



15th July, 2023

National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Symbol: ADFFOODS	BSE Limited, Department of Corporate Services, Phiroze Jeejeebhoy Towers , Dalal Street, Mumbai - 400 001. Scrip Code: 519183
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Dear Sir/Madam,

Subject: Annual Report for the Financial Year 2022-23 and Notice convening the 33rd Annual General Meeting of ADF Foods Limited.

In terms of the provisions of Regulation 30 & 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 33rd Annual General Meeting (“AGM”) scheduled to be held on Wednesday, 09th August, 2023 at 04:00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

The Notice and Annual Report is also available on the website of the Company at www.adf-foods.com.

Request you to kindly take the same on your record.

Thanking You,

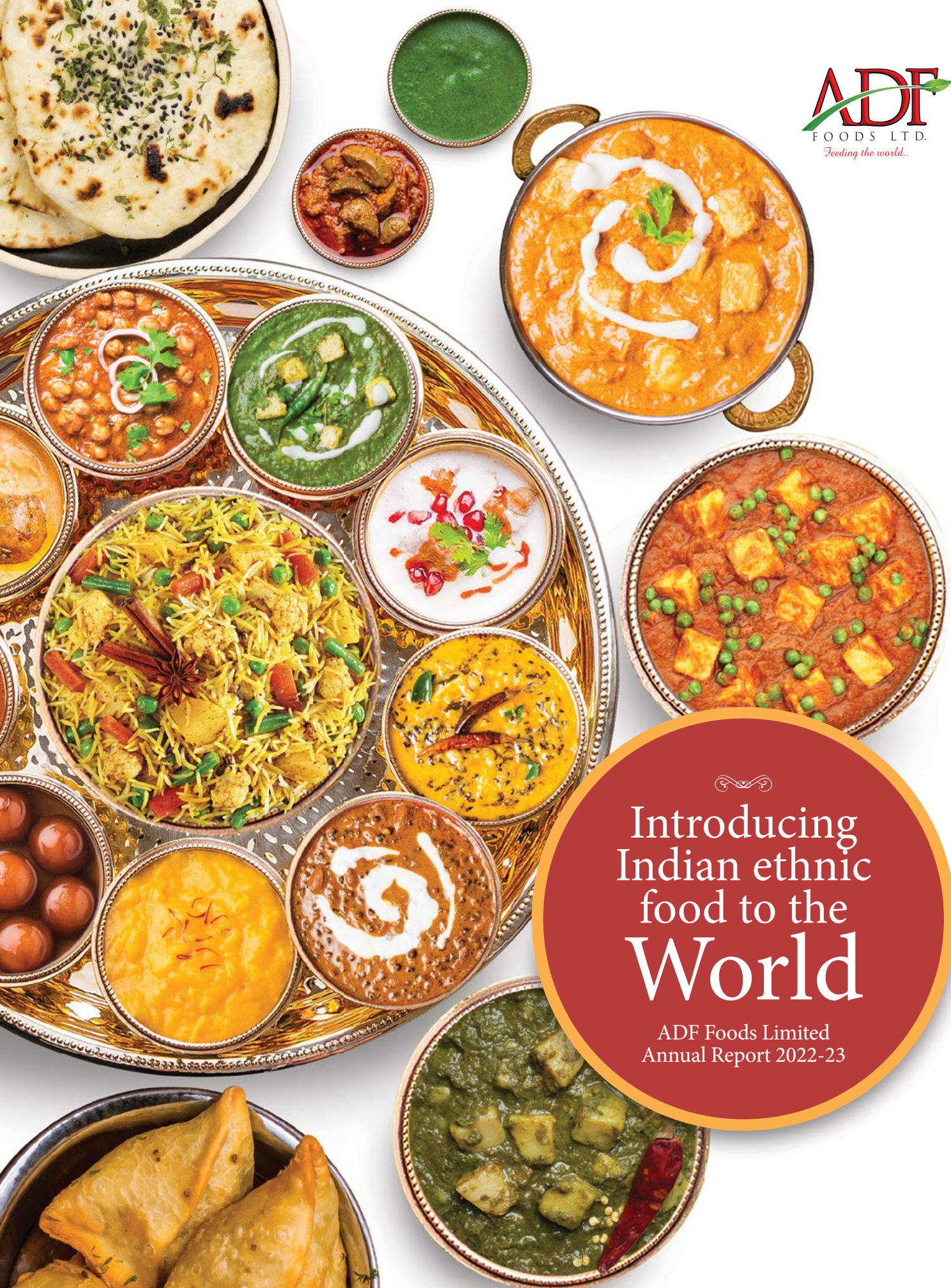
Yours faithfully,
For **ADF Foods Limited**

Shalaka Ovalekar
Company Secretary

Encl: As Above



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Introducing
Indian ethnic
food to the
World
ADF Foods Limited
Annual Report 2022-23


Contents

Page no.	
02	Corporate snapshot
06	How we have performed over the years (consolidated financials)
08	Chairman's message
10	Our operational review, FY 2022-23
13	Promotional and advertising engagements
14	The ADF brands report, FY 2022-23
18	Our newly launched products in FY 2022-23
20	Product testimonials
21	Integrated value report, FY 2022-23
23	Our business model
24	How we intend to enhance shareholder value
26	ADF strives to achieve the highest ESG standards
29	Corporate Social Responsibility
30	Company information
31	AGM Notice
50	Directors' Report
80	Management Discussion and Analysis Report
85	Report on Corporate Governance
117	Business Responsibility & Sustainability Report
141	Financial Statements

Disclaimer

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks/ uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include input costs and/or its availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes.





Introducing Indian ethnic food to the World

At ADF Foods, we see
ourselves as an ambassador.



The Indian culture is rich, deep and varied.
The country is the world's most populous country
and one of the largest agricultural economies.
The fusion of people, cultures, crops and climates
has helped create an ethnic foods platform that is
unmatched for scale and diversity.

At ADF Foods, we see ourselves as a company
committed to introducing ethnic Indian food to a
world of 8 billion people.

This overarching commitment provides us with
an attractive runway that should translate into
our company emerging amongst the leading
ethnic specialty food companies in the world.

CORPORATE SNAPSHOT

ADF Foods is putting
Indian food on the
world map.

The company produces ethnic
Indian foods.

The company's products are
marketed in more than 55
countries.

The company enjoys the widest
presence in a niche business
across the complete value chain.

MISSION

To feed the world.

To be your partners
in the kitchen
globally, creating
products that
marry taste and
convenience.

VISION

To make our
products the
first choice for
households
everywhere

VALUES

Responsible sourcing: We source
the best ingredients and ensure
the people who supply them get a
fair price.

Technology for good: We utilize
technology smartly to create
products that are good for you
and the planet.

Business with heart: Taste and
convenience are at the heart of
what we do – but so is integrity.

OUR LEGACY

The origins of ADF date back to 1932 when its founders started selling specialty dried fruits from a retail store named American Dry Fruits Store in Mumbai. Over the next 9 decades, the company developed into a prominent food production business with a global footprint in every continent.

PRODUCTION UNITS

ADF's annual food processing capacity is ~ 28000 MT across its facilities in Nadiad (Gujarat), Nashik (Maharashtra) and Surat (Gujarat). The company intends to break ground for a new greenfield unit in Surat during the current financial year.

GEOGRAPHIC PRESENCE

ADF delivers traditional Indian flavors to the Indian diaspora and domestic consumers in over 55 countries. The company aims to increase its exports to North America, Europe, UK, Middle East and APAC. During FY 2022-23, more than 99% of the company's revenue was generated from exports.

PRODUCT PORTFOLIO

ADF's product range comprises over 400 SKUs across eight brands ranging

from frozen snacks, Indian breads and vegetables to ready-to-eat foods, side dishes like pickles and chutneys, condiment pastes, cooking sauces, spices and milk-based beverages.

BRANDS

ADF's products are sold under eight brands: Ashoka, Camel, Truly Indian, Aeroplane, Nate's, PJ's Organics, ADF Soul and Khansaama. These brands serve different demographics and have developed a strong following amongst consumers in their respective categories over the last seven decades.

TALENT

As of March 31, 2023, ADF employed 347 permanent employees with competencies in business management, strategy development, production, quality control, research and development, finance, marketing, sales and distribution, legal, human resource management and more.

LISTING

The company is listed on National Stock Exchange Of India Ltd. (NSE) and BSE Ltd. (BSE).

CERTIFICATIONS AND ACCREDITATIONS

- ISO 2200: 2018 certification by BVQI for management system standards
- SGS accreditation demonstrates that our products, processes and services meet the highest manufacturing standards.
- SMETA AUDIT for the four pillars -Labour Standard, Health & Safety, Environment, Business Ethics of safety, quality.
- BRC accreditation APEDA (Ministry of Commerce and Industries) Award for exceptional exports performance.
- Hazard analysis and critical control point Accreditation of internationally recognized HACCP (Hazard Analysis and Critical Control Point) certification.
- UKAS accreditation ensures high standards for managing occupational health and safety.
- HALAL certification assures product do not contain ingredients forbidden for Islamic followers.

AWARDS AND RECOGNITIONS

Great Taste Award

In 2017-18, the Company's ADF Soul Brand won the prestigious 'Great Taste Award' in the Ready to Eat category for Punjabi Choley in the UK

Best FMCG Company (SME Sector)

Awarded 'Best FMCG Company' in Agribusiness sector (SME Sector) at the DHL- CNBC International Awards for 2008-09

SOFI Awards 2017

'Truly Indian' organic product category won two silver awards in the SOFI awards of 2017, held by Specialty Foods Association, USA

Best Overall exporter of the year

Awarded 'Best Overall Exporter of the Year' (SME Sector) at the DHL- CNBC International Awards for 2008-09

Exceptional Performance in Exports

The company received the prestigious APEDA award for five consecutive years from 1997-98 for exports promotion.

OUR MANUFACTURING FACILITIES

Nadiad

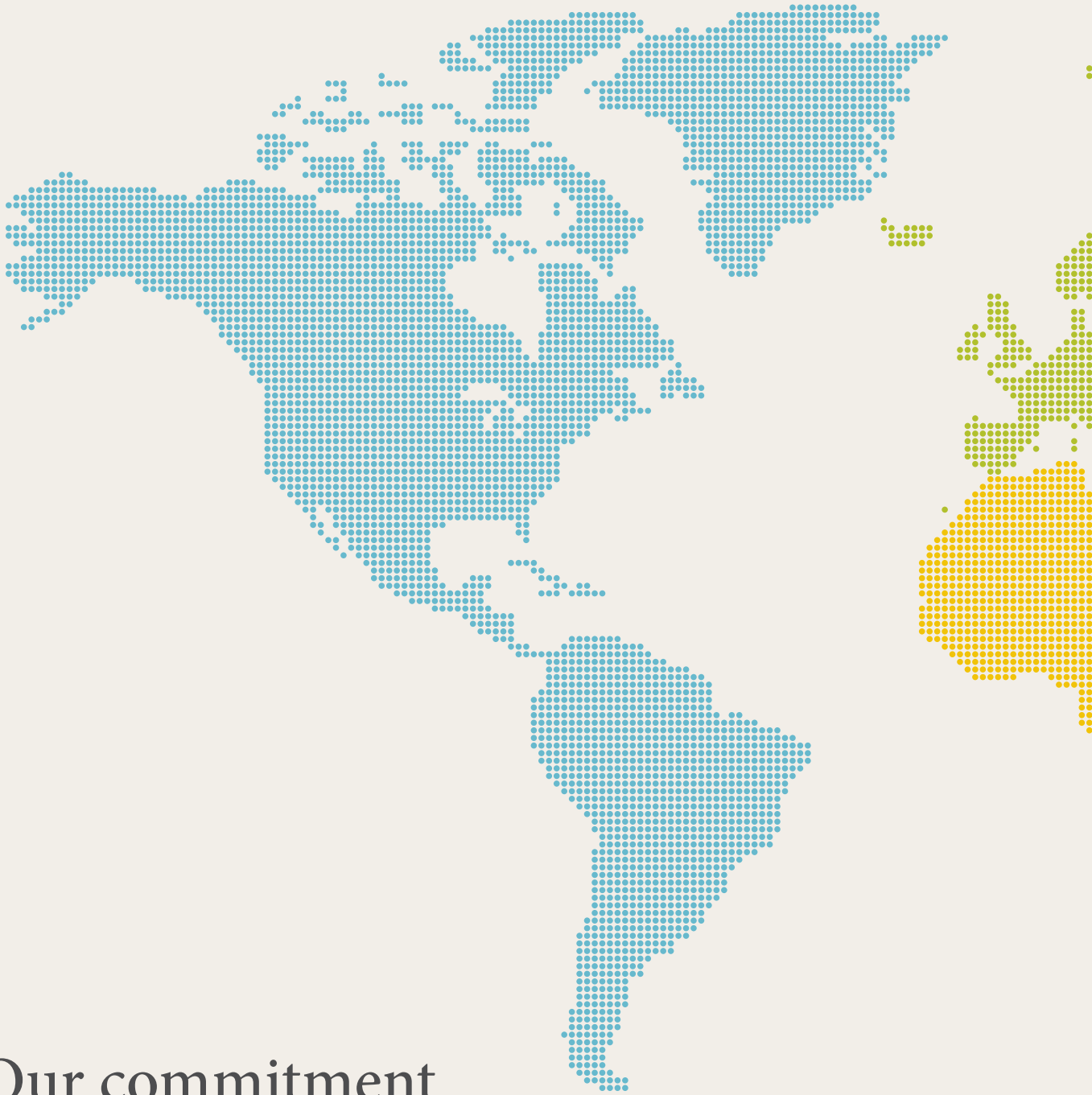
- Total built up factory area: 15,000 sq. m
- Frozen foods (vegetables, snacks and Indian breads etc.)
- Meal accompaniments (pickles, chutneys, pastes and sauces)
- Ready-to-eat curries and canned vegetables

Nasik

- Total built up factory area: 10,100 sq. m
- Totally automated spices processing unit from Buhler (Germany)
- Meal accompaniments (pickles, chutneys, pastes and sauces)
- Ready-to-eat curries and spices

Surat

- Total built up factory area: 2,800s sq m
- Frozen food (breads and snacks etc.)



