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker

(CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group.

The identification of geographical information is based on the geographical location of its customers.

2.22 Non-current Assets held for Sale

Non-current assets are classified as 'held for sale' when all of the following criteria's are met: a) decision has been made to sell. b) the assets are available for immediate sale in its present condition. c) the assets are being actively marketed and d) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of derecognition.

2.23 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.24 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

recognised for future operating losses.

Provisions are made at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, unless the probability of outflow of resources are remote.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.25 Revenue Recognition

i. Revenue from Contracts with Customers

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

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

To recognise revenues, the Company applies the following five step approach

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties

ii. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. 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 that financial asset.

iii. Dividends

Dividend income from investments is recognised when the Group's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

2.26 Foreign Currency Transactions

On initial recognition, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in the Statement of Profit or Loss account in the period in which they arise.

Non-monetary items that are measured in terms of historical cost foreign currency are translated using exchange rates at the dates of the initial transaction.

2.27 Employee Benefits:

Short-term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the Statement of Profit or Loss of the year in which the related service is rendered.

Long-term employee benefits:

● **Defined Contribution Plan:**

a. **Provident and Family Pension Fund**

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the Provident Fund Account under the Employees' Provident Fund and Misc. Provisions Act, 1952. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Group has no further obligations beyond making the contribution. The Group's contributions to Defined Contribution Plan are charged to the Statement of Profit or Loss as incurred.

b. **Superannuation fund:**

The superannuation fund benefits are administrated by a Trust formed for this purpose through the Group scheme of Life Insurance Corporation of India. The Group's contribution to superannuation fund are charged to the Statement of Profit or Loss as paid.

● **Defined Benefit Plan:**

Gratuity

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or death while in employment or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Group. Vesting occurs upon completion of five years of service. Liability with regard to Gratuity Plan is accrued based on actuarial valuation

at the Balance Sheet date, carried out by an independent actuary. The Group makes contribution to the Group Gratuity Scheme with SBI Life Insurance Group Limited based on an independent actuarial valuation made at the year-end.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

2.28 Compensated Absences

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The Group provides for the encashment of absence or absence with pay based on policy of the Group in this regard. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

2.29 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit or Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the Statement of Profit or Loss is recognised outside the Statement of Profit or Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes

on income levied by the same governing taxation laws.

Deferred Tax Liabilities are recognised for all Taxable temporary difference, except in respect of taxable temporary differences associated with investment in subsidiaries and associates when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in foreseeable future.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

2.30 Leases

As a lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Short-term leases and leases of low-value assets

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

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

As a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease income from operating leases where the Company is a lessor are recognised on either a straight-line basis or another systematic basis. The Company shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The Company present underlying assets subject to operating leases in its balance sheet according to the nature of the underlying asset.

2.31 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders, adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.32 Research and Development

Revenue expenditure on research and development is charged to Statement of Profit or Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to Property, Plant and Equipment/Intangible Assets.

2.33 Government Grants and Subsidies:

Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises the related costs for which the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable towards capital investments under State Investment Promotion Scheme are recognised in the Statement of Profit or Loss in the period in which they become receivable.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.34 Use of Judgments, Estimates and assumptions

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

Significant judgements are involved in determining

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 36.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Assets

The Group has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

3. PROPERTY, PLANT & EQUIPMENT AND RIGHT OF USE ASSETS

Particulars	Land	Factory Build-ings	Admin-istrative Building	Plant and Ma-chinery	Genera-tors	Forklift Acces-sories	Furni-ture and Fixtures	Office Equip-ments	Vehicles	Com-puters	Total	Right of Use Assets			Capital Work-in-Progress	
												Plant and Machinery	Vehi-cles	Total		
Gross Block																
As at April 1, 2019	486.21	4,964.45	320.79	8,464.92	50.46	90.81	68.66	57.00	302.56	40.76	14,846.62	-	-	-	-	157.94
Additions	-	805.95	42.67	352.22	-	32.15	9.97	17.46	69.16	7.41	1,336.99	66.57	31.45	98.02	-	302.46
Acquisition through business combina-tion	-	-	-	51.24	-	-	-	0.82	5.29	2.40	59.75	-	-	-	-	-
Disposals/Adjust-ments	-	-	-	4.43	-	-	-	-	4.56	-	8.99	-	-	-	-	155.75
As at April 1, 2020	486.21	5,770.40	363.46	8,863.95	50.46	122.96	78.63	75.28	372.45	50.57	16,234.37	66.57	31.45	98.02	-	304.65
Additions	19.82	41.83	-	509.05	-	10.73	7.99	12.52	-	8.50	610.45	-	-	-	-	1,471.23
Disposals/Adjust-ments	0.06	-	-	7.22	-	-	-	0.01	-	0.45	7.74	-	-	-	-	2.38
As at March 31, 2021	505.97	5,812.23	363.46	9,365.78	50.46	133.69	86.62	87.79	372.45	58.62	16,837.08	66.57	31.45	98.02	-	1,773.50
Accumulated Depre-ciation																
Up to March 31, 2019	-	612.46	31.51	2,254.92	19.48	31.06	22.21	27.01	75.20	22.39	3,096.24	-	-	-	-	-
Charge for the year	-	186.96	14.03	912.32	6.48	13.33	7.98	10.16	42.70	8.87	1,202.83	13.87	10.48	24.35	-	-
Acquisition through business combina-tion	-	-	-	1.68	-	-	-	0.08	0.30	0.24	2.30	-	-	-	-	-
Withdrawal for Dis-posal/Adjustments	-	-	-	0.71	-	-	-	-	4.11	-	4.82	-	-	-	-	-
Up to March 31, 2020	-	799.42	45.54	3,168.21	25.96	44.39	30.19	37.25	114.09	31.50	4,296.55	13.87	10.48	24.35	-	-
Charge for the year	-	203.48	14.28	898.39	5.79	12.90	8.15	12.00	44.01	9.97	1,208.97	16.65	10.49	27.14	-	-
Withdrawal for Dis-posal/Adjustments	-	-	-	1.03	-	-	-	0.01	-	0.12	1.16	-	-	-	-	-
Up to March 31, 2021	-	1,002.90	59.82	4,065.57	31.75	57.29	38.34	49.24	158.10	41.35	5,504.36	30.52	20.97	51.49	-	-
Net Block																
Balance as at March 31, 2020	486.21	4,970.98	317.92	5,695.74	24.50	78.57	48.44	38.03	258.36	19.07	11,937.82	52.70	20.97	73.67	-	304.65
Balance as at March 31, 2021	505.97	4,809.33	303.64	5,300.21	18.71	76.40	48.28	38.55	214.35	17.27	11,332.72	36.05	10.48	46.53	-	1,773.50

Refer note 21 for information on Property, Plant and Equipment pledged as security of the group.