Our commitment

'Introducing'

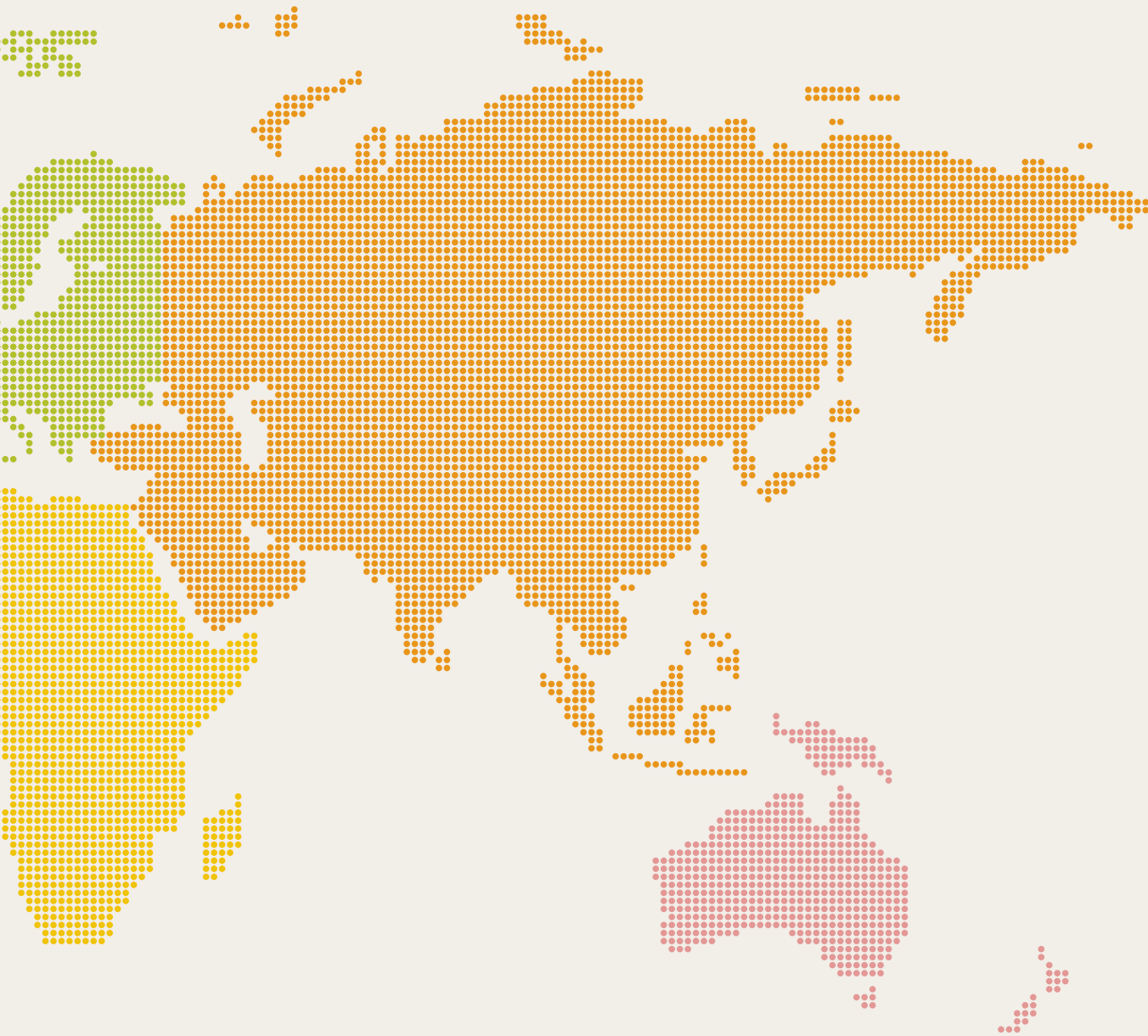
Reaching markets under-serviced and under-exposed

'Ethnic Indian Food'

Presenting one of the widest cuisine platforms

'World'

A market of 8 billion people across nearly 200 countries



THE FOUR MOST POPULAR CUISINES ACROSS THE WORLD ARE ITALIAN, JAPANESE, CHINESE AND INDIAN.

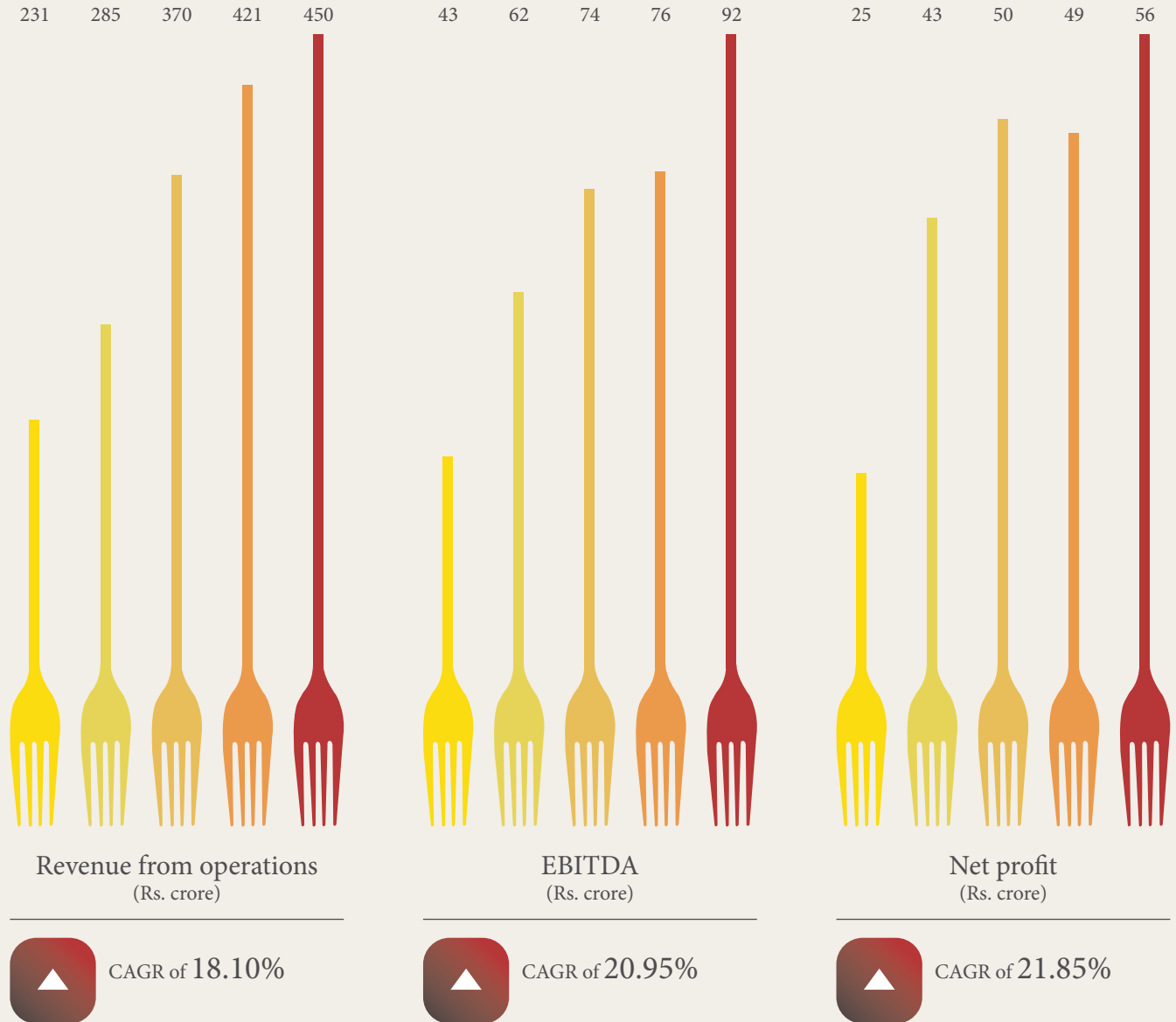
3.5
million, Indian diaspora were in the UAE as of 2021
(Source: indiandiaspora.org)

4.8
million, Indian population in the US as of 2021
(Source: commerce.gov)

18
% expected growth rate of the frozen ready-to-cook food market until 2026
(Source: timesofindia.com)

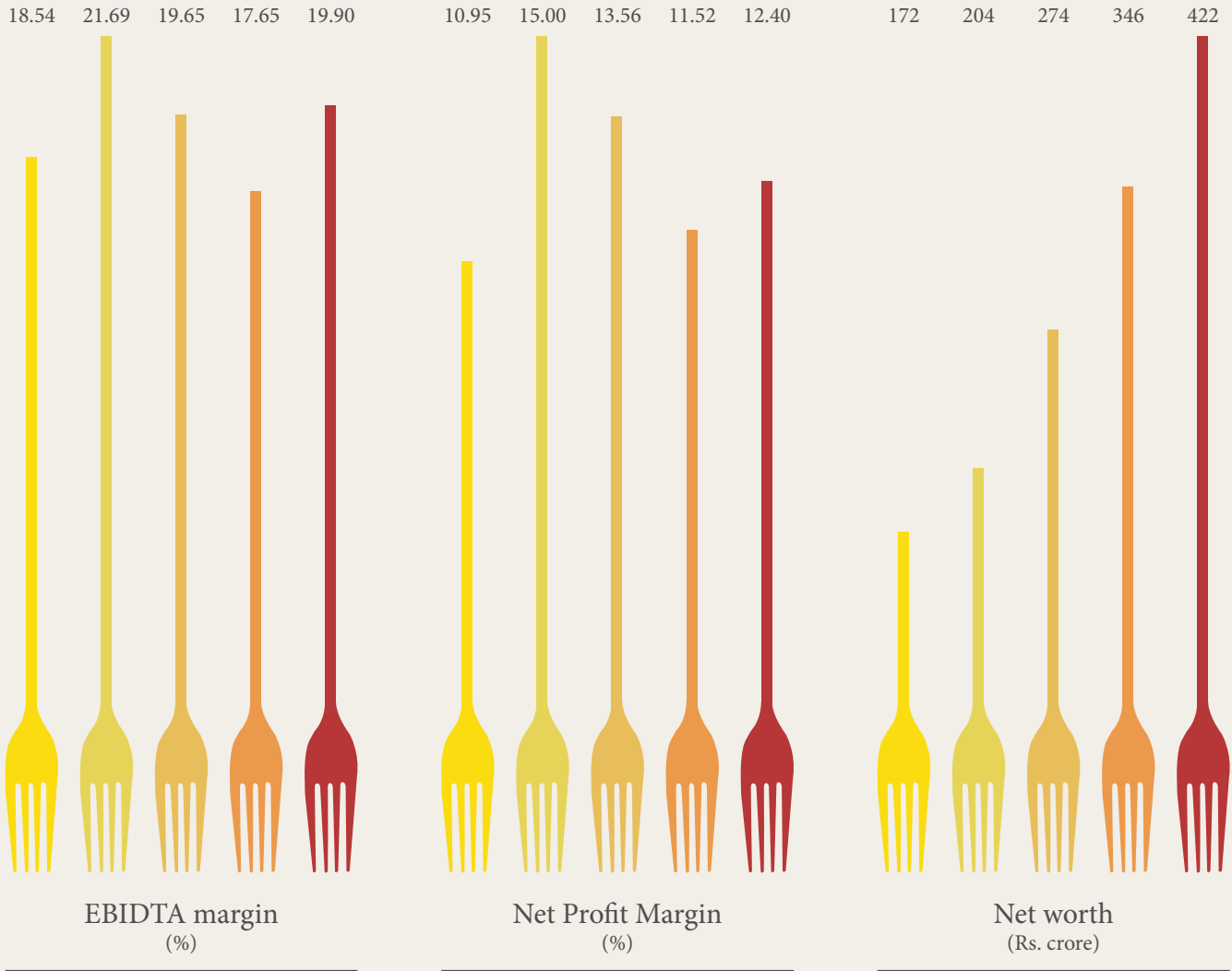
31.45
USD in million, total value of pickles exported from India to 54 countries
(Source: vakilsearch.com)

How we have performed over the years (consolidated financials)



**Giving
back to our
shareholders**

FY19	Buyback (Rs. in crore) : 30
FY20	Dividend payout (Rs. in crore) : 6
FY21	Dividend payout (Rs. in crore) : 6
FY22	Dividend payout (Rs. in crore) : 8.8
FY23	Dividend payout (Rs. in crore) : 11 (recommended by the Board)



 CAGR of 25.16%



Chairman's message



OVERVIEW

I am delighted to announce to our shareholders that despite the challenges faced in the financial year 2022-23, your company delivered a commendable performance. We maintained a high growth trajectory, successfully entering new market segments, expanding our product categories and venturing into direct distribution in specific global markets. It is noteworthy that not only your company, but also the specialty foods niche as a whole, experienced significant growth, reaching a size that now attracts substantial investor interest. Our goal remains to generate enduring value by providing innovative food products to our esteemed customers.

OUR OPTIMISM

I am often asked: what makes you optimistic of the ethnic foods business?

The answers are all around us.

One, India is emerging as the flavour of the international markets, following its economic resilience and emergence as a supply chain alternative to China.

Two, India comes with the heft of its soft power, which comprises its films, performing arts, sports and food.

Three, modern global citizens, including Indians, are experimentative, experience-driven and willing to pay higher for better products; the average Indian is increasingly comfortable with international cuisines than ever before – and the same applies to international citizens with Indian ethnic food.

Four, the emergence of the social media has drawn cuisine from the niche to the mainstream, where it is not only important to eat well or differently, but to be seen doing so.

Five, even as companies like ours are scaling their businesses to address an existing opportunity, the market is growing as fast or faster, putting a priority on our capacity to accelerate growth.

Six, Indian ethnic food represents the amalgam of diverse cultures; what is labelled as 'Indian' is effectively Gujarati, North Indian, Bengali, Mughlai, Maharashtrian, Tamil, Andhra or Indo-Chinese, among others, each representing large and deep multi-century tradition.

Seven, the population of Indian expatriates is growing; they seek to retain and protect their roots; one of the most effective ways in retaining their Indianness is through Indian cuisine wherever they may be.

Eight, the penetration of Indian ethnic food across retail stores and modern trade formats the world over is negligible; there is a growing conviction that the last frontier is not manufacture but the distribution network that makes it possible for Indian ethnic food products to be placed where consumers can buy.

Nine, there is a premium on the capacity of ethnic food companies to reconcile different national cultures and deliver fused products; at ADF Foods, we will provide international flavours in India fused around the Indian palate, which we will be better placed to address on account of a multi-generational knowledge of tastes, palates and preferences.

LEAVING A THOUGHT

Your company reported its highest standalone Annual Revenue, EBITDA and PAT, coupled with a robust expansion in EBITDA and PAT margin in FY 2022-23. The standalone revenue for FY 2022-23 stood at Rs. 353.34 crore, reporting a growth of 17% over the last financial year whereas a revenue of Rs. 450.29

crore was reported on a consolidated basis, indicating a growth of 7% over the previous year. Further, Profit Before Tax of Rs. 80.76 crore on a standalone basis reported a remarkable growth of 44% over the last financial year and on consolidated basis stood at Rs. 75.46 crore, a growth of 16% over the previous year. EBITDA on a standalone basis was Rs. 86.89 crore, which was up by 39% over the previous financial year. The standalone EBITDA and PAT margins for FY 2022-23 were 23.91% and 16.51% respectively.

For FY 2022-23, the Board expressed its appreciation to shareholders by proposing a dividend of 50%, which amounted to Rs. 5 per equity share of a face value of Rs. 10 each. To enhance liquidity in the capital market through a widening shareholder base and make it more affordable for small investors, the Board approved a sub-division of the equity shares of the Company with a face value of Rs. 10 each into shares with a face value of Rs. 2 each.

We are attractively positioned at the bottom end of a multi-decade growth curve. We are at the cusp of making investments that should empower us to double our branded business in three years; these investments are majorly funded through the cash on our books or earnings. In view of this, we are at the right point in the right place at the right time with the right products and with the right business model to enhance value in a sustainable manner for all those associated with our company.

Bimal Thakkar

Chairman, Managing Director and CEO

OUR OPERATIONAL REVIEW, FY 2022-23

“Your company strengthened the business in various ways, which helped create a foundation to climb into the next orbit”

The ADF management analyses the performance of the company during the year under review and looks ahead



Q: Was the management pleased with the performance of the company during the last financial year?

A: Your company performed creditably during the year under review. On a consolidated basis, revenues improved by 7%, EBITDA strengthened by 21% and profit after tax increased by 15%. Your company continued to prioritise revenue efficiency: EBITDA margin was 18% in FY 2021-22 and 20% in FY 2022-23, indicating that the company continued to protect the integrity of its business model.

More specifically, the company reported 55% of its revenues and 62% of its EBITDA in the last two quarters, indicating that the momentum improved as the year progressed.

The performance would have been better but for commodity cost pressures that had to be absorbed or passed on to customers (potentially altering our price-value proposition and affecting offtake). Besides, due to the supply chain issues faced in the US subsidiary of the Company on account of legal issues with its principal supplier, the topline was impacted by a sizable Rs. 33 crore and pre-tax bottomline by an estimated Rs. 7 crore. The fact that the company reported creditable numbers despite this reality indicates the robustness of its business model and the capacity to absorb unforeseen developments.

Q: What were some performance upsides that readers are likely to miss?

A: The year under review was marked by increased fuel and logistics costs in the first half of the financial year in continuation with the previous year's rise. Yet most of the company's international shipments were on time and in full, validating trade confidence in the company's ability to replace their offtake by putting products back on shelves. However, we continued working on mitigating these through cost optimisation, better product mix and improved operational efficiency. The result is that despite challenges, the company did not vacate shelves; on the contrary, it widened and deepened the distribution network, making it possible to increase market presence that translated into increased offtake.

The company launched 35 new product variants in the international markets in FY 2022-23, the highest in any year. This portfolio mix increased shelf visibility and consumer loyalty, translating into outperformance.

Q: What business-strengthening initiatives were undertaken by the company during the last financial year?

A: One of the company's principal focus areas has been distribution – the capacity

to reach products quicker to shelves and stay consistently on shelves, preventing competition from eating into its place. During the last year, your company acquired on lease an aggregate 100,000 sq ft warehouse in New Jersey & Atlanta. Though the initial operating cost of these warehouses is high, the returns would be back-ended and start becoming visible only after the warehouse throughput reaches critical mass. This was evident during the year under review when warehouse space utilisation was moderate.

Q: How does the management seek to enhance its distribution infrastructure in USA?

A: A context is necessary before answering this question. There is a growing premium on the capacity to make products available where consumers can buy. Since the company's products are directed at Indian expatriates, there is a focus to be present in general trade stores accessed by non-resident Indians in USA, UK, Germany and other countries. In addition to having strong distribution network and having two distribution depots in form of warehouses in the USA, your Company established a step down subsidiary called Vibrant Foods New Jersey LLC in September 2021, which acts as a distribution entity in the USA. It performed well during the FY 2022-23 and generated revenues of Rs. 67.06 crore.



The company will launch food products within India, starting through e-commerce and modern trade formats and using this experience before turning to general trade.

Moreover, over the last two years, your company assumed the distribution agency for some Unilever products. During the year under review, it became a distribution partner for a packaged tea company called Ekaterra, a Netherlands - based company; it began to distribute complementary Patanjali products in UK and will soon expand Europe.

Further, the company's Agency Distribution segment saw good offtake during FY 2022-23 and supplemented the overall business, contributing Rs. 88 crore in revenue.

Q: How does the company intend to take its business ahead during FY 2023-24?

A: The company is optimistic that a sustained distribution focus will make this segment PAT-positive during the current financial year. The company will launch food products within India, starting through e-commerce and modern trade formats and using this experience to extend to general trade. The company intends to broadbase from India's focused retail points in US to a larger US food service market (college commissaries, kitchens and restaurants) for which it appointed a business head. It seeks to deploy the cash on its books in the acquisition of brands complementary to the existing portfolio. The company shall break ground for a Rs. 60 crore greenfield manufacturing facility in India (Surat), its fourth (if one also counts a unit it has taken on lease) that should begin to deliver from FY 2024-25.

Q: What could be the cumulative outcome of these initiatives?

A: ADF Foods is optimistic about sustaining its growth. The company believes that while the distribution pipeline provides a large headroom in which to grow revenues, the back-end manufacturing capacities are close to peaking (after the debottlenecking implemented during the last financial year that enhanced throughput by around 15%). This makes the decision to invest in a greenfield facility a trigger to enter the next orbit. This new facility will be partially funded through accruals, replacing surplus cash generating moderate returns with deployed infrastructure that should enhance margins. In view of this, a stronger interplay of volume and value is foreseen, strengthening value in the hands of those who own shares in our company.

Promotional and advertising engagements





THE ADF BRANDS REPORT, FY 2022-23





Our brands portfolio

	Ashoka	Truly Indian	Camel	Aeroplane
Positioning	Flagship brand targeted at the Indian diaspora	Targeted at the non-Indian diaspora	Premium brand; targeted at the Arab diaspora	Economy brand
Products	Frozen snacks, frozen breads, frozen vegetables, ready-to-eat, meal accompaniments, pastes, sauces, spices and milk drinks	Ready-to-eat, meal accompaniments, pastes and sauces	Meal accompaniments, pastes and sauces	Meal accompaniments, pastes and sauces
Geographies	USA, Canada, UK and APAC	Germany and USA	Middle East	Middle East
Retail channel	70-90% from ethnic stores across geographies; balance from mainstream/ modern trade stores	100% from mainstream/ modern trade stores	95% from mainstream/ modern trade stores	65% from mainstream/ modern trade stores; 35% general trade
	ADF SOUL	PJS	Nate's	Khansaama
Positioning	Targeting urban Indian customers	Organic, made with USDA certified organic ingredients	Non-GMO, all natural, vegan and vegetarian	Mughlai course - kebabs, cooking pastes, curries, naans and pulao, along with pickles
Products	Meal accompaniments, pastes, sauces	Burritos	Meatless meatballs	Easy-to-cook frozen meals, cooking pastes and essence water
Geographies	Sold and marketed primarily in Mumbai, India	USA	USA	UK, US, Canada
E-commerce channel	Test-launched on the Company's E-commerce platform soul-foods.in and Amazon	100% from mainstream/ modern trade stores	100% from mainstream/ modern trade stores	South-Asian ethnic stores



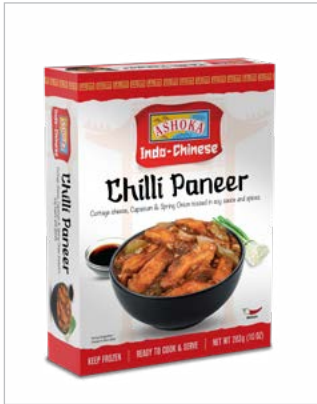
Our products format (Illustrative list)

Frozen products	<p>Snacks: Punjabi samosas, batata vada and kathi rolls</p> <p>Vegetables: Green chilli, mixed vegetables cut, methi and palak</p> <p>Breads: Tandoors and parathas</p>
Ready-to-eat and ready-to-cook	<p>Ready to eat normal: Pav bhaji, dal makhni and matar paneer</p> <p>Ready to eat vegan: Bhindi masala and paneer (tofu) makhani</p>
Food accompaniments	<p>Pickles: Chilly, lemon, mango and mixed</p> <p>Chutneys: Coconut, coriander, mint, sandwich, pani puri, dates and tamarind</p> <p>Sauces: Pasta sauce and pizza sauce</p>
Spices and others	<p>Spices: Madras curry powder and tamarind</p> <p>Others: Almond milk, mango milk, turmeric and honey milk</p>
Mexican products	<p>Mexican products: Frozen Mexican hand-rolled burritos</p> <p>Plant-based protein (meat alternatives) like meatless meatballs</p>



ADF INVESTED RS. 15.75 CRORE IN ADVERTISEMENT AND SALES PROMOTION IN FY 2022-23

Our newly launched products in FY 2022-23



Our Soul Range



PRODUCT TESTIMONIALS

"I recently bought Ashoka's aloo paratha and was completely satisfied with its excellent quality."

Anuvind Balachandran,
United Arab Emirates

"I had the pleasure of trying ADF's frozen aloo paratha and Punjabi choley - the taste was absolutely fantastic!"

Rohan, United States of America

"I tried your garlic naan from Coles Supermarket in Australia and it surpassed expectations. I toasted it alongside my homemade chicken korma; it achieved a flawless balance of fluffiness and crispness. Unlike inferior alternatives, your naan tasted fabulous. The authentic tandoori appearance enhanced the overall experience."

- Sheryl Gay, Australia

Amazon reviews for our 'ADF Soul' brand

"Soul garlic pickle has become another favourite in our family. We have been loyal consumers of this brand for numerous years and the taste never fails to impress. The balance of flavours is spot on!"

June Mendez

"I relished your Punjabi choley curry, which rekindled my love for this cuisine.

After losing my husband, who was a skilled cook, I doubted finding joy in curry again. Your recipe exceeded my expectations with its authentic taste. It inspired me to explore your entire meal range. The aroma, balanced spices and presentation were delightful."

Verity Lavender, Canada

"My family

and I have been loyal consumers of ADF's frozen foods for years. My 4-year-old son developed an exclusive preference for Ashoka's aloo paratha; he insists on two parathas daily without alternatives. I have failed in diverting his preference from Ashoka aloo parathas."

Akshatha, United Arab Emirates

"Upon tasting Soul brand pickle at a friend's house, I was captivated by its delightful flavour. I placed an order and it has since become a lifesaver when paired with rice. There are moments when I crave the combination of rice, pickle, curd and onions - an exquisite ensemble."

Anoop

HOW CUSTOMERS HAVE RESPONDED TO OUR ASHOKA BRAND

"I'M A HUGE FAN OF ASHOKA'S INSTANT CURRIES. EVEN THOUGH I DON'T WORK FOR THEM OR HAVE A SHOP, I REALLY LOVE THAT THEIR CURRIES ARE VEGAN, SUPER AFFORDABLE AND HAVE AUTHENTIC FLAVOURS WITH NATURAL INGREDIENTS."

DAN PAGE, EUROPE

"I ordered the mixed pickle from ADF Soul and noticed that it had a lower salt content compared to other pickles in the market. However, it had a more pronounced sourness. Overall, I found the taste enjoyable and I intend to explore other pickles from the ADF portfolio." - Ravi Kumar

"THE AUTHENTIC TASTE OF SOUL PRODUCTS EVOKES NOSTALGIA AND CONNECTS ME WITH MY INDIAN HERITAGE."

Raj Waghela

INTEGRATED VALUE REPORT, FY 2022-23

How ADF is committed to enhance stakeholder value in a sustainable way

Our report on how we have institutionalised the value-creation process

THE SCORECARD (CONSOLIDATED FINANCIALS)



EMPLOYEE VALUE

Rs. 29.70 crore, salaries, FY 2022-23 (Rs. 23.55 crore, FY 2021-22)



CUSTOMER VALUE

Rs. 450 crore, revenues, FY 2022-23 (Rs. 421 crore, FY 2021-22)



VENDOR VALUE

Rs. 201 crore, Purchases, FY 2022-23 (Rs. 213 crore, FY 2021-22)



SHAREHOLDER VALUE

Rs. 1634.33 crore market capitalisation, March 31, 2023 (Rs. 1558.27 crore, March 31, 2022)



COMMUNITY VALUE

Rs. 95.31 lakh, spending, FY 2022-23 (Rs. 89.45 lakh, FY 2021-22)



EXCHEQUER VALUE

Rs. 19.61 crore, tax payment, FY 2022-23 (Rs. 16.62 crore, FY 2021-22)



Our Business model

The ADF Foods business model has been structured around sustainable growth. The company addresses unlimited potential across its addressable market, assuring it of decades of growth potential.