Refer note 40 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

4. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)				
Particulars	SAP Software	Trademark & Copyrights	Goodwill	Total
Gross Block				
As at April 1, 2019	137.98	-	-	137.98
Additions	0.34	0.10	-	0.44
Acquisition through business combination	-	-	1,210.00	1,210.00
As at April 1, 2020	138.32	0.10	1,210.00	1,348.42
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
As at March 31, 2021	138.32	0.10	1,210.00	1,348.42
Accumulated Depreciation				
Up to March 31, 2019	6.54	-	-	6.54
Charge for the year	13.20	0.01	-	13.21
Withdrawal for Disposal/Adjustments	-	-	-	-
Up to March 31, 2020	19.74	0.01	-	19.75
Charge for the year	13.22	0.01	-	13.23
Withdrawal for Disposal/Adjustments	-	-	-	-
Up to March 31, 2021	32.96	0.02	-	32.98
Net Block				-
Balance as at March 31, 2020	118.58	0.09	1,210.00	1,328.67
Balance as at March 31, 2021	105.36	0.08	1,210.00	1,315.44

5. INVESTMENTS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Quoted		
Investments In Equity Shares (Fully Paid up) (measured at FVTOCI)		
66 (As at March 31, 2020, 66 shares) Equity Shares of Hindustan Unilever Limited of face value of ₹1 each	1.61	1.51
2,000 (As at March 31, 2020, 2,000 shares) Equity Shares of FDC Limited of face value of ₹1 each	5.71	3.92
9,400 (As at March 31, 2020, 9,400 shares) Equity Shares of Bank of Maharashtra Limited of face value of ₹10 each	1.96	0.84
1,656 (As at March 31, 2020, 5098 shares of Erstwhile Andhra Bank Limited) Equity Shares of Union Bank Of India Limited of face value of ₹90 each	0.56	0.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted		
Investment in Equity Instruments (Fully Paid up) (Measured at FVTOCI)		
1,00,000 (As at March 31, 2020, 1,00,000 shares) Equity Shares of CIFCO Finance Limited of face value of ₹10 each	-	-
2,000 (As at March 31, 2020, 2,000 shares) Equity Shares of Western Foods Limited of face value of ₹10 each	-	-
6 (As at March 31, 2020, 6 shares) Equity Shares of Dravya Finance Limited of face value of ₹10 each	-	-
Other Investments (Measured at amortised cost)		
Investments in Government or trust Securities		
National Savings Certificate (VIII Issue)	0.30	0.30
Indira Vikas Patra #	0.00	0.00
Total	10.15	7.05
Aggregate Amount Of Quoted Investments and Market Value thereof	9.84	6.75
Aggregate Amount Of Unquoted Investments	0.31	0.30
Aggregate value of Investments measured at FVTOCI	9.84	6.75

This amount is less than ₹ 1,000

6. LOANS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, considered good	453.41	453.62
Loan to staff		
Unsecured, considered good	21.63	15.92
Total	475.04	469.54

7. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Term Deposits (Originally Maturity for more than Twelve months) (restricted use) (refer Note 7.1)	20.51	-
Total	20.51	-

7.1. The above, Fixed deposits pledged as collateral in respect of secured loan taken from banks (Refer Note 24.4)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

8. DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax Assets		
Other temporary difference / unutilised tax assets	113.57	206.63
Unabsorbed Depreciation and Business Loss	-	-
MAT Credit Entitlement	1,838.62	1,838.62
Total Deferred tax Assets (A)	1,952.19	2,045.25
Deferred tax Liabilities		
Property, Plant and Equipment	1,055.85	1,125.74
Total Deferred tax Liabilities (B)	1,055.85	1,125.74
Deferred tax Assets (A-B)	896.34	919.51
Total	896.34	919.51

COMPONENTS AND RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES

(₹ in Lakhs)				
Particulars	As At March 31, 2021	Others	Recognised in Profit or Loss / OCI	As At April 01, 2020
Other temporary difference/unutilised tax assets	113.57	-	(93.06)	206.63
MAT Credit Entitlement utilisation	1,838.62	-	-	1,838.62
Property, plant & Equipments	(1,055.85)	-	69.89	(1,125.74)
Total	896.34	-	(23.17)	919.51

COMPONENTS AND RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES

(₹ in Lakhs)				
Particulars	As At March 31, 2020	Others	Recognised in Profit or Loss / OCI	As At April 01, 2019
Other temporary difference/unutilised tax assets	206.63	-	17.98	188.65
Unabsorbed depreciation/ Business loss as per Income tax	-	-	(202.57)	202.57
MAT Credit Entitlement utilisation	1,838.62	(232.24)	-	2,070.86
Property, plant & Equipments	(1,125.74)	-	522.17	(1,647.91)
Total	919.51	(232.24)	337.58	814.17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

9. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	147.93	253.37
Advances other than capital advances		
Advances to creditors		
Unsecured, Considered Doubtful	0.59	0.59
Less: Provision for Doubtful Advances	(0.59)	(0.59)
Prepaid Expenses	2.29	3.49
Advance for Investment	15.49	-
Total	165.71	256.86

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

10. INVENTORIES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	470.17	304.61
Finished goods	6,634.28	8,554.99
Add: Goods-in-transit	38.58	29.07
	6,672.86	8,584.06
Stock-in-trade (Trading)	2,074.98	1,347.64
Work-in-progress	580.22	1,034.59
Packing materials	3,538.37	2,732.88
Total	13,336.60	14,003.78

Charge to Statement of Profit and Loss on account of write-down of inventories to net realisable value for the year is ₹ Nil (As at March 31, 2020, ₹ Nil)

11. INVESTMENTS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Mutual Funds (Measured at FVTPL)		
Quoted		
Union Medium duration Fund Regular, Growth 99,895.105 units (As at March 31, 2020, Nil units)	10.19	-
Total	10.19	-
Aggregate value of Quoted Investments	10.19	-
Aggregate value of Investments measured at FVTPL	10.19	-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

12. TRADE RECEIVABLES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good	8,416.05	8,401.65
Less: Provision for impairment	(164.30)	(203.63)
Total	8,251.75	8,198.02

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

13. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Current Accounts	990.33	221.00
Cash on hand	9.96	4.85
Total	1,000.29	232.92

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unclaimed Dividend Accounts	7.23	5.81
Margin money with banks (original maturity for more than three months but less than twelve months)	137.70	251.13
Term Deposit (original maturity for more than three months but less than twelve months) (restricted use)	225.81	147.52
Total	370.74	404.46

15. LOANS: CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered good	4.50	4.50
Inter-Corporate Deposit		
Unsecured, Considered good	964.05	713.10
Loans to Staff		
Unsecured, Considered good	18.20	32.34
Total	986.75	749.94

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except ₹ 4.20 Lakhs (As at March 31, 2020 ₹ 4.20 Lakhs) which is Loan to Chief Executive Officer.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

16. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
Derivative Assets		138.07	-
Interest Receivable on Fixed Deposits/ICD	(A)	276.99	199.43
Advance to Others	(B)	11.86	41.66
Advance to Related Parties	(C)	36.18	28.62
Less: Provision for Impairment		30.48	26.81
	(D)	5.70	1.81
Total	(A+B+C+D)	420.76	201.24

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

17. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
Current Tax Assets			
Taxes paid (net of provision)		399.54	395.05
Total		399.54	395.05

18. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
Advances other than capital advances			
Unsecured and considered good			
Advances to Suppliers		463.23	951.99
Advances to Employees		64.70	56.65
Advances to Other Parties		19.44	9.37
Others			
Export Benefits Receivable		1,018.53	733.28
CENVAT / VAT/ GST Receivable		173.77	346.67
GST Refund Receivable		93.37	236.77
Prepaid Expenses		81.65	111.46
Total		1,914.69	2,446.19