The robustness of the business model has been constantly validated: on a consolidated basis, the company grew revenues from Rs. 231 crore in FY 2018-19 to Rs. 450 crore in FY 2022-23; profit after tax strengthened from Rs. 25 crore in FY 2018-19 to Rs. 56 crore in FY 2022-23; exports accounted for more than 99% in each of the three years ending FY 2022-23.

BIG PICTURE

Mission

Popularise Indian cuisine the world over

Address Indian expatriates and nationals of other countries

Strategic clarity

Double revenues every three years for the next six years

Enhance competitive advantage through organic and inorganic means

Strengths and outcomes

- Deep domain knowledge
- Multi-generational understanding of specialty ethnic Indian foods
- Rich understanding of preferences across region and states
- Ability to productise this knowledge across branded foods
- Dominate niches
- Complement of products make it a one-stop solutions provider
- Aligned with government policy
- Focus on enhancing value-addition
- Approved under the PLI scheme for branding expenditure

POWER OF INTANGIBLES

- Brands-driven
- Consistent investment in brand creation and promotion
- A majority of the company's revenues derived from brands with distinctive characteristics and audiences
- Complement of brands addressed sub-niches

CUSTOMER FOCUS

- Addressing global mainstream customers
- Providing Indian palates a wider ethnic spread

Leverage research

- Team comprising chefs and food scientists
- Team engaged in ongoing market realities, enhancing relevance

Consumer convenience

- Products available globally across retail outlets
- Network supported by warehouses and distributor acquisition
- Extending to the US food service market, widening and deepening reach

BALANCE SHEET

Liquidity

- Rs. 143.48 crore of cash on books as on March 31, 2023
- 19.90% EBIDTA margin in FY 2022-23

Debt-free

- Net worth of Rs. 421.62 crore, indicating extensive borrowing room



How we intend to enhance shareholder value

How we have enriched our shareholders

1,634.33
Rs. crore, market
capitalisation,
March 31, 2023

50%
Proposed
dividend for
FY 2022-23

Drivers of value creation

At ADF Foods, we are engaged in structured business building likely to generate sustainable growth.



Brand investments

- Invested Rs. 15.75 crore in FY 2022-23
- Each brand distinctive, addressing a specific audience
- Complement of brands a competitive advantage
- Each brand backed by trained teams in international geographies



Brand extensions

- Brands mature enough to generate brand extensions
- Brand extensions to widen and deepen the portfolio
- Brand extensions to enhance offtake without significant brand spending
- Brand extensions to de-risk the overall brand family through product adjacencies



Talent building

- Recruitment of food research scientists
- Appointment of country heads in large international markets
- Acquisition of large distributors with delegated responsibilities



Market selection

- 99% revenues derived from exports
- Strive to penetrate deeper in existing markets and tap new market
- Entry into India through e-commerce



Distribution expansion

- Acquisition of warehouses and companies to service consumers with speed and dependability
- Focus on servicing faster with a larger products portfolio
- Focus on widening our general trade presence (dealing in Indian products)
- Focus on marketing complementary products through these pipelines



Manufacturing capacity

- Debottlenecking to enhance throughput by 15%
- Proposed greenfield manufacturing capacity in Surat



Wider customer base

- The company has long addressed Indian expat customers
- The company intends to address mainstream non-Indian customers
- The company intends to deepen its India presence this year onwards

ADF strives to achieve the highest ESG standards

OVERVIEW

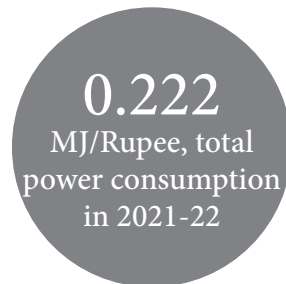
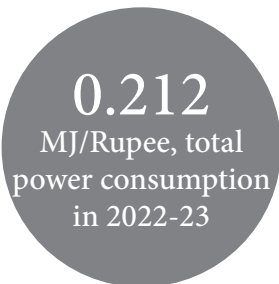
ADF Foods, like many modern companies, is being recognized for its holistic ESG (Environmental, Social and Governance) commitment. This includes a focus on protecting the environment, deepening stakeholder engagement and conducting business around responsible governance.

OUR ENVIRONMENT COMMITMENT

ADF Foods is committed to conducting business in a manner that protects the ecology and environment while meeting the needs of its stakeholders. These environment-centric initiatives establish the company as a responsible corporate citizen.

ENERGY CONSERVATION

- Installed solar roof top panels
- Achieved improved energy efficiency by reducing total power consumption per rupee of turnover that moderated energy consumption, showcasing successful efforts in enhancing energy efficiency.



EFFLUENT TREATMENT PLANT (ETP)

- The company implemented an ETP at its facility in Nasik, which operates with a zero liquid discharge system.
- This plant recycles approximately 90,000 liters of water daily, accounting for approximately 80% of the total water consumption at the facility.
- The effluent standards of the company received approval from the Pollution Control Boards of Maharashtra and Gujarat.



DECLINE IN WATER CONSUMPTION PER KG OF THE END PRODUCT:

This reduction reflects the company’s dedication to optimizing water usage throughout its operations.

0.0089
Kl/thousand rupee of water consumption in 2022-23

0.0102
Kl/thousand rupee of water consumption in 2021-22

RENEWABLE ENERGY INSTALLATION

- The Nashik unit has been using a solar unit that generates 550 kw of power for the last four years, which fulfils a significant part of its energy needs.
- An external agency installed the solar unit in compliance with the regulations set by the local State authorities and MSEB.

550
Kw of power generated from installed solar unit at Nashik

EMISSION /EFFLUENT GASES OF BOILER

- The Company invested in an environment-friendly briquette (biomass) boiler. The emission / effluent gases from the chimney are well within Pollution Control Board norms.

PACKAGING

- Prioritised the use of paper/ biodegradable material (corn starch)
- Eliminated single-use plastic from customer-facing packaging
- Procured FSC-certified paper for customer-facing packaging.



Our Social commitment

At ADF Foods, we believe that the value of our stakeholder relationships – with employees, vendors, customers and the community – makes it possible to enhance operational stability, protecting the company from shifts in procurement, market cycles and social challenges.



Our Safety commitment

At ADF Foods, we prioritise safety management to mitigate risks associated with hazardous processes, products and heat. We have implemented a responsible system to identify, evaluate and control hazards. Regular inspections and maintenance of equipment reduce the risk of failure. Hands-on training is provided to ensure personnel understand and follow safety procedures.



Our Health commitment

Our employees and workers health is one of the top priorities. We conduct regular health check-ups, maintain workplace hygiene, provide medical and accidental insurance cover to our personnel and have tie ups with local hospitals to provide emergency medical aid to our people.

De-risking

The Company expanded product offerings, plighted accruals into business growth, increase shelf share from existing retail partners, extended a manufacturing model to distribution and focused on value-addition.

Data-driven

The Company grew its business around digital technologies that generated data on markets, consumer preferences and business nitty-gritty. It became the basis for informed decision-making and a strong facts-driven culture marked by no ambiguity.



Our Governance commitment

AT ADF FOODS, OUR GOVERNANCE PLATFORM HAS DRAWN ON THE 8 C'S - COMMISSIONING, CONVENIENCE, CONTEMPORARISATION, COMPLEMENT, CARBON MINIMISATION, CHOICE DIVERSITY, COST MANAGEMENT AND CONTROLS, STRENGTHENING BUSINESS VISIBILITY.

Board of Directors

The Company created a strong Board, comprising professionals and industrialists of standing. This composition helped enrich values, insights and understanding.

Long-term

The Company built the business around long-term relevance, which is reflected in its preference for controlled growth, influencing investments by not stretching the Balance Sheet. The Company also made proactive investments in assets, technologies, brands, people, locations, products and partners ahead of the curve.

Brand

The Company adapted its brand around Indian preferences, standing for a progressive way of doing things. The Company reinforced the traditional ethnic foods recall for availability, accessibility and affordability.

Corporate Social Responsibility



95.31

Rs. lakh, Total CSR spending in FY 2022-23

Our CSR goal at ADF Foods is to reach a greater and broader audience. The Company ensures that its corporate propriety extends to people who are not connected to the Company and yet are essential to its existence. The programmes of the Company are co-created with communities, contributing to their economic growth and increasing their quality of life.

The engagement of the Company is defined by its CSR Policy, which is guided by a CSR committee and senior management. Healthcare and well-being, education, eradication of hunger, women empowerment, environment protection are all priorities for the company.

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Bimal R. Thakkar Mr. Jay M. Mehta Mr. Viren A. Merchant Mr. Ravinder Kumar Jain Mr. Chandir G. Gidwani Ms. Deepa Misra Harris	Chairman, Managing Director & CEO Non-Executive Director Non-Executive Director Independent Director Independent Director Independent Director
SENIOR MANAGEMENT	Mr. Devang Gandhi Mr. Shardul Doshi Mr. Balbir Singh Mr. Maneck Katpitia	Chief Operating Officer Chief Financial Officer Vice President - Manufacturing Vice President - International Operations & Supply Chain
COMPANY SECRETARY & COMPLIANCE OFFICER	Ms. Shalaka Ovalekar	
COUNTRY MANAGERS	Mr. Upinder Thakur Mr. Bharat Sareen Mr. Apurva Patel Ms. Elizabeth Hackford Mr. Masud Sethi Mr. Pravin Nankani	UK UK USA USA - Food Services Canada GCC, Levant Countries, Asia Pacific & Africa
STATUTORY AUDITORS	M/s. Kalyaniwalla & Mistry LLP Chartered Accountants	
INTERNAL AUDITORS	M/s. RMJ & Associates LLP, Mumbai	
SOLICITORS	M/s. D S K Legal M/s. Desai Desai Carrimjee & Mulla	
BANKERS	State Bank of India HDFC Bank Ltd. ICICI Bank Ltd.	
REGISTERED OFFICE	83/86, G.I.D.C Industrial Estate, Nadiad - 387 001, Gujarat, India Tel.: 0268-2551381 / 2 Fax: 0268-2565068 E-mail: nadiadfactory@adf-foods.com	
CORPORATE IDENTITY NUMBER [CIN]	L15400GJ1990PLC014265	
CORPORATE OFFICE	Marathon Innova, B2 - G01, Ground Floor, G. K. Road, Lower Parel, Mumbai - 400 013. Tel.: 022-6141 5555, Fax: 022-6141 5577 E-mail: info@adf-foods.com Website: www.adf-foods.com	
REGISTRAR AND SHARE TRANSFER AGENTS	LINK INTIME INDIA PRIVATE LIMITED C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 400 083, India Tel: 022-49186270, Fax: 022-49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in	

33rd Annual General Meeting
Wednesday, August 09, 2023 at 4.00 p.m. (IST)
Through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

NOTICE OF THE 33RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Thirty Third Annual General Meeting** of the Members of **ADF FOODS LIMITED** will be held through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) on 9th August, 2023 at 4.00 p.m. (IST) to transact the following business:

ORDINARY BUSINESS

- (1) (a) To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
- (b) To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023, together with the Report of the Auditors thereon.
- (2) To declare a Final Dividend of Rs. 5 per equity share of Rs.10/- each for the Financial Year ended 31st March, 2023.
- (3) To appoint a Director in place of Mr. Jay M. Mehta (DIN: 00152072), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

(4) Sub-division of Equity Shares of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61(1)(d) and all other applicable provisions, of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], in accordance with relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s), as may be necessary from the appropriate statutory authority(ies), the approval of the Members of the Company, be and is hereby accorded for sub-dividing/splitting the existing equity shares of the Company, such that each equity share having face value of Rs. 10/- (Rupees Ten Only) fully paid-up, be sub-divided into 5 equity shares having face value of Rs. 2/- (Rupees Two Only) each, fully paid-up, ranking pari-passu with each other in all respects and carry the same rights as to the existing fully paid up equity shares, with effect from such date as may be fixed by the Board of Directors as the Record Date for this purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of equity shares of the Company, all the authorized equity shares of face value of Rs. 10/- (Rupees Ten Only) each existing on the Record Date, shall stand sub-divided as follows:

Type of Capital	Pre sub-division			Post sub-division		
	No. of equity shares	Face Value (INR)	Total Share Capital (INR)	No. of equity Shares	Face Value (INR)	Total Share Capital (INR)
Authorised Share Capital	2,50,00,000	10	25,00,00,000	12,50,00,000	2	25,00,00,000

RESOLVED FURTHER THAT pursuant to the sub-division of equity shares of the Company, all the issued, subscribed and paid-up equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up existing on the Record Date, shall stand sub-divided as follows:

Type of Capital	Pre sub-division			Post sub-division		
	No. of equity shares	Face Value (INR)	Total Share Capital (INR)	No. of equity Shares	Face Value (INR)	Total Share Capital (INR)
Issued, Subscribed and Paid-up Share Capital	2,19,72,719	10	21,97,27,190	10,98,63,595	2	21,97,27,190

RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid and with effect from the Record Date:

- a) the existing share certificate(s) in relation to the existing equity shares of face value of Rs. 10/- (Rupees Ten Only) each, fully paid up, held in physical form, shall be deemed to have been automatically cancelled and shall be of no effect and no letter of allotment

shall be issued to the allottees of the sub-divided equity shares having face value of Rs. 2/- (Rupees Two Only) each, fully paid up, and the Board of Directors may, without requiring the Members to surrender the old/existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu thereof; and

- b) in case of the equity shares held in the dematerialized form, the number of sub-divided equity shares of the face value of Rs. 2/- (Rupees Two Only) each, fully paid up, shall be credited proportionately into the respective beneficiary demat accounts of the Members maintained with their respective Depository Participants, in lieu of the existing credits present in their respective beneficiary demat accounts representing the equity shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of equity shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of equity shares, in accordance with the statutory requirements as well as to delegate all or any of its powers herein conferred to any committee and/or any person(s), to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division of equity shares including execution and filing of all the relevant documents with the Registrar of Companies, Stock Exchanges, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

(5) Alteration of Capital Clause of the Memorandum of Association of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** subject to the approval of resolution, by the Members of the Company, for sub-division of the face value of equity shares of the Company, being duly passed and becoming effective as stated in the resolution as set out at item no. 4 of the Notice convening the 33rd Annual General Meeting and pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the consent of the Members of the Company be and is hereby accorded to replace the existing Clause V of the Memorandum of Association of the Company with the following:

“V. *The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only) divided into 12,50,00,000 (Twelve Crore and Fifty Lakh Only) Equity Shares of Rs. 2/- (Rupees Two Only) each.*”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deed and things including delegating powers to any person(s), as they may in their absolute discretion deem necessary or expedient in respect of matters and things incidental or related thereto and to settle any question or doubt, to give effect to the aforesaid resolution.”