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

19. EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital		
16,00,00,000 (As at March 31, 2020 16,00,00,000) Equity shares of ₹ 1/- par value	1,600.00	1,600.00
3,00,000 (As at March 31, 2020 3,00,000) Redeemable Preference shares of ₹ 100/- par value	300.00	300.00
Total Authorised Share Capital	1,900.00	1,900.00
5,03,38,260 (As at March 31, 2020 5,03,38,260) Equity shares of ₹ 1/- par value	503.38	503.38
Total Issued, Subscribed and Paid up Share Capital	503.38	503.38

19.1. Reconciliation of the number of shares outstanding :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares at the beginning	5,03,38,260	503.38	167,79,420	167.79
Add : Bonus shares issued during the year of ₹ 1 each (refer note 19.5)	-	-	3,35,58,840	335.59
Equity Shares at the end	5,03,38,260	503.38	5,03,38,260	503.38

19.2. Rights, preferences and restrictions :

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 1 Each Holder of Equity Shares is entitled to one vote per share.(Refer Note 19.4)
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

19.3. Dividend

The Board of Directors in their meeting held on June 4, 2021, have proposed a final dividend of ₹ 0.20 per equity share (Previous year ₹ 0.20 per Equity Share) for the financial year ended March 31, 2021. The proposal is subject to the approval of the shareholders at the Annual General meeting to be held on September, 2021 and if approved will result in a cash outflow of approximately ₹ 100.68 Lakhs (Previous year ₹ 100.68 Lakhs).

19.4. During the previous year, pursuant to sub-division of the Equity shares of the Company, each Equity share of the face value of ₹ 10 each was sub-divided into 10 Equity shares of ₹ 1 each.

19.5. During the previous year, Company has allotted bonus equity shares in the ratio of 2 equity shares for every one equity share held.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

19.6. Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company :

(₹ in Lakhs)

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% held	No. of Shares held	% held
1. Mrs. Pallavi Dhupelia	1,00,00,450	19.87	1,00,00,450	19.87
2. Mr. Raymond Simkins	64,26,660	12.77	64,26,660	12.77
3. Western Press Private Limited	34,51,000	6.86	34,50,000	6.85

20. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Reserve	308.18	308.18
Securities Premium Reserve	2,159.58	2,159.58
General Reserve	2,301.84	2,301.84
Retained Earnings	12,970.80	12,662.87
Equity Instruments through Other Comprehensive Income	2.83	(0.26)
Foreign Currency Translation Reserve	0.54	(1.88)
Total	17,743.77	17,430.33

Description of the nature and purpose of Other Equity

Capital Reserve: Capital reserve represents capital surplus and not normally available for distribution as dividend. Capital Reserve amount represents amount transferred on forfeiture of equity shares during F.Y. 1987-1988 and also on accounts of merger of Company's wholly own subsidiary Finns Frozen Foods (India) Limited

Securities Premium: Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013. During the previous year Company has issued bonus shares in the ratio of 2:1 and utilised ₹ 335.59 Lakhs towards issue of bonus shares.

Retained Earnings: Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

21. BORROWINGS : NON-CURRENT

		(₹ in Lakhs)
Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks	534.40	-
From Others	1,091.93	1,224.31
Vehicle Loans		
From Banks	8.99	15.49
From Others	68.47	110.38
Unsecured		
Loans from related parties		
From Directors	302.89	151.51
	2,006.68	1,501.69
Less : Disclosed under other financial liabilities (Refer Note 25)		
Current maturities of non-current borrowings	777.82	303.15
Total	1,228.86	1,198.54

Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 25) :

		(₹ in Lakhs)
Nature of Security	As at March 31, 2021	As at March 31, 2020
TERM LOANS		
a. Term Loan availed from Union Bank of India - Covid Loan 375.00 Lakhs @ 8% p.a. repayable in 18 equated monthly installments commencing from January, 2021	312.50	-
Primary Security:		
Extension of charge on existing inventory and book assets of the Company		
b. Term Loan availed from State Bank of India - Covid Loan 235.00 Lakhs @ 7.25 % p.m. repayable in 24 equated monthly installments commencing from February, 2021	208.89	-
Primary Security:		
Extension of charge on existing inventory and book assets of the Company		
c. Term Loan availed from State Bank of India 2400.00 Lakhs @ 11.50 % repayable in 72 equated monthly installments commencing from March, 2022	13.01	-
Primary Security:		
Exclusive First Charge on movable and immovable assets of the Company alongwith Land at vankal situated at Valsad both present and future procured/to be procured out of this term loan		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Nature of Security	As at March 31, 2021	As at March 31, 2020
From Others:		
a. Term Loan availed from Export Import Bank of India for USD \$ 8.10 Lakhs (Sanctioned USD \$ 10.79 Lakhs) @ 6 months LIBOR + 4.50% p.a. repayable in 22 equated quarterly instalments commencing from April, 2020.	516.74	615.73
Primary Security:		
Exclusive First Charge on movable and immovable assets of the Company both present and future procured/to be procured out of this term loan		
Collateral Security:		
Exclusive First Charge on movable and immovable assets of the Company alongwith Land at FPP - II situated at Chittoor both present and future procured/to be procured out of this term loan		
b. Term Loan availed from Export Import Bank of India for USD \$ 5.98 Lakhs (Sanctioned USD \$ 8.07 Lakhs) @ 6 months LIBOR + 4.50% p.a. repayable in 22 equated quarterly instalments commencing from July, 2020.	357.07	455.20
Primary Security:		
Exclusive First Charge on movable and immovable assets of the Company both present and future procured/to be procured out of this term loan		
Collateral Security:		
Exclusive First Charge on movable and immovable assets of the Company alongwith Land at FPP - II situated at Chittoor both present and future procured/to be procured out of this term loan		
c. Term Loan availed from Siemens Financial Services Private Limited of ₹ 163.63 Lakhs @ 12.25% p.a. repayable in 36 equated monthly instalments commencing from July, 2019 against specified machinery.	75.57	128.16
Primary Security:		
Exclusive First Charge on the machinery of the Company procured out of this Term Loan		
d. Term Loan availed from Siemens Financial Services Private Limited of ₹ 100.00 Lakhs @ 11.50% p.a. repayable in 24 equated monthly instalments commencing from July, 2020	65.82	-
Primary Security:		
Exclusive First Charge on the asset of the Company procured out of this Term Loan		
e. Term Loan availed from Siemens Financial Services Private Limited of ₹ 108.90 Lakhs @ 11.50% p.a. repayable in 36 equated monthly instalments commencing from July, 2020	85.21	-
Primary Security:		
Exclusive First Charge on the asset of the Company procured out of this Term Loan		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Nature of Security	As at March 31, 2021	As at March 31, 2020
Unsecured Loan		
Unsecured Loan @ 12.50% p.a.	302.89	151.51
VEHICLE LOANS		
From Banks:		
a. Vehicle Loan availed from Andhra Bank Limited of ₹ 20.00 Lakhs, repayable in 36 equated monthly instalments commencing from August 22, 2019 is secured against the specified car	9.00	15.48
From Others:		
a. Vehicle Loan availed from Volkswagen Finance Private Limited of ₹ 36.00 Lakhs, repayable in 60 equated monthly instalments commencing from May 20, 2016 is secured against the specified car	0.60	9.07
b. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 24.29 Lakhs, repayable in 59 equated monthly instalments commencing from June 5, 2016 is secured against the specified car	0.52	6.38
c. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 7.64 Lakhs, repayable in 59 equated monthly instalments commencing from September 1, 2016 is secured against the specified car	0.65	2.46
d. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 67.43 Lakhs, repayable in 59 equated monthly instalments commencing from December 1, 2017 is secured against the specified car	24.82	38.83
e. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 50.72 Lakhs, repayable in 59 equated monthly instalments commencing from March 1, 2019 is secured against the specified car	31.95	41.31
f. Vehicle Loan availed from Kotak Mahindra Prime Limited of ₹ 13.71 Lakhs, repayable in 59 equated monthly instalments commencing from September 5, 2019 is secured against the specified car	9.96	12.34
Total	2,015.18	1,476.46
Add: Loans fully repaid prior to the Balance Sheet date	-	33.60
Less: Loans Processing Fees	8.50	8.37
Total	2,006.68	1,501.69

Assets pledged as security

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Receivables	8,251.75	8,198.02
Inventories	13,336.60	14,003.78
Fixed Deposits with Bank	24.60	23.56
Total A	21,612.95	22,225.36

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Land	505.97	486.21
Factory Buildings	4,809.33	4,970.98
Administrative Building	303.64	317.92
Plant and Machinery	5,300.21	5,695.74
Generators	18.71	24.50
Forklift Accessories	76.40	78.57
Furniture and Fixtures	48.28	48.44
Office Equipments	38.55	38.03
Vehicles	214.35	258.36
Computers	17.27	19.07
Total B	11,332.72	11,937.82
Total (A+B)	32,945.67	34,163.18

Details of long-term borrowings guaranteed by some of the directors or others:

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Term loans from banks		
Principal	534.40	-
Term loans from Others		
Principal	1,100.41	1,199.09
Interest	133.70	66.98

22. PROVISIONS : NON-CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Leave Encashment	47.77	48.59
Total	47.77	48.59

23. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax Liabilities		
Property, Plant and Equipment	0.05	2.46
Total	0.05	2.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Components and Reconciliation of Deferred Tax Liabilities

(₹ in Lakhs)			
Particulars	As at March 31, 2021	Recognised in Profit or Loss/OCI	As at March 31, 2020
Property, plant & Equipments	0.05	(2.41)	2.46
Total	0.05	(2.41)	2.46

Components and Reconciliation of Deferred Tax Liabilities

(₹ in Lakhs)			
Particulars	As at March 31, 2020	Recognised in Profit or Loss/OCI	As at March 31, 2019
Property, plant & Equipments	2.46	2.46	-
Total	2.46	2.46	-

24. BORROWINGS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans Repayable on demand		
From Banks		
Open Cash Credit (Refer Notes 24.1 and 24.4)	783.26	990.96
Packing Credit / Foreign Bills purchased (Refer Notes 24.2 and 24.4)	8,121.25	7,590.68
Overdraft Facilities (Refer Notes 24.3)	5,402.09	3,121.39
Unsecured		
Deposit - Inter Corporate	-	103.92
Total	14,306.60	11,806.95

24.1. Secured by way of hypothecation of inventory and book debts and charge on all the Property, Plant and Equipments excluding the assets financed out of the Term Loan.

24.2. Secured by way of hypothecation of inventory and book debts, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover, charge on Property, Plant and Equipments excluding the assets financed out of the Term Loan

24.3. For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers and its receivables.

24.4. Secured by way of collateral against pledge of Fixed Deposit of ₹ 24.60 Lakhs (As at March 31, 2020, ₹ 23.56 Lakhs) which includes Interest Receivable of ₹ 4.09 Lakhs (As at March 31, 2020, ₹ 3.05 Lakhs) (Refer Note 7.1).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

24.5. Details of short-term borrowings guaranteed by directors or others:

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Loans Repayable on demand		
From Banks		
Principal	8,904.51	8,581.64
Interest	670.57	893.71

25. OTHER FINANCIAL LIABILITIES : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of Long-term debt (Refer Note 21)	777.82	303.15
Interest accrued	61.86	208.85
Payable for acquisition of Property, Plant and Equipment	104.75	195.47
Unclaimed dividends *	7.23	5.81
Derivative Liabilities	-	274.54
Liabilities for expenses	417.67	413.77
Total	1,369.33	1,401.59

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2021

Details of Current maturities of non-current borrowings

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Term Loans (Refer Notes 21)		
Secured		
From Banks	406.67	-
From Others	334.73	257.02
Other Loans (Refer Notes 21)		
Secured		
From Banks	6.44	3.98
From Others	29.98	41.95
Deposits (Refer Notes 21)		
Unsecured		
Fixed deposits	-	0.20
Total	777.82	303.15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

26. OTHER CURRENT LIABILITIES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	779.11	1,263.22
Statutory liabilities	87.79	89.47
Gratuity Payable	173.64	176.28
Total	1,040.54	1,528.97

27. PROVISIONS : CURRENT

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Leave Encashment	5.24	7.34
Provision for Bonus	61.68	57.11
Others		
Provision for Sales Return		
Opening Balance	34.78	68.99
Add: Provided during the year	10.55	-
Less: Provision written back during the year	-	34.21
Closing Balance	45.33	34.78
Total	112.25	99.23

28. CURRENT TAX LIABILITIES

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for taxation (net of taxes paid/adjusted)	30.80	19.38
Total	30.80	19.38

29. REVENUE FROM OPERATIONS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products	36,415.57	37,876.99
Other Operating Revenue		
Export Benefits	551.98	1,232.36
Processing Charges	7.92	13.77
Sale of Scrap / Wastages	103.81	102.34
Total Revenue From Operations	37,079.28	39,225.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Revenue from contracts with customers

I. Revenue from contracts with customers disaggregated based on geography :

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Domestic	17,949.63	18,685.59
Export	19,129.65	20,539.87
Total	37,079.28	39,225.46

II. Reconciliation of gross revenue with the revenue from contracts with customers

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross Revenue	37,079.28	39,225.46
Less : Discounts and incentives	-	-
Net Revenue recognised from Contracts with Customers	37,079.28	39,225.46

III. Revenue recognised from Contract liability (Advances from Customers)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Closing Contract liability	779.11	1,263.22

30. OTHER INCOME

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Export Benefits	-	15.69
Transport & Marketing Assistance	196.15	-
Interest Income earned on financial assets :		
On Financial Assets measured (at Amortised Cost)		
Interest on employee loan	2.44	2.95
Interest on Fixed and Other Deposits	121.86	122.15
Dividend Income	0.02	0.03
Other Non-Operating Income :		
Insurance Claims	-	9.70
Reversal of Impairment of Trade Receivables	50.99	-
Rent Received	-	0.36
Miscellaneous Income	4.21	10.20
Balances / Provisions written back (Net)	10.77	0.70

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Other Gains and Losses :		
Net gain on foreign exchange fluctuation	669.38	221.75
Net Gain on fair valuation of Mutual Fund	0.19	-
Net Gain on disposal of Property Plant and Equipments	7.78	5.26
Total	1,063.79	388.79

31. CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Finished Goods		
Closing Stock	6,672.86	8,584.06
Less: Opening Stock	8,584.06	7,621.01
	1,911.20	(963.05)
Stock-in-trade (Trading)		
Closing Stock	2,074.98	1,347.64
Less: Opening Stock	1,347.64	375.97
	(727.34)	(971.67)
Work-in-progress		
Closing Stock	580.22	1,034.59
Less: Opening Stock	1,034.59	468.17
	454.37	(566.42)
Total	1,638.23	(2,501.14)