(6) Omnibus Approval of Related Party Transaction with Vibrant Foods New Jersey LLC, a Step Down Subsidiary of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April, 2022 [including any statutory modification(s) or re-enactment thereof, for the time being in force], the omnibus approval of the Members of the Company be and is hereby granted for entering into transactions with Vibrant Foods New Jersey LLC, a step down Subsidiary of the Company, as set out below and in which Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO is deemed to be interested, to sell, purchase and/or supply of any of goods or materials and to avail or render any service of any nature, subject to such contract(s)/arrangement(s)/transaction(s), being carried out at arm's length and in the ordinary course of business of the Company, as the Board in its discretion deem proper, as per the terms and conditions set out and in the Explanatory Statement annexed to the Notice convening the 33rd Annual General Meeting.

Name of Related Party	Name of the Director/ Key Managerial Personnel who is related, if any	Nature of relationship	Particulars of the contract or arrangement	Nature, material terms, monetary value	Any other information relevant or important for the Members to make a decision on the proposed transaction
Vibrant Foods New Jersey LLC (“Vibrant”)	Mr. Bimal R. Thakkar	Step down Subsidiary	Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services.	Indicative base Price – At such price which enables Vibrant to earn average Gross Margin upto 25% on its sale. Additionally, Vibrant shall be entitled to reimbursement of such other expenses including marketing and promotion expense that the other distributors are entitled. Maximum Monetary value- Rs.100.00 crore per annum	Duration of Contract is from the date of this AGM upto the date of the next AGM for a period not exceeding fifteen months.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this Resolution and for matter connected therewith or incidental thereto in the best interest of the Company.”

Mumbai, 6th May, 2023

By order of the Board
For ADF Foods Limited

Regd. Office:

83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001, Gujarat.

Tel.: 0268-2551381/2, Fax: 0268-2565068;

E-mail: info@adf-foods.com;

website: www.adf-foods.com;

CIN: L15400GJ1990PLC014265.

Shalaka Ovalekar
Company Secretary
ACS No.: 15274

NOTES

1. Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 10/2022 dated 28th December, 2022 read with Circular No. 2/2022 dated 5th May, 2022, Circular No. 2/2021 dated 13th January, 2021, Circular No. 19/2021 dated 8th December, 2021, Circular No. 21/2021 dated 14th December, 2021, Circular No. 20/2020 dated 5th May, 2020, Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and all other relevant circulars (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India (“SEBI”), vide its circulars dated 12th May, 2020, 15th January, 2021, 13th May, 2022 and 5th January, 2023 and other applicable circulars issued in this regard (hereinafter collectively referred to as “SEBI Circulars”), have provided relaxation from compliance with certain provision of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In compliance with the relevant provisions of the Companies Act, 2013 (“Act”), the Listing Regulations and the aforesaid MCA & SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The venue of the Meeting shall be deemed to be the Registered Office of the Company i.e. 83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001.

In this Annual Report the connotation of “Members” and “Shareholders” is the same.

2. A Member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxies need not be Members of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. Institutional/ Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to scrutinizer@adf-foods.com with a copy marked to the Company at secretarial@adf-foods.com and to its Registrar & Share Transfer Agent (“RTA”) at instameet@linkintime.co.in.
4. Members can join the AGM through the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. At the Twenty-Ninth AGM held on 25th September, 2019, the Members approved the appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai (Registration No. 104607W/W100166) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held for the Financial Year 2023-24. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Accordingly, no Resolution is being proposed for ratification of appointment of Statutory Auditors at the Thirty Third AGM of the Company.
6. An explanatory statement pursuant to Section 102(1) of the Act setting out the material facts relating to special business to be transacted at the Meeting is annexed hereto.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 4th August, 2023 to 9th August, 2023 (both days inclusive).
8. The dividend, if declared, shall be payable within 30 days from the date of declaration to those Members of the Company whose names appear:
 - a) as Beneficial Owners as at the close of the business hours on 3rd August, 2023 as per the list to be furnished by National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) in respect of the shares held in electronic form; and
 - b) as Members in the Register of Members of the Company as on 3rd August, 2023 in respect of shares held in physical form.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available

electronically for inspection by the Members. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM i.e. 9th August, 2023. Members seeking to inspect such documents can send an email to secretarial@adf-foods.com.

10. SEBI and Reserve Bank of India (“RBI”) have advised all listed companies to mandatorily use the Electronic Clearing Services (“ECS”) mandate facility wherever possible for payment of dividend to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with the bankers only on receipt of necessary information. The Members holding shares in electronic form may instruct their Depository Participants (“DPs”) accordingly.
11. Members are hereby informed that dividends for the Financial Years 2016-17, 2019-20 (two Interim Dividends), 2020-21 and 2021-22 remaining unpaid or unclaimed over a period of seven years from the date of transfer of such dividends to the respective Unpaid Dividend Account(s) of the Company have to be transferred by the Company to the Investor Education and Protection Fund (“IEPF”). During the year under review, dividends pertaining to the Financial Year 2014-15 (Final Dividend) amounting to Rs. 16,09,557/- (Rupees Sixteen Lakh Nine Thousand Five Hundred and Fifty Seven Only) which remained unpaid or unclaimed for a period of seven consecutive years were transferred by the Company to IEPF.

The following are the details of dividends declared by the Company and their respective due dates of transfer to IEPF, which remain unpaid /unclaimed.

Financial Year	Type of Dividend	Dividend per share	Date of Declaration	Due date for transfer to IEPF
2016-17	Final	Rs. 2.50	23 rd August, 2017	23 rd September, 2024
2019-20 (1 st Interim)	Interim	Rs. 1.50	11 th November, 2019	17 th December, 2026
2019-20 (2 nd Interim)	Interim	Rs. 1.50	7 th February, 2020	14 th March, 2027
2020-21	Final	Rs. 3.00	24 th September, 2021	30 th October, 2028
2021-22	Final	Rs. 4.00	12 th August, 2022	18 th September, 2029

The Members are requested to encash their Dividend Warrants for these years, if not already done.

The Company did not declare dividend for the Financial Year 2015-16 and hence the Company is not required to transfer any dividend amount or shares to IEPF Authority. Members are requested to note that no claim shall lie against the Company in respect of any shares/ dividend so transferred to the IEPF Authority.

As per Section 124(5) of the Act, the Company has transferred the shares of those shareholders whose dividend remained to be encashed/claimed for seven consecutive years or more. The details of such shareholders have been uploaded on the Company’s website under the heading “IEPF Transfer List”.

12. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company’s RTA.
13. Members holding shares in physical form are requested to notify/send the following to the Company’s RTA to facilitate better service:
- any change in their address/ mandate/ bank details
 - particulars of their bank account in case the same have not been sent earlier, and
 - share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
14. 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 details to the Company/ RTA.
15. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
16. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at secretarial@adf-foods.com

adf-foods.com till 3rd August, 2023. Those Members who have registered themselves as a speaker will only 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. Further, a facility will be provided to the Members attending the meeting through VC/OAVM, whereby they can pose questions concurrently, during the proceeding of the meeting.

Further, Members who would like to ask any questions on the Financial Statements are requested to send their questions through email on secretarial@adf-foods.com at least 10 days before the AGM to enable the Company to answer their queries satisfactorily.

17. Members holding shares in demat form and who have not registered their E-mail addresses so far are requested to register their E-mail address with the Depository Participants (“DP”) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. Members holding shares in physical form and who have not registered their E-mail address with the Company/ its RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend are requested to visit the website of our RTA, Link Intime India Private Limited (“Link Intime”), www.linkintime.co.in under Investor Services > E-mail/Bank Detail Registration - fill in the details, upload the required documents and submit.

Further, for all future correspondence, Members holding physical shares and who have not got their e-mail address registered or wish to update a fresh e-mail address may do so by submitting a self-attested scanned copy of their PAN Card and AADHAAR Card, scanned copy of the Share Certificate(s) (front and back) along with their Name and Folio No., to the Company at the e-mail address - secretarial@adf-foods.com. To update the bank account details with the Company/ RTA, a request letter signed by the shareholder (including joint shareholder, if any) along with self-attested copy of his/her/their PAN Card(s) and AADHAAR Card(s) and cancelled cheque bearing name of the first shareholder/ a copy of Bank Passbook/ statement attested by bank shall be submitted with the Company/ RTA.

19. Pursuant to the provisions of Section 101 and Section 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 36 of the Listing Regulations, as amended, electronic copy of the Notice and Annual Report for the Financial Year 2022-23 is being sent to the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) (in case of shares held in demat form) or with Link Intime (in case of shares held in physical form).

As per the MCA General Circular 20/2020 dated 5th May, 2020, the Annual Report will be sent through electronic mode to only those Members whose e-mail IDs are registered with the RTA of the Company/ Depository Participant.

Members may also note that the Notice of the 33rd AGM and the Annual Report for the Financial Year 2022-23 will be available on the Company’s website viz. www.adf-foods.com; websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively.

20. Nomination facility for shares is available for Members. For Members holding shares in physical form, the prescribed form can be obtained from the Company’s RTA, Link Intime having address at C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 400 083. For Members holding shares in electronic form, you are requested to approach your Depository Participant for the same.
21. To support the ‘Green Initiative’ Members who have not registered their e-mail addresses are requested to register their e-mail ids with Link Intime for receiving the Annual Report and other communications through electronic mode pursuant to Section 101 and Section 136 of the Act read with the Companies (Management and Administration) Rules, 2014, as amended.
22. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021. Members are requested to furnish the relevant forms i.e. KYC Form, ISR 1, 2, 3, etc. along with necessary documents to the Company’s RTA, Link Intime. The RTA will be able to process the service request or complaint of the Member(s)/ claimant(s) only if the KYC and other aforesaid details are updated with them.

Attention of Members holding shares in physical form is invited to the provisions of the aforesaid SEBI Circulars relating to Freezing of Folios without PAN, KYC details and Nomination. The folios wherein any one of the cited document/ details are not available on or after 1st October, 2023, shall be frozen by the RTA.

23. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue in lieu of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members

are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company and the RTA at <https://adf-foods.com/investors/corporate/> and <https://web.linkintime.co.in/client-downloads.html>, respectively.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

24. Voting through electronic means:

In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- I. In compliance with provisions of Section 108 of Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is pleased to provide Members the facility to exercise their right to vote at the 33rd AGM by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Link Intime.

The facility for e-Voting shall also be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the Meeting through e-Voting.

- II. The Member(s) who have cast their vote by remote e-Voting prior to the AGM, may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- III. The remote e-voting period commences on 5th August, 2023 and ends on 08th August, 2023. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August, 2023, may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time. The remote e-voting module shall be disabled by Link Intime for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

A person who is a Member as on the cut-off date shall only be entitled for availing the remote e-voting facility or e-voting during the Meeting.

A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

- IV. The process and manner for remote e-voting is as under:

As per the SEBI circular dated 9th December, 2020 individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL

1. 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 name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.
2. 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>
3. 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 name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. 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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

**Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

**Shareholders holding shares in NSDL form, shall provide ‘D’ above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$\$&*), at least one numeral, at least one alphabet and at least one capital letter).

- ▶ Click “confirm” (Your password is now generated).
- 3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
- 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link Intime at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request to Mr. Rajiv Ranjan – Assistant Vice President, at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 : 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘Forgot Password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “**SUBMIT**”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.
- ▶ Select the “Company” and ‘Event Date’ and register with your following details: -
 - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, applicable.)
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

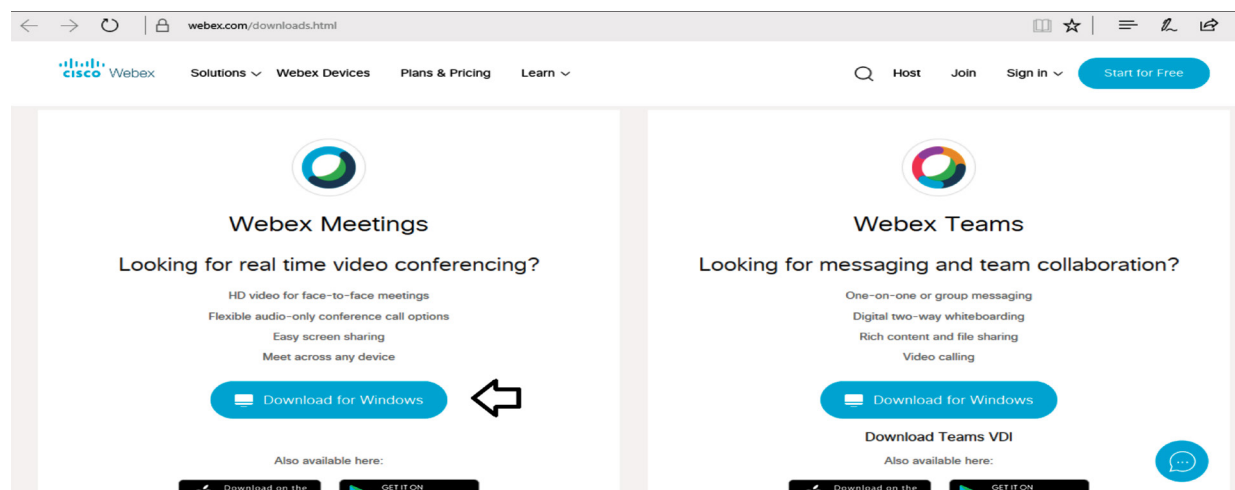
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