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, Wages and Bonus	2,071.50	2,003.83
Contribution to Provident and Other Funds	136.29	130.67
Gratuity	38.89	28.79
Staff Welfare Expenses	102.76	123.44
Total	2,349.44	2,286.73

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

33. FINANCE COSTS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest and finance charges on financial liabilities		
On Cash Credit Facilities /Buyers Credit	1,117.99	963.59
On borrowings	121.91	67.08
Exchange difference to the extent considered as an adjustment to borrowing cost	4.97	10.01
On Others	188.95	84.57
Other Borrowing Costs		
Interest on Lease Liability	5.27	6.39
Brokerage on Fund Arrangements	5.54	3.64
Total	1,444.63	1,135.27

33.1. Interest on Cash Credit Facilities / Buyers Credit is net of subsidy F.Y. 2020-2021 ₹ 102.64 Lakhs (F.Y. 2019-2020 ₹ 107.52 Lakhs) received under Interest Equalisation Scheme on pre-shipment and post-shipment credit.

34. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of Property, Plant and Equipment	1,208.97	1,205.13
Depreciation on Right of Use Assets	27.14	24.35
Amortisation of Intangible Assets	13.24	13.21
Total	1,249.35	1,242.69

35. OTHER EXPENSES

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Fruit Ripening Charges (Refer Note 35.1)	1,885.97	2,130.29
Water Charges	23.65	67.71
Testing Fees	27.33	51.84
Consumption of stores and spare parts	499.92	504.81
Power and Fuel	735.49	806.57
Rent	251.98	228.78
Repair and Maintenance		
Repairs to Buildings	33.93	73.35
Repairs to Machinery	214.96	249.89
Repairs Others	101.77	91.58

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Insurance	108.71	96.38
Rates and Taxes	114.14	154.50
Freight and Forwarding (Net)	2,333.79	2,363.22
Warehousing Charges	394.54	356.35
Bank Charges	189.16	178.42
Legal and Professional Charges / Fees	367.78	471.82
Advertisement and Sales Promotion	83.96	181.48
Membership and Subscription	65.24	25.54
Travelling and Motor Car Expenses	276.71	388.22
Loss on disposal of Property, Plant and Equipments	2.08	-
Security Charges	76.12	76.48
Interest on delayed payment under MSMED Act and Others	7.22	5.41
Bad Debts Written off	198.47	0.18
Less: Provision for Impairment of financial assets written back	(122.21)	-
Impairment of financial assets	-	99.98
Miscellaneous Expenses	250.48	219.58
Total	8,121.19	8,822.38

35.1. Expenses incurred on Fruit Ripening Charges during the year are included in the Statement of Profit and Loss as under:

(₹ in Lakhs)		
Nature of expenses	Year ended March 31, 2021	Year ended March 31, 2020
Hiring Charges	26.57	36.86
Labour Charges	890.49	937.09
Miscellaneous Expenses	15.89	19.98
Fruit Ripening Charges	388.05	551.67
Processing Charges	546.04	547.75
Travelling Expenses	17.74	36.15
Rent	1.19	0.79
Total	1,885.97	2,130.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

36. DISCLOSURE PURSUANT TO IND AS 12 ON "INCOME TAXES"

A Components of Tax Expenses/(Income)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current Tax	140.71	546.54
Excess provision for tax of earlier years written back	-	(189.54)
Deferred Tax movement	20.71	(335.12)
Income Tax Expense reported in the statement of Profit or Loss	161.42	21.88

B A Reconciliation between the statutory Income Tax rate applicable to the Company and the effective Income tax rate is as Follows.

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit Before Tax	548.50	1,146.02
Corporate Tax rate as per Income Tax Act, 1961	27.82%	29.12%
Tax on Accounting Profit	200.75	362.42
Add:		
Tax on Expense not deductible	428.55	556.08
Entities with losses not liable to tax	-	1.98
Incremental Deferred Tax liabilities on account of other temporary differences	23.08	(335.12)
Previous year taxation	-	(189.54)
Expenses allowed as deduction	(490.96)	(373.93)
Tax expenses recognised during the year	161.42	21.88

37. EARNINGS PER SHARE (EPS)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	393.03	1,108.97
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	5,03,38,260	5,03,38,260
Add: Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	5,03,38,260	5,03,38,260
Face Value per Equity Share (Refer Note 19.4)	1	1
Basic Earnings per Share	0.78	2.34
Diluted Earnings per Share	0.78	2.34

* During the previous year the Company has issued fully paid Bonus shares of ₹1 each in ratio of two equity shares for every one Equity shares held to eligible members of the Company. The Company has allotted 3,35,58,840 number of equity shares of ₹ 1 each and it ranks pari-passu in all respect with existing fully paid up Equity Shares of ₹ 1 each. In view of the same, for the purpose of ease of comparison, earnings per share of the previous periods have been accordingly re-stated considering the revised weighted average number of equity shares.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

38. DISCLOSURE AS PER IND AS 17 ON "LEASES":

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for plant & machinery and vehicles.

- a) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2021.

Particulars	Catoegory of ROU		(₹ in Lakhs)
	Machinery	Vehicle	Total
Balance as at March 31, 2020	52.70	20.97	73.67
Depreciation of Right of use assets	16.65	10.49	27.14
Balance as at March 31, 2021	36.05	10.48	46.53

Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020.

Particulars	Catoegory of ROU		(₹ in Lakhs)
	Machinery	Vehicle	Total
Transition impact on account of Ind AS 116 " Leases"	66.57	31.45	98.02
Depreciation of Right of use assets	13.87	10.48	24.35
Balance as at March 31, 2020	52.70	20.97	73.67

- b) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021:

Particulars	(₹ in Lakhs)
	Year ended March 31, 2021
Balance as at April 1, 2020	79.24
Finance cost accrued during the year	5.27
Payment of lease liabilities	31.43
Balance as at March 31, 2021	53.08
Current portion of Lease liability	28.38
Non Current portion of Lease liability	24.70
	53.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

		(₹ in Lakhs)
		Year ended March 31, 2020
Particulars		
Balance as at April 1, 2019		-
Transition impact on account of Ind AS 116 "Leases"		98.02
Finance cost accrued during the year		6.39
Payment of lease liabilities		25.17
Balance as at March 31, 2020		79.24
Current portion of Lease liability		26.16
Non Current portion of Lease liability		53.08
		79.24

c) Amounts recognised in the statement of cash flows

		(₹ in Lakhs)
		Year ended March 31, 2021
		Year ended March 31, 2020
Particulars		
Total cash outflow for leases	31.43	28.17

- d) Rental expense recorded for short-term leases was ₹ 432.69 Lakhs for the year ended March 31, 2021 (₹ 472.33 Lakhs for the year ended March 31, 2020).
- e) The maturity analysis of lease liabilities are disclosed in Note 41 D. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- f) The period of these leasing arrangements, range between three to four years and in some cases are renewable by mutual consent.
- g) Future lease payments which will start from April 1, 2021 is ₹ 330.00 Lakhs (₹ Nil from April 1, 2020).

As Lessor :

Operating Lease

Rental income on assets given on operating lease is ₹ nil for the year ended March 31, 2021 (₹ 0.36 Lakhs for the year ended March 31, 2020)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

39. EMPLOYEE BENEFITS

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

The Company contributes to following funds which are considered as defined contribution plans

Provident Fund

Superannuation Fund

State Defined Contribution Plans

Employers' Contribution to Employees' State Insurance

Employers' Contribution to Employees' Pension Scheme 1995

The Provident Fund and the State Defined Contribution Plans are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

B. Defined Benefit Plans

Gratuity

Compensated Absences

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuation as at	
	March 31, 2021	March 31, 2020
i. Discount Rate (per annum)	6.87%	6.84%
ii. Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iii. Expected Rate of Return on Assets	6.87%	6.84%
iv. Attrition Rate	2.00%	2.00%
v. Retirement Age	58 years	58 years

- vi. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.
- vii. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- viii. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note on other risks:

Investment risk - The funds are invested by SBI Life Insurance Company Limited and they provide returns basis the prevalent bond yields, SBI Life Insurance Company Limited on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Interest Risk – SBI Life Insurance Company Limited does not provide market value of assets, rather maintains a running statement with interest rates declared annually – The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Longevity Risk – Since the gratuity payment happens at the retirement age of 58, longevity impact is very low at this age, hence this is a non-risk.

Salary risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
i. Changes in Present value of Obligation		
Present value of defined benefit obligation at the beginning of the year	351.14	257.44
Current Service Cost	26.18	20.71
Interest Cost	24.01	20.05
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	(1.12)	0.38
Actuarial (gains)/ losses arising from changes in experience adjustment	(20.17)	53.94
Past Service cost	-	-
Benefits Paid	(17.96)	(2.00)
Liability Transferred in	-	-
Present value of defined benefit obligation at the end of the year	362.08	350.53
ii. Changes in Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	174.25	122.02
Interest Income	11.92	9.51
Expected Return on Plan Assets	0.23	2.25
Employer's Contributions	20.00	40.00
Benefits Paid	(17.96)	(2.00)
Return on plan assets, excluding interest income	-	-
Assets Transferred in / Acquisitions	-	2.47
Fair value of plan assets at the end of the year	188.44	174.25
iii. Net Benefit (Asset) /Liability		
Defined benefit obligation	(359.48)	(350.53)
Fair value of plan assets	188.44	174.25
Funded Status (Surplus/ (Deficit))	(173.64)	(176.28)
Net Benefit (Asset) /Liability	(171.04)	(176.28)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
The net liability disclosed above relates to funded plans are as follows:		
Projected benefit obligation at end of the year	362.08	350.53
Fair Value of plan assets at the end of the year	188.44	174.25
iv. Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	351.14	257.44
(Fair Value of Plan Assets at the Beginning of the Period)	(174.25)	(122.02)
Net Liability/(Asset) at the Beginning	176.28	135.42
Interest Cost	24.01	20.05
(Interest Income)	(11.92)	(9.51)
Net Interest Cost for Current Period	12.09	10.55
v. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	26.18	20.71
Interest cost on benefit obligation (net)	12.09	10.55
Past Service cost	-	-
Total Expenses recognised in the Statement of Profit and Loss	38.27	31.26
vi. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	(21.30)	54.32
Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
Return on plan asset	(0.23)	(2.25)
Recognised in Other Comprehensive Income	(21.53)	52.08
vii. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	49.27	59.57
2 nd following year	18.73	8.83
3 rd following year	19.48	18.21
4 th following year	24.34	18.85
5 th following year	18.92	23.52
Sum of Years 6 To 10	185.87	175.25
Sum of Years 11 and above	382.84	371.39
The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2020: 5 years)		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Gratuity Funded	Gratuity Funded
viii. Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	362.08	350.53
Delta Effect of +1% Change in Rate of Discounting	(24.91)	(24.81)
Delta Effect of -1% Change in Rate of Discounting	29.41	28.55
Delta Effect of +1% Change in Rate of Salary Increase	27.19	26.43
Delta Effect of -1% Change in Rate of Salary Increase	(24.18)	(23.30)
Delta Effect of +1% Change in Rate of Employee Turnover	4.28	4.18
Delta Effect of -1% Change in Rate of Employee Turnover	(4.80)	(4.69)
ix. The major categories of plan assets as a percentage of total		
Insurer managed funds		

Changes in Fair value of Plan Assets

Particulars	(₹ in Lakhs)	
	March 31, 2020	March 31, 2020
	Gratuity Funded	Gratuity Funded
Fair value of plan assets at the beginning of the year	174.25	122.02
Interest Income	9.51	9.51
Expected Return on Plan Assets	-	-
Employer's Contributions	40.00	40.00
Assets Transferred in / Acquisitions	2.47	2.47
Benefits Paid	(2.00)	(2.00)
Return on plan assets, excluding interest income	2.25	2.25
Fair value of plan assets at the end of the year	226.48	174.25

Note on Sensitivity Analysis

The Sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The Sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

40. CONTINGENT LIABILITIES, FINANCIAL GUARANTEES AND COMMITMENTS

	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
A. Contingent Liabilities not provided for		
Claims against the Company not acknowledged as debt		
i. Income-tax matters under appeal	170.03	170.03
ii. Service Tax matters under appeal	2.43	2.43
iii. Additional Statutory Bonus for Financial Year 2014-2015	22.54	22.54
Total	195.00	195.00
B. Capital and other commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	1,551.59	1,892.20
b. Others		
i. Quantum of Export Obligation of Packing Materials with 20% value addition against Advance licences- Duty saved *	277.49	25.60
ii. Export obligations of ₹ 72.45 Lakhs (F.Y. 2019-20 - ₹ 72.45 Lakhs) against EPCG Licenses utilised for purchase of Fixed Assets but not yet installed - Duty saved **	72.45	72.45
Total	349.94	98.05

* Export obligations against the advance licence of ₹ 424.30 Lakhs (F.Y. 2019-2020 - ₹ 531.08 Lakhs) have already been fulfilled by the Company. However, procedural formalities for the closure of the Advance Licences are pending.

** Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 312.99 Lakhs (F.Y. 2019-2020 - ₹ 494.47 Lakhs) have already been fulfilled by the Company, However, procedural formalities for the closure of the EPCG Licenses are pending.

41. CAPITAL MANAGEMENT AND FINANCIAL RISK MANAGEMENT POLICY

A. Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value.

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Company is monitoring Capital using debt equity ratio as its base, which is debt to equity. The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Net debt (total borrowing net of cash and cash equivalents) divided by "Total equity" (as shown in the balance sheet).

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total Debt	15,312.99	13,075.72
Total Equity	18,247.19	17,933.85
Debt Equity Ratio	0.84%	0.73%

B. Financial Risk Management and Policies

Risk is events, situation or circumstances which may lead to negative consequences on the Company's business. Risk management is a structure approach to manage uncertainty. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The Company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk : interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The above mentioned risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

i. Foreign Currency Risk:

The Company is subject to the risk that changes in foreign currency values impact the Company's export, import and other payables.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar, Euro, Singapore Dollars and Great Britain Pound.