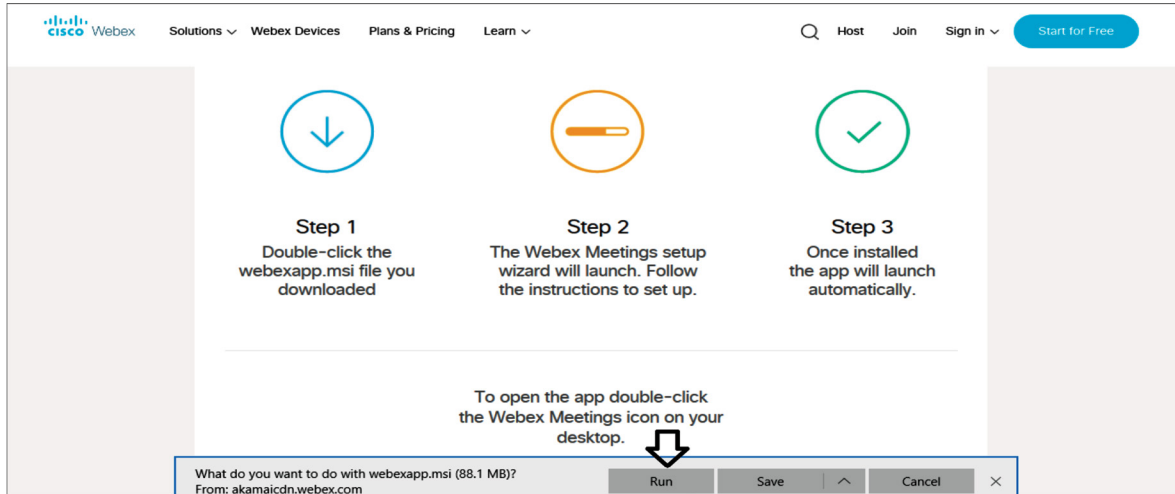
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

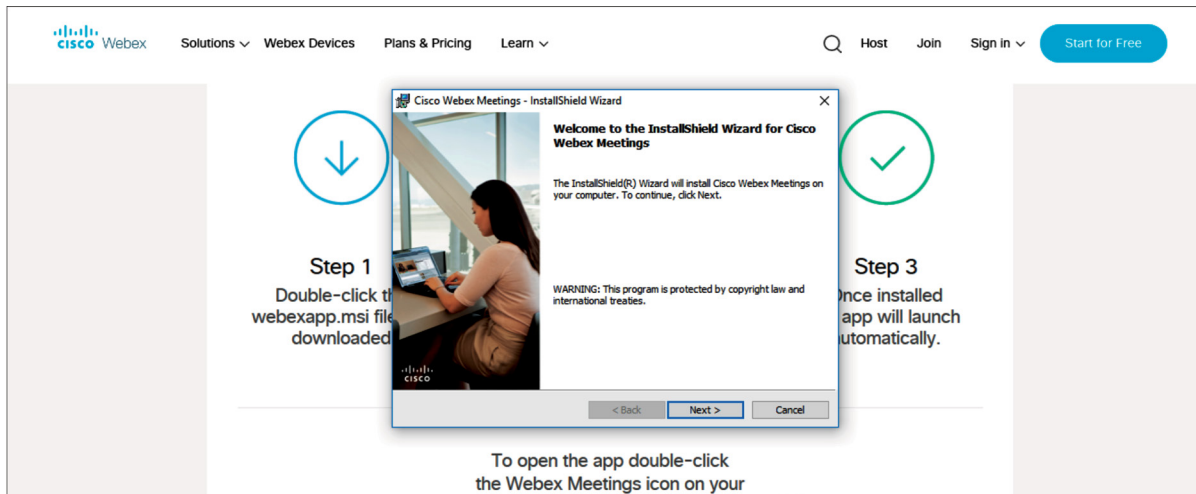
- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

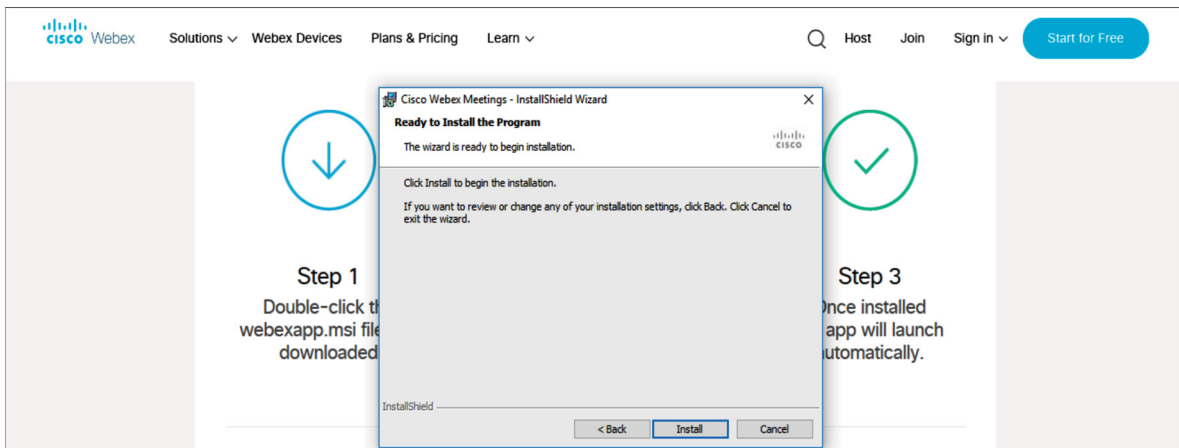
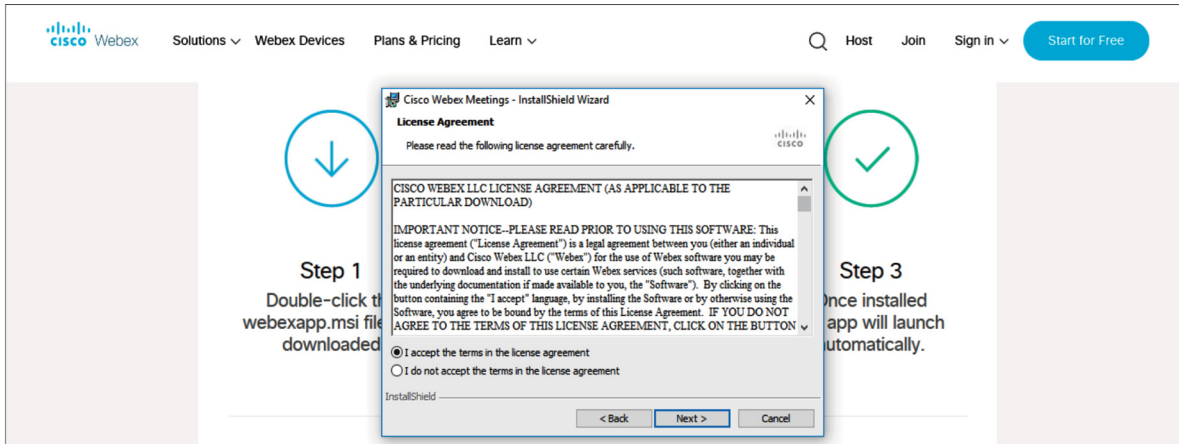




Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

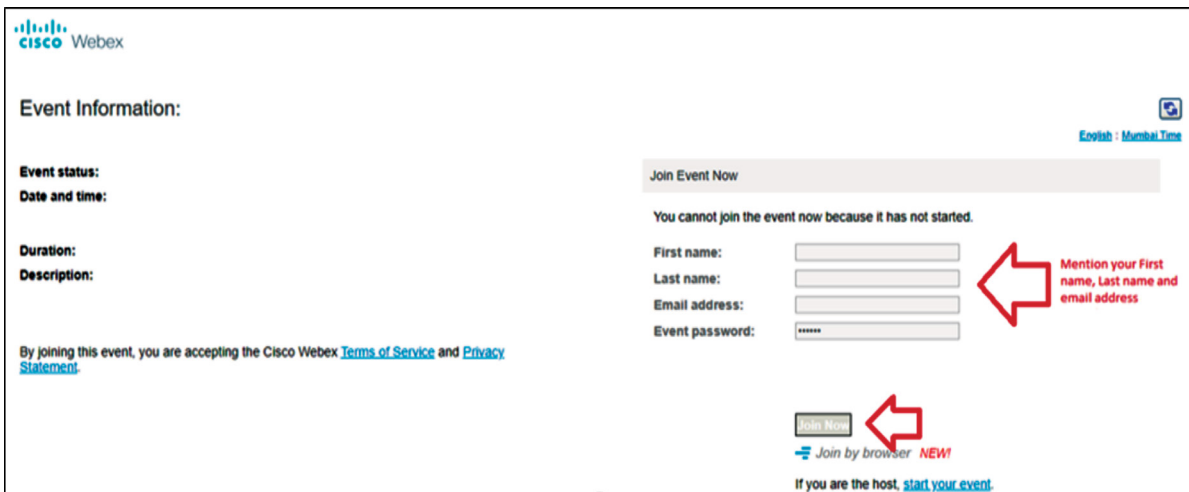
- 1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- 1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now





or

- a) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



26. Dividend related information

1. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (“TDS”) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

- a) **For Resident Shareholders**, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during Financial Year 2023-24 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted at 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2023-24 does not exceed Rs. 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the Financial Year 2023-24.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm or HUF)/Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b) **For Non-resident Shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident.
- Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
- Self-declaration certifying the following points:
 - i. Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2023-24;
 - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - v. Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2023-24.

2. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholder.

Accordingly, in order to enable us to determine the appropriate TDS/ withholding tax rate applicable, we request you to provide these details and documents as mentioned above before 4th August, 2023.

3. Kindly note that the aforementioned documents are required to be submitted at www.linkintime.co.in under Investor Services > Tax Exemption Registration on or before Friday, 4th August, 2023 in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. Alternatively, the shareholders can also send the aforementioned documents on the following e-mail id: adffoodsdivtax@linkintime.co.in. No communication on the tax determination/ deduction shall be entertained post Friday, 4th

August, 2023. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

4. We shall arrange to e-mail the soft copy of TDS certificate to you at your registered e-mail ID in accordance with the provisions of the Income Tax Act, 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.

27. Other Instructions

Mr. Sanjay S. Risbud, Practicing Company Secretary has been appointed as Scrutinizer for the purpose of e-Voting and voting at the AGM. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The results declared along with the Scrutinizer's Report shall be placed on the website of the Company and Link Intime, the agency for providing e-voting facility, immediately after declaration of results by the Chairman or person authorized by him in writing. The results would be communicated to the Stock Exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited and will be placed on their website thereafter. The result will also be displayed on the Notice Board of the Company at its Registered Office and the Corporate Office.

Mumbai, 6th May, 2023

By order of the Board
For ADF Foods Limited

Regd. Office:

83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001, Gujarat.

Tel.: 0268-2551381/2, Fax: 0268-2565068;

E-mail: info@adf-foods.com;

website: www.adf-foods.com;

CIN: L15400GJ1990PLC014265.

Shalaka Ovalekar
Company Secretary
ACS No.: 15274

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

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 102(1) of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item Nos. 4 to 6 of the Notice.

Item No. 4 & 5:

Sub-division of Equity Shares of the Company and Alteration of Capital Clause of the Memorandum of Association of the Company

The equity shares of the Company are listed and traded on the National Stock Exchange of India Limited and BSE Limited. Owing to the Company's strong performance and faith of the investors, market price of its equity shares has increased significantly. In order to provide enhanced liquidity in the capital market through widening shareholder base and to make it more affordable for small investors, it is proposed, pursuant to the provisions of Section 61(1)(d) of the Companies Act, 2013 ("Act"), the rules made thereunder and other applicable provisions, if any, to sub-divide the existing equity shares of the Company, such that each equity share having face value of Rs. 10/- (Rupees Ten Only) fully paid-up, be sub-divided into 5 (five) equity shares having face value of Rs. 2/- (Rupees Two Only) each, fully paid-up, ranking pari-passu with each other in all respects, with effect from such date as may be fixed by the Board of Directors (including any Committee thereof) as the Record Date.

The said proposed sub-division will also include the forfeited shares of the Company and the revised face value will be applicable to the same as and when re-issued.

In the opinion of the Board of Directors, the proposed sub-division of the equity shares is in the best interest of the Company and its investors and therefore the Board at its meeting held on 6th May, 2023, approved the aforesaid sub-division subject to requisite approval of the shareholders of the Company.

The sub-division of equity shares of the Company as aforesaid would also require consequential alteration to the existing Capital Clause i.e. Clause V of the Memorandum of Association of the Company. There will not be any change in the amount of authorized, subscribed, issued and paid-up share capital of the Company on account of sub-division of equity shares. Additionally, such sub-division shall not be construed as reduction in share capital of the Company.

Accordingly, pursuant to the provisions of Sections 13 and 61 of the Act, the consent of the Members is sought for passing of: (a) Ordinary Resolution for sub-division of equity shares as mentioned at Item No.4; and (b) Ordinary Resolution for carrying out consequential alterations to Capital Clause (Clause V) of the Memorandum of Association of the Company as mentioned at Item No. 5.

A draft copy of the modified Memorandum of Association depicting the proposed alteration is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise), in the proposed resolutions mentioned at Item Nos. 4 & 5 except to the extent of their shareholding in the Company.

The Board recommends passing of the resolutions as set out at Item Nos. 4 & 5 as Ordinary Resolutions.

Item No. 6:

Omnibus Approval of Related Party Transaction with Vibrant Foods New Jersey LLC, a Step Down Subsidiary of the Company

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, no contract or arrangement with the Related Party, in the case of a company having a paid-up share capital of not less than such amount, or transactions not exceeding such sums, as may be prescribed, shall be entered into except with the prior approval of the company by a resolution.

Further, as per the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees One Thousand Crores or ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. All material related party transactions shall require prior approval of the shareholders through ordinary resolution.

Further, as per SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April, 2022 the validity of omnibus shareholders' approval for material related party transactions approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months. In case of omnibus approvals for material related party transactions, obtained from shareholders in general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

In this regard, it is proposed to avail omnibus approval of the Members of the Company to enter into related party transaction for sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services with Vibrant Foods New Jersey LLC.

The Particulars of the Related Party contract pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and the information as required in accordance with SEBI Circular dated 22nd November, 2021 and 30th March, 2022 and 8th April, 2022 as amended is as under:

Sr. No.	Description	Particulars
1.	Name of Related Party	Vibrant Foods New Jersey LLC
2.	Name of the Director/ Key Managerial Personnel who is related, if any	Mr. Bimal R. Thakkar
3.	Nature of relationship	Step down Subsidiary
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services The monetary value of the proposed transaction is upto Rs. 100.00 Crore. Duration of Contract is from the date of this AGM upto the date of the next AGM for a period not exceeding fifteen months.
5.	Any other information relevant or important for members to take a decision on the proposed resolution	The proposed transaction is on arm's length basis and is in the ordinary course of business

The Particulars of the Related Party contract pursuant to Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in accordance with SEBI Circular dated 22nd November, 2021 and 30th March, 2022 are as under :

A	Type, material terms and particulars of the proposed transaction	Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services
B	Name of the Related Party and its relationship with the listed entity or its subsidiary including nature of its concern or interest (financial/otherwise)	Vibrant Foods New Jersey LLC Step down Subsidiary Financial interest
C	Tenure of the proposed transaction	From the date of this AGM upto the date of the next AGM for a period not exceeding fifteen months.
D	Value of the proposed transaction	The monetary value of the proposed transaction is upto Rs. 100.00 Crore.
E	The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	Expected percentage is 17% of the consolidated turnover of the Company.
F	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable

G	Justification as to why the RPT is in the interest of the listed entity	The Company's step down Subsidiary Vibrant Foods New Jersey LLC has an expertise in distribution of the products to retail chains in some of the markets in the US. Hence, routing the Company's brand business in these markets through Vibrant Foods New Jersey LLC will enable direct reach to the retailers, better push of its products for market penetration and optimization of margins.
H	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
I	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not Applicable
J	Any other information relevant or important for the Members to make a decision on the proposed transaction	The proposed transaction is on arm's length basis and is in the ordinary course of business

Further, the monetary value of the above stated transaction is likely to exceed 10% of the Annual Consolidated Turnover of the Company as per the last audited financial statements of the Company for Financial Year 2022-23. Accordingly, the transaction shall be categorized as 'Material Related Party Transactions' in accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the said transactions has been placed for the approval of the Members.

Further, pursuant to second proviso of Section 188(1) of the Companies Act, 2013, no Member shall vote on such resolution, to approve any contract or arrangement which may be entered by the Company, if such Member is a related party. Also, pursuant to Regulation 23(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, no related party shall vote to approve such resolution, whether the entity is a related party to the said contract or not.

The Audit Committee and the Board of Directors have approved this item in their Meetings held on 6th May, 2023 and recommend the above Resolution for the approval of Members of the Company as an Ordinary Resolution.

The draft copy of the Agreement setting broad terms and conditions will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice until the last date of voting. Members seeking to inspect such documents can send an email to secretarial@adf-foods.com.

Mr. Bimal R. Thakkar and his relatives, are deemed to be interested in the above resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution as set out at Item No. 6 of the accompanying notice.

The Board recommends passing of the above resolution as set out at Item No. 6 of the accompanying notice as an Ordinary Resolution for approval by the Members.

Mumbai, 6th May, 2023

By order of the Board
For ADF Foods Limited

Regd. Office:

83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001, Gujarat.
Tel.: 0268-2551381/2, Fax: 0268-2565068;
E-mail: info@adf-foods.com;
website: www.adf-foods.com;
CIN: L15400GJ1990PLC014265.

Shalaka Ovalekar
Company Secretary
ACS No.: 15274

ANNEXURE TO ITEM NO. 3 OF THE NOTICE OF THE AGM

Pursuant to Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the required details of the Director proposed to be appointed and the terms of proposed remuneration of the Director is given herein below:

Name of the Director	Mr. Jay M. Mehta
Director Identification Number	00152072
Age	62 years
Date of Birth	18 th January, 1961
Date of Appointment on Board	12 th February, 2019
Qualifications	B.S. (Industrial Engineering), Columbia University, New York, U.S.A. and MBA from IMD, Lausanne, Switzerland.
Experience/Expertise	Mr. Jay M. Mehta is the Executive Vice Chairman of Saurashtra Cement Limited and is on the Board of various other private and public limited companies.
Terms and Conditions of appointment or re-appointment along with remuneration	Not Applicable
The last drawn remuneration	Not Applicable
Shareholding in the Company	75,000 Equity Shares (0.34%)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Jay M. Mehta is not related to any other Director, Manager and Key Managerial Personnel of the Company.
The Number of Meetings of the Board attended during the year	5
Other Directorships	<ul style="list-style-type: none"> • Saurashtra Cement Limited • Metro Pizza Private Limited • Goodkarma Hospitality Private Limited • Indianapoli Hospitality Private Limited • Omna Exports Private Limited • Galaxy Technologies Private Limited • Mehta Private Limited • Agrima Consultants International Limited • Arclightz and Films Private Limited • Knight Riders Sports Private Limited • Indian Automotive Racing Club Limited • International Wine & Food Society, a Company Limited by Guarantee • ADF Foods UK Limited
Memberships/Chairmanship of Committees of other companies	<ul style="list-style-type: none"> • Saurashtra Cement Limited <ul style="list-style-type: none"> - Stakeholder's Relationship Committee - Corporate Social Responsibility Committee

DIRECTORS' REPORT

Dear Shareholders,

ADF Foods Limited

Your Directors have pleasure in presenting the Thirty Third Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2023.

A. FINANCIAL RESULTS:

The performance of the Company for the Financial Year ended 31st March, 2023 is summarized below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	35,334.01	30,201.26	45,028.48	42,120.24
Other Income	1,010.78	910.93	1,121.05	946.15
Total Income	36,344.79	31,112.19	46,149.53	43,066.39
Total Expenditure				
Cost of materials consumed	14,357.89	12,021.21	14,357.89	12,021.21
Purchase of Stock-in-trade	754.76	632.89	5,687.54	8,876.82
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(48.19)	(116.49)	1,397.04	67.96
Employee benefits expense	2,046.44	1,791.18	2,969.10	2,355.45
Financial cost	61.18	77.71	265.29	180.93
Depreciation and amortization	552.14	550.29	1,373.58	908.16
Other expenses	10,554.51	10,542.30	12,552.84	12,142.30
Total Expenses	28,268.73	25,499.09	38,603.28	36,552.83
Profit before exceptional and extraordinary items and tax	8,076.06	5,613.10	7,546.25	6,513.56
Exceptional Items	-	-	-	-
Profit before tax	8,076.06	5,613.10	7,546.25	6,513.56
Current tax	2,049.49	1,420.48	2,123.24	1,567.03
Deferred tax	223.78	43.15	35.38	94.27
Prior year's tax adjustment	(197.87)	-	(197.87)	-
Total tax expenses	2,075.40	1,463.63	1,960.75	1,661.30
Net Profit (+) / Loss (-)	6,000.66	4,149.47	5,585.50	4,852.26
Net other Comprehensive income for the year	(210.12)	55.67	143.42	159.62
Total comprehensive income for the year	5,790.54	4,205.14	5,728.92	5,011.88
EPS (Basic)	27.41	20.68	25.62	23.97
EPS (Diluted)	27.41	20.13	25.62	23.33

Previous year's figures have been re-grouped wherever necessary.

FINANCIAL PERFORMANCE

The Standalone total income for the Financial Year ended 31st March, 2023 stood at Rs. 36,344.79 Lakhs as against the corresponding figures of previous Financial Year which stood at Rs. 31,112.19 Lakhs representing growth of 17%. The Consolidated total income for the Financial Year ended 31st March, 2023 stood at Rs. 46,149.53 Lakhs as against the corresponding figures of previous Financial Year which stood at Rs. 43,066.39 Lakhs representing growth of 7%.

The Standalone Profit Before Tax for the Financial Year ended 31st March, 2023 stood at Rs. 8,076.06 Lakhs as against the corresponding figures of previous Financial Year which stood at Rs. 5,613.10 Lakhs representing a remarkable growth of 44%. The Consolidated Profit Before Tax for the Financial Year ended 31st March, 2023 stood at Rs. 7,546.24 Lakhs as against the corresponding figures of previous Financial Year which stood at Rs. 6,513.56 Lakhs representing growth of 16%.

B. BUSINESS DEVELOPMENT:

During the year under review, the Company did a test launch of its products under its brand 'ADF Soul' in India on e-commerce platform from Q3 FY23. Initially, pickles and chutneys were introduced in traditional & in olive oil categories keeping in mind the health of the consumer. Subsequently, International gourmet category products featuring Dips, Italian Sauces & Thai Curry and other continental products were added. These products are available on Company's own e-commerce platform (<https://soul-foods.in/>) and Amazon. Considering the encouraging response, the Company will soon make these products available on all other leading e-commerce platforms.

Further, a range of 35 new product variants were added across all categories in the International market. This includes Plant based curries, frozen sweets, frozen kulchas, cooking pastes, Indo Chinese and Indo Thai range in frozen category and murabbas under its flagship brand 'ASHOKA' and cooking pastes and essence water under 'Khansaama' brand.

The company also continued to grow its presence in the B2B space. During the year under review, the Company entered into two private label arrangements - one with a large ethnic foods brand for its products in the USA and the other with a large supermarket chain for supply of sauces and pastes under one of its brands.

Further, the Company entered into agency distribution contract with Ekaterra, a Netherland based company as Unilever divested majority of its tea making business. The said agency distribution contract entails distribution of tea under Lipton, Brooke Bond Red Label and Taj Mahal brands across major markets in the U.S.

C. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

D. SHARE CAPITAL:

During the Financial Year 2020-21, the Company had done Preferential Allotment of 19,50,000 warrants at an issue price of Rs. 362 per warrant to certain promoters and non-promoters.

On 16th March, 2022, the first tranche of 9,43,500 warrants was converted into equivalent number of equity shares and on 29th April, 2022 the remaining 10,06,500 warrants were converted into equivalent number of equity shares.

The face value of each equity shares is Rs 10 and the premium is Rs 352. The aggregate subscription money received for full issue size is Rs. 7,059 Lakhs.

On 21st April, 2022, the Company received listing approval of the National Stock Exchange of India Limited and on 06th May, 2022, the Company received listing approval from BSE Limited for listing of 9,43,500 equity shares issued out of conversion of the said warrants. Further, on 03rd June, 2022, the Company received listing approval of the National Stock Exchange of India Limited and on 10th June, 2022, the Company received listing approval from BSE Limited for listing of balance 10,06,500 equity shares issued out of conversion of the said warrants. Accordingly, the paid up Equity Share Capital of the Company has been increased to Rs. 21.97 Crore.

Proceeds of Preferential Issue are being utilized for the purposes that have been mentioned in the Notice of Extra Ordinary General Meeting dated 4th September, 2020 issued to the shareholders for their approval of the Preferential Issue.

In the Board Meeting held on 06th May, 2023, the approval was granted for sub-division of 1 (One) fully paid-up Equity Share of the Company having face value of Rs. 10/- (Rupees Ten) each, into 5 (Five) fully paid-up Equity Shares having face value of Rs. 2/- (Rupee Two) each. The same will be subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company.

E. DIVIDEND:

Based on the performance of the Company, the Board of Directors of your Company recommended a Final Dividend of Rs. 5/- (Rupees Five) per share (i.e. 50%) on equity shares of face value of Rs. 10/- (Rupees Ten) each for the Financial Year ended 31st March, 2023, subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source, wherever applicable.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 4th August, 2023 to Wednesday, 9th August, 2023 (both days inclusive) for the purpose of payment of dividend for the Financial Year ended 31st March, 2023.

According to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the top 1000 listed entities based on market capitalization, calculated as on 31st March of every financial year are required to formulate a Dividend Distribution Policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their Annual Reports. Accordingly, the Dividend Distribution Policy of the Company can be accessed using the following link: <https://adf-foods.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy-1.pdf>

F. TRANSFER TO RESERVES:

During the year under review, your Company has not transferred any amount to General Reserves. Further, the Company does not propose to transfer any amount to General Reserve on declaration of the final dividend.

G. SUBSIDIARY COMPANIES:

During the year under review, the Company formed an Indian Subsidiary on 17th May, 2022 named Telluric Foods Limited for the purposes of carrying out e-commerce and/or any other new age business in food sector. Further, the Company formed another Indian Wholly Owned Subsidiary on 8th July, 2022 named Telluric Foods (India) Limited for the purpose of providing back end support for e-commerce activities related to food business. On 30th September, 2022, Telluric Foods Limited was converted into step down Wholly Owned Subsidiary of the Company.

Accordingly, as on 31st March, 2023, your Company has four Subsidiaries viz. ADF Foods UK Limited, Power Brands (Foods) Private Limited, ADF Foods (India) Limited and Telluric Foods (India) Limited and four step-down Subsidiaries viz. Telluric Foods Limited, ADF Holdings (USA) Limited, ADF Foods (USA) Limited and Vibrant Foods New Jersey LLC. Power Brands (Foods) Private Limited is undergoing Voluntary Liquidation vide Special Resolution passed by the Members on 5th November, 2012. Hence, the annual financial statements as on 31st March, 2023 of the said Subsidiary are not required to be prepared. During the year, the Board of Directors reviewed the affairs of the Subsidiaries in accordance with Section 129(3) of the Companies Act, 2013. The Company has prepared consolidated financial statements of the Company which forms part of this Annual Report. The salient features of the financial statements of the Subsidiaries are set out in the prescribed form AOC-1 which is attached to the financial statements. The statement also provides the details of performance and financial position of the Company's Subsidiaries.

The financial statements of each of the Subsidiaries of the Company, viz. ADF Foods (India) Limited, Telluric Foods (India) Limited, Telluric Foods Limited, ADF Foods UK Limited and ADF Holdings (USA) Limited (consolidated with its subsidiaries ADF Foods (USA) Limited & Vibrant Foods New Jersey LLC) as on 31st March, 2023 may be accessed on the Company's website www.adf-foods.com.