The Company manages currency exposures within prescribed limits, through use of derivative instruments such as Options, futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows :

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)
Payable USD	14.32	1,053.00	17.72	1,347.90
Receivable USD	38.84	2,857.40	39.60	2,969.24
Payable EUR	0.57	49.06	1.56	131.31
Receivable EUR	12.13	1,044.24	9.06	745.99
Payable GBP	0.39	39.23	0.50	47.11
Receivable GBP	2.52	254.29	3.48	320.55
Payable SGD	-	-	2.84	152.45

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)	Amount in Foreign currency (in Lakhs)	Amount (₹ in Lakhs)
Payable USD	14.32	1,053.00	17.72	1,347.90
Receivable USD	0.34	25.05	0.24	18.00
Payable EUR	0.57	49.06	1.56	131.31
Payable GBP	0.39	39.23	0.50	47.11
Receivable GBP	2.52	254.29	3.48	320.55
Payable SGD	-	-	2.84	152.45

Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

Particulars	As at March 31, 2021		As at March 31, 2020	
	(₹ in Lakhs)			
	5% increase	5% decrease	5% increase	5% decrease
Impact on Profit and Loss				
USD	(51.40)	51.40	(66.50)	66.50
EURO	(2.45)	2.45	(6.57)	6.57
GBP	10.75	(10.75)	13.67	(13.67)
SGD	-	-	(7.62)	7.62
Total	(43.10)	43.10	(67.02)	67.02

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

ii. Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD and Euro. The Company enters in to contracts with terms up to 360 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that we follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

Regulatory Requirements: The Company will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time. Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period.

Outstanding contracts	(₹ in Lakhs)			
	Foreign currency (In Lakhs)		Fair Value Assets/(Liabilities)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD - Sell	\$92.63	\$120.57	7,001.95	7,561.79
EUR - Sell	€ 32.22	€ 15.25	2,843.58	1,013.10

iii. Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. During the year the Company is less exposed to interest rate risk because the Company has borrowed funds substantially at Fixed interest rates. The interest rate risk is managed by the Company by the use of interest rate swap wherever relevant and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings *	71.53	49.15
Fixed rate borrowings *	1,362.59	1,072.48

* Include ₹ 8.50 (as at March 2020: ₹ 8.37) as Prepaid Financial Charges.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)

Outstanding contracts	Impact on Profit : Increase/ (Decrease)		Impact on equity Increase/(Decrease)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Interest rates - increase by 100 basis points *	(0.72)	(0.49)	(0.72)	(0.49)
Interest rates - decrease by 100 basis points *	0.72	0.49	0.72	0.49

* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR & USD (being the significant currencies last year in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

iv. Price risk

The Company is expose to price risk due to its Investment in equity instruments recognised at FVTOCI. The fair value of a financial instrument will fluctuate due to changes in market traded price. As at 31st March, 2021, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 9.84 Lakhs (As at March 31, 2020 ₹ 6.75 Lakhs).

Price risk sensitivity:

0.10% increase or decrease in prices will have the following impact on profit/(loss) before tax and on other components of equity.

(₹ in Lakhs)

Particulars	Impact on Profit : Increase/ (Decrease)		Impact on equity Increase/(Decrease)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Price - increase by 0.10%*	0.98	0.68	0.98	0.68
Price - decrease by 0.10% *	(0.98)	(0.68)	(0.98)	(0.68)

C. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company by failing to discharge its contractual obligations as agreed. The Company's exposure to credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. Credit risk arising from derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies. The companies exposure are continuously monitored.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks for the facilities availed by subsidiary. The Company's maximum exposures in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

The Company uses a provision matrix to determine impairment loss on portfolio of its Trade Receivables. The provision matrix is based on its historically observed default rates over the expected life of the Trade Receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company follows a simplified approach (i.e. based on life time ECL) for recognition of impairment loss allowances on trade receivables. For the purpose of measuring the life time ECL allowance for trade receivables, the Company uses a provision matrix which comprises a customer spread across the geographical areas and the same are grouped into homogenous group and assessed for impairment collectively. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing Ageing of Trade Receivables and Movement in Expected Credit Loss Allowance

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Age of receivables:		
Within the credit period	7,737.56	7,019.08
0- 3 Months	28.50	188.04
3- 6 Months	177.01	553.23
6- 9 Months	73.64	286.14
9- 12 Months	83.31	80.22
12- 15 Months	99.74	23.48
15- 18 Months	31.49	17.30
18- 21 Months	126.44	14.59
More than 21 Months	58.36	219.57
Total	8,416.05	8,401.65
Movement in the credit loss allowance		
Balance at the beginning of the year	203.63	103.65
Net Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	(39.33)	99.98
Balance at the end of the year	164.30	203.63

D. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities. The Company's approach for managing liquidity is to ensure 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 Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

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

(₹ in Lakhs)				
Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2021				
Non-derivative financial liabilities				
Borrowings	15,084.42	1,224.52	4.34	16,313.28
Trade Payables	6,302.69	-	-	6,302.69
Lease Liability	28.38	24.70	-	53.08
Other Financial liabilities	591.51	-	-	591.51
	22,007.00	1,249.22	4.34	23,260.56
Derivative financial liabilities				
Foreign Exchange Forward Contracts	-	-	-	-
	-	-	-	-
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	12,110.10	1,080.49	118.05	13,308.64
Trade Payables	7,852.23	-	-	7,852.23
Lease Liability	26.16	53.08	-	79.24
Other Financial liabilities	823.90	-	-	823.90
	20,812.39	1,133.57	118.05	22,064.01
Derivative financial liabilities				
Foreign Exchange Forward Contracts	274.54	-	-	274.54
	274.54	-	-	274.54

Financing arrangement

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

42. FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

- The fair values of investment in government securities and quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets 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.
- The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Unadjusted quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets				
Measured at Fair Value Through Profit and Loss				
Derivatives				
Forward Contracts	138.07	138.07	-	-
	138.07	138.07	-	-
Measured at Amortised Cost				
Investment in Government Securities	0.30	0.30	0.30	0.30
Loans	1,461.79	1,461.79	1,219.48	1,219.48
Fixed Deposits	20.51	20.51	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Interest	276.99	276.99	199.43	199.43
Current Investments	10.19	10.19	-	-
Trade Receivable	8,251.75	8,251.75	8,198.02	8,198.02
Cash and Bank Balance	1,371.03	1,371.03	637.38	637.38
Advances	17.56	17.56	43.47	43.47
	11,410.12	11,410.12	10,298.08	10,298.08
Measured at FVTOCI				
Investment in equity instruments	9.84	9.84	6.75	6.75
	9.84	9.84	6.75	6.75
Total Financial Assets	11,558.03	11,558.03	10,304.83	10,304.83
Financial Liabilities				
Measured at Amortised Cost				
Borrowing	16,313.28	16,313.28	13,308.64	13,308.64
Lease Liability	53.08	53.08	79.24	79.24
Trade Payables	6,302.69	6,302.69	7,852.23	7,852.23
Other Financial Liabilities	591.51	591.51	823.90	823.90
Derivative financial liabilities				
Foreign Exchange Forward Contracts	-	-	274.54	274.54
Total Financial Liabilities	23,260.56	23,260.56	22,338.55	22,338.55

Level wise disclosure of financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020	Level	Valuation techniques and key inputs
Foreign currency forward contracts - Assets	138.07	-	2	Quotes from banks or dealers
Foreign Exchange Forward Contracts - Liabilities	-	274.54	2	Quotes from banks or dealers

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

43. RELATED PARTY DISCLOSURES

Related Party Disclosures as required by Ind AS 24 on "Related Party Disclosures" are given below:

Name of Related Parties and related party relationship where control exists with whom transactions have taken place during the year.

a Companies in which Directors and / or their relatives have significant influence

Muller & Phipps (India) Limited
Western Press Private Limited
MPIL Corporation Limited
Kusum Masala Products

b Key Managerial Personnel (KMP) and their relatives

i Key Managerial Personnel (KMP)

Mr. Moloy Saha - Chief Executive Officer

ii. Non-executive Directors

Non-Independent Directors

Mr. Bhupendra Dalal - Chairman
Mr. Milan Dalal
Mr. Raymond Simkins
Mrs. Pallavi Dhupelia (w.e.f. September 30, 2019)

iii. Independent Directors

Mr. Dinkarray Trivedi (up to September 22, 2019)
Mr. Vinod Kumar Beswal
Mrs. Kamlini Maniar
Mr. Hormazdiyaar Vakil
Mr. Deepak Mohla (up to September 22, 2019)
Mr. Maneck Davar (w.e.f. September 30, 2019)

iv. Relatives of Directors

Mr. Devdutt Dalal - Grandson of Chairman and Son of Non Executive Director
Mr. Ameya Dhupelia - Son of Non Executive Director (w.e.f. September 30, 2019)

Transaction with Related Parties

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Compensation to key management personnel		
Salary and benefits	70.93	65.50
Payments to Directors		
Sitting fees	19.35	11.65
Commission	14.00	3.00
Salary and benefits to Relatives of Directors		
Salary and benefits	73.94	36.83
Membership Fees	3.32	3.25

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Receivable on ICD Written off		
Muller & Phipps (India) Limited	133.86	-
Rent paid to Related parties		
MPIL Corporation Limited	7.50	4.50
Interest paid to Related Parties		
Mrs. Pallavi Dhupelia	21.13	7.95
Sale of Goods		
Mr. Milan Dalal	0.02	-
Western Press Private Limited	1.43	-
Purchase of Goods		
Western Press Private Limited	10.03	-
Kusum Masala Products	-	173.70
Transactions incurred by Company on behalf of Related Parties		
Loans Taken		
Mrs. Pallavi Dhupelia	150.00	20.00
Purchase of Fixed Assets		
Kusum Masala Products	-	69.65

Outstanding Balances

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
Muller & Phipps (India) Limited	3.18	0.62
Trade Payables		
Muller & Phipps (India) Limited	-	10.00
Western Press Private Limited	0.06	0.06
MPIL Corporation Limited	1.66	-
Advances recoverable in cash or in kind		
Western Press Private Limited	16.14	3.19
Interest Receivable on ICD		
Muller & Phipps (India) Limited	-	133.86
Western Press Private Limited	0.80	0.80
Loans Taken		
Mrs. Pallavi Dhupelia	302.89	151.31
Security Deposit Given		
MPIL Corporation Limited	255.00	254.85
Commission Payable		
Mr. Raymond Simkins	2.72	1.69

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Director sitting fees payable		
Mr. Milan Dalal	-	0.77
Mr. Bhupendra Dalal	-	0.86
Mr. Hormazdiyaar Vakil	-	0.59
Mr. Raymond Simkins	1.03	0.17
Impairment of interest receivable on ICD		
Muller & Phipps (India) Limited	-	133.86
Salary Payable to key management personnel	1.34	2.27
Salary Payable to relatives of Directors	5.87	3.01

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash.

44. DISCLOSURE AS PER IND AS 108 ON "SEGMENT REPORTING":

Based on internal reporting provided to the chief operating decision maker, Sale of Fruit Pulp, Frozen snacks, fruit & spices powder is the only reportable segment for the Company

Revenue from contracts with customers

I. Revenue from contracts with customers disaggregated based on geography :

(₹ in Lakhs)		
Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Domestic	17,949.63	18,685.59
Export	19,129.65	20,539.87

II. Non-current Operating asset

(₹ in Lakhs)		
Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
In India	14,468.19	13,644.81
Outside India	-	-

Non-current assets for this purpose consist of property, plant and equipment, intangible assets, right of use and capital work in progress.

Information about major customers

Revenue of ₹ 4,049.14 Lakhs (₹ 3,684.97 Lakhs for the year ended March 31, 2020) are derived from a single external customer. These revenues are attributed to the domestic segment.

- 45.** The Company is entitled to Export Benefits, under Merchandise Exports from India Scheme (MEIS) vide Public Notice No.2/2015-20 dated April 1, 2015, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 542.41 Lakhs (For the year ended March 31, 2020 ₹ 1,210.63 Lakhs) on export of goods.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

46. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

As at March 31, 2021

(₹ in Lakhs)

Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
Parent Company								
Foods and Inns Limited	97.43%	17,778.50	63.82%	250.82	98.14%	20.70	65.56%	271.52
Subsidiaries (Group's share)								
Indian								
Kusum Spices	2.57%	468.65	36.19%	142.22	1.86%	0.39	34.44%	142.61
Foreign								
FNI Asia PTE Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Non controlling interest	0.00%	0.04	0.00%	*	0.00%	-	0.00%	*
Total	100.00%	18,247.19	100.00%	393.03	100.00%	21.09	100.00%	414.13

As at March 31, 2020

(₹ in Lakhs)

Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
Parent Company								
Foods and Inns Limited	98.22%	17,614.35	93.23%	1,033.92	100.00%	(38.37)	93.00%	995.55
Subsidiaries (Group's share)								
Indian								
Kusum Spices	1.82%	326.69	7.38%	81.84	0.00%	-	8.00%	81.84
Foreign								
FNI Asia PTE Limited	(0.04%)	(7.19)	(0.61%)	(6.79)	0.00%	-	(1.00%)	(6.79)
Non controlling interest	0.00%	0.14	0.00%	*	0.00%	-	0.00%	*
Total	100.00%	17,933.99	100.00%	1,108.97	100.00%	(38.37)	100.00%	1,070.60

* This amount is less than ₹ 1,000/-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

47. The Company has considered the possible effects that may result due to the lockdown announced consequent to outbreak of COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts.

43. Figures of the previous periods have been regrouped wherever necessary.

As per our report of even date attached

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No.104767W

ATUL SHAH

Partner

Membership No.039569

Place : Mumbai

Date : June 4, 2021

For and on behalf of the Board of Directors

BHUPENDRA DALAL

Chairman

(DIN : 00061492)

ANAND KRISHNAN

Chief Financial Officer

MILAN DALAL

Director

(DIN : 00062453)

RANDEEP KAUR

Company Secretary

MOLOY SAHA

Chief Executive Officer

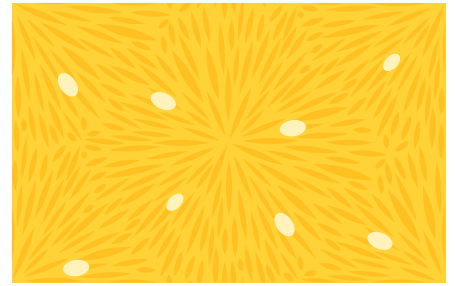
Notes

Notes

[illegible]

Notes

[illegible]



Foods & Inns

FOODS AND INNS LIMITED

3rd Floor, Hamilton House, J.N. Heredia Marg
Ballard Estate, Mumbai-400038

www.foodsandinns.com
writetous@foodsandinns.com