H. BOARD OF DIRECTORS AND COMMITTEES:

o Directors

During the year, no changes took place in the Board composition of the Company.

o Relationship between Directors Inter-se

The details of inter-se relationship between Directors are given in the Corporate Governance Report.

o Meetings of Board of Directors

Six meetings of the Board of Directors of the Company were held during the year. The detail of the Board Meetings are provided in the Report on Corporate Governance of the Company, which forms part of this Annual Report.

o Committees of the Board

The Company has duly constituted the Committees of the Board as required under the Companies Act, 2013 read with applicable Rules made thereunder and the Listing Regulations, as amended. The Board of Directors of the Company has formed an Audit Committee which consists of Mr. Chandir G. Gidwani, Non-Executive Independent Director, as the Chairman, Mr. Ravinder Kumar Jain, Non-executive Independent Director, Mr. Viren A. Merchant, Non-Executive Non-Independent Director and Ms. Deepa Misra Harris, Non-Executive Independent Director as Members of the Audit Committee. Ms. Deepa Misra Harris was inducted as the Member of the Audit Committee w.e.f. 20th May, 2022.

All the recommendations of the Audit Committee were accepted by the Board during the Financial Year under review.

The other Committees of the Board are:

- i) Nomination and Remuneration Committee
- ii) Shareholders' Grievance/ Stakeholders' Relationship Committee
- iii) Corporate Social Responsibility Committee
- iv) Risk Management Committee

The details with respect to the constitution/ reconstitution, powers, roles, terms of reference, meetings held and attendance of the Members at such meetings of the relevant Committees and such other related details are provided in the Report on Corporate Governance of the Company, which forms part of this Annual Report.

o Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the Financial Year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Standalone Financial Statements and in Note 2 of the Notes to the Consolidated Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the Financial Year ended 31st March, 2023;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

o Independent Directors' Declaration

The Independent Directors have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, as amended.

o Meeting of Independent Directors

A meeting of the Independent Directors was held on 7th March, 2023 in order to take into consideration the performance of the Board as a whole, the Chairman and the Non-Independent Directors and timeliness of flow of information between the Company Management and the Board that would be necessary for the Board to effectively and reasonably perform its duties, was reviewed in the said meeting. All the Independent Directors were present in the meeting.

o Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, of Chairman, its Committees and the Directors individually and also fulfillment by Independent Directors of criteria of independence as per the Listing Regulations and their independence from the Management of the Company.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

o Familiarization Program for Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance and marketing. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meeting with the Managing Director and through a Corporate Presentation. The new Board Members are also acquainted to access the necessary documents/ brochures, Annual Reports and Policies available on the Company's website www.adf-foods.com to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, working capital management, fund flows, business risks and its mitigation strategy, effectiveness of Internal Financial Controls, Subsidiary Companies information, updates on major litigations, impact of regulatory changes on strategy, etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

Familiarization Programme of the Company as specified under Regulation 46 of the Listing Regulations is displayed on the Company's website www.adf-foods.com and is available under the web-link:

<https://adf-foods.com/wp-content/uploads/2023/04/FamiliarizationProgramme2022-23.pdf>

Policy of Directors' Appointment and Remuneration

In accordance with the provisions of Section 134(3)(e) of the Companies Act, 2013 ("the Act") read with Section 178(3) of the Act and the Listing Regulations, the Company has formulated a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters, which is covered in the Corporate Governance Report which forms part of this Report.

I. CASH FLOW STATEMENT:

The Cash Flow Statement pursuant to Regulation 34(2) of the Listing Regulations is annexed to this Report.

J. CONSOLIDATED ACCOUNTS:

The Consolidated Accounts of the Company are prepared in compliance with Regulation 34(2) of the Listing Regulations and in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) as prescribed under Section 133 of the Companies Act, 2013. The Consolidated Accounts of the Company and its Subsidiaries are annexed to this Report.

K. GOVERNANCE:**o Report on Corporate Governance & Management Discussion Analysis**

In compliance with the requirements of Regulation 34(3) and Schedule V of the Listing Regulations, a separate report on Corporate Governance along with Auditors' certificate on its compliance has been provided separately which forms part of this Annual Report.

Report on Management Discussion and Analysis is provided in separate section which forms part of this Annual Report.

o **Vigil Mechanism/Whistle Blower Policy**

The Company has adopted a Vigil Mechanism/‘Whistle Blower Policy’ pursuant to Section 177 of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

With the adoption of this Policy, the Company has put in place a mechanism wherein the Employees are free to report to the Management any actual or possible violation of the Principles or any other unlawful or unethical or improper practice or act, or activity of the Company including leakage of Unpublished Price Sensitive Information. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel has been denied access to the Management and the Audit Committee. The mechanism is reviewed by the Audit Committee of the Company in accordance with the Listing Regulations. The Company did not receive any such complaints during the year, hence no complaints were pending as on 31st March, 2023.

Whistle Blower Policy of the Company is displayed on the Company's website www.adf-foods.com and is available under the web link: <https://adf-foods.com/wp-content/uploads/2019/04/Whistle-Blower-Policy-2.pdf>

o **Nomination and Remuneration Policy**

The Nomination and Remuneration Policy is attached as Annexure I to the Board's Report forming part of this Annual Report and is also available on the website of the Company www.adf-foods.com.

o **Risk Management Framework**

The Company has adopted Business Risk Management System (BRMS) for mitigating various risks associated and identified across all levels within the organization. This model is based on ISO 31000. BRMS enables the management to review the business risks on periodical basis and to bring the high risk areas to the immediate attention of the Board. In the opinion of the Board, there are no business risks that may threaten the existence of the Company.

o **Internal Financial Controls**

Your Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. Review of the internal financial controls environment of the Company was undertaken during the year under review which covered verification of entity level controls, process level control and IT controls, review of key business processes and analysis of risk control matrices, etc. During the period under review, effectiveness of internal financial controls was evaluated. Reasonable Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed.

o **Other Policies under the Listing Regulations**

In accordance with the provisions of Regulation 30 of the Listing Regulations, the Company has framed a Policy for determination of Materiality for disclosure of events or information.

The same has been hosted on the website of the Company at the link: <https://adf-foods.com/wp-content/uploads/2016/01/Material-Events-21.12.2017.pdf>

The details of the other policies of the Company can be obtained using the following web-links:

Sr. No.	Policy	Link
1	Code of Conduct	https://adf-foods.com/wp-content/uploads/2016/12/ADF-Code-of-Conduct.pdf
2	Nomination and Remuneration Policy	https://adf-foods.com/wp-content/uploads/2021/05/Nomination-and-Remuneration-Policy.pdf
3	Insider Trading Code	https://adf-foods.com/wp-content/uploads/2019/04/Insider-Trading-Code-2.pdf
4	Code of Practices & Procedures for Fair Disclosure of UPSI	https://adf-foods.com/wp-content/uploads/2020/07/Code-of-Practices-Procedures-for-Fair-Disclosure-of-UPSI.pdf
5	Policy for Procedure of inquiry in case of leak of UPSI	https://adf-foods.com/wp-content/uploads/2019/04/Policy-for-Procedure-of-inquiry-in-case-of-leak-of-UPSI.pdf
6	Policy for Determination of Legitimate Purposes	https://adf-foods.com/wp-content/uploads/2019/04/Policy-for-Determination-of-Legitimate-Purposes.pdf
7	Whistle Blower Policy	https://adf-foods.com/wp-content/uploads/2019/04/Whistle-Blower-Policy-2.pdf
8	Related Party Transactions Policy	https://adf-foods.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf
9	Material Subsidiary Policy	https://adf-foods.com/wp-content/uploads/2019/04/Policy-for-Determining-Material-Subsidiary.pdf
10	CSR Policy	https://adf-foods.com/wp-content/uploads/2021/07/CSR-Policy-1.pdf
11	Familiarization Program	https://adffoods.com/wpcontent/uploads/2023/04/FamiliarizationProgramme2022-23.pdf
12	Board Diversity Policy	https://adf-foods.com/wp-content/uploads/2016/01/ADF-Board-Diversity-Policy.pdf
13	Sexual Harassment Policy	https://adf-foods.com/wp-content/uploads/2016/01/ADF-Sexual-Harassment-policy.pdf
14	Preservation of Documents	https://adf-foods.com/wp-content/uploads/2016/01/Preservation-of-Documents.pdf
15	Archival Policy	https://adf-foods.com/wp-content/uploads/2016/05/ADF-Archival-Policy.pdf
16	Dividend Distribution Policy	https://adf-foods.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy-1.pdf

o Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has a policy on Prevention of Sexual Harassment of Women at Workplace pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company did not receive any such complaints during the Financial Year 2022-23.

The Prevention of Sexual Harassment Policy of the Company is displayed on the Company's website www.adf-foods.com and is available under the web-link: <https://adf-foods.com/wp-content/uploads/2016/01/ADF-Sexual-Harassment-policy.pdf>

The Company has duly complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2022-23, no complaints were received and pending to be resolved pertaining to the sexual harassment.

L. PARTICULARS OF EMPLOYEES:**o Key Managerial Personnel (KMP)**

Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO, Mr. Devang Gandhi, Chief Operating Officer, Mr. Shardul Doshi, Chief Financial Officer and Ms. Shalaka Ovalekar, Company Secretary & Compliance Officer are the KMPs of the Company as on date of this Report.

Further, Mr. Bimal R. Thakkar has been appointed as the 'Chairman, Managing Director & CEO' of the Company for a period of five years w.e.f. 1st October, 2018. The current tenure of Mr. Bimal R. Thakkar will end on 30th September, 2023. In this regard, on 30th January, 2023, the Board of Directors of the Company based on the recommendation of Audit Committee and Nomination and Remuneration Committee approved the re-appointment of Mr. Bimal R. Thakkar as the Chairman, Managing Director & CEO of the Company for a period of five years w.e.f. 1st October, 2023. The same was approved by the Shareholders of the Company through Postal Ballot on 11th March, 2023. Also, pursuant to Schedule V of the Act, re-appointment of Mr. Bimal R. Thakkar as the Managing Director of the Company shall require approval of the Central Government as he is a Non Resident Individual. The Company has approached the Central Government for its approval for the said re-appointment.

o Employees

There were no employees drawing remuneration exceeding the monetary ceiling of Rs. 1.02 Crores per annum or Rs. 8.50 Lakhs per month during the Financial Year 2022-23, if employed for a part of the year, as prescribed under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 except Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO whose remuneration is commission based and drawn from the Company's Subsidiary, Mr. Shardul Doshi, CFO and Mr. Devang Gandhi, COO of the Company.

The information required under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given at Annexure II that forms part of this Report.

o Human Resource and Employee Relations

The Company has always perceived its Manpower as its biggest strength. The emphasis was on grooming in-house talent enabling them to take higher responsibilities. The Employee relations continue to be cordial at all the divisions of the Company. Your Directors place on record their deep appreciation for exemplary contribution of the employees at all levels. Their dedicated efforts and enthusiasm have been integral to your Company's steady performance.

M. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:

The Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

N. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons, Subsidiary Companies and other related parties which may have a potential conflict with the interest of the Company at large. Related Party Transactions are placed before the Audit Committee and also the Board for approval wherever such approvals are applicable. Prior Omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval/ noting on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Further, as per the Listing Regulations, if any related party transaction exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and require Members approval. In this regard, during the year under review, the Company had taken necessary Members approval. However, there were no material transactions of the Company with any of its related parties as per the Act. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company for the Financial Year 2022-23 and, hence, the same is not required to be provided.

Pursuant to requirements of Regulation 16(1)(c) of the Listing Regulations, Company has formulated a 'Policy on determining Material Subsidiaries'. The Policy is posted on website of the Company viz. www.adf-foods.com.

The web link of the said Policy is: <https://adf-foods.com/wp-content/uploads/2019/04/Policy-for-Determining-Material-Subsidiary.pdf>

O. PUBLIC DEPOSITS:

Your Company has not accepted any deposit within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Rules made thereunder during the Financial Year 2022-23.

P. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 125(5) of the Companies Act, 2013, dividends pertaining to the Financial Year 2014-15 amounting to Rs. 16,09,557/- which remained unpaid or unclaimed for a period of 7 years were transferred by the Company to the Investor Education and Protection Fund ("IEPF") during the financial year under review.

Transfer of Equity Shares to the Demat account of IEPF Authority -

Pursuant to the provision of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('Rules'), as amended from time to time, it is mandatory for the Company to transfer all the shares in the name of IEPF in respect of which dividend has not been claimed for seven consecutive years or more.

In compliance with the said Rules, during the Financial Year 2022-23, there were 317 Shareholders holding 45,572 equity shares of Rs. 10/- each whose shares were transferred to IEPF.

The list of the aforesaid shareholders whose shares were transferred to IEPF is available at the below mentioned web-link: <https://adf-foods.com/wp-content/uploads/2022/12/Details-of-Shares-Transferred-to-IEPF-2022.pdf>

Q. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has a Corporate Social Responsibility (CSR) Policy and set up CSR Committee and the same is currently comprising of four Members viz. Mr. Viren Merchant, Non-Executive Non-Independent Director, Mr. Bimal R. Thakkar, Chairman, Managing Director and CEO, Mr. Jay M. Mehta, Non-Executive Non-Independent Director and Ms. Deepa Misra Harris, Non-Executive Independent Director.

During the Financial Year 2022-23, the Company was required to spend an amount of Rs. 95,12,799.73 on the CSR activities pursuant to Section 135 of the Companies Act, 2013 after adjusting the excess CSR amount of Rs. 1,13,515.09 that was spent in the Financial Year 2021-22.

During the year, the Company had spent an amount of Rs. 95,31,180/- towards various meaningful CSR activities in the areas such as sponsoring education for underprivileged/disabled students, medical expenses for needy people, food expenses of residential care center for physically challenged youth, women's hostel and cancer patients, financial aid to underprivileged people, women empowerment, donation to animal welfare center, environment protection through tree plantation etc.

The CSR Policy of the Company and the relevant report as per the Companies

(Corporate Social Responsibility Policy) Rules, 2014 have been enclosed as Annexure III to this Report.

R. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

A Business Responsibility & Sustainability Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front is provided in separate section which forms part of this Annual Report.

S. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2023 is available on the Company's website on:

<https://adf-foods.com/wp-content/uploads/2023/07/Annual-Return-2022-23.pdf>

T. AUDITORS AND THEIR REPORT:

o Statutory Auditors

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai (Registration No. 104607W/W100166) are the Statutory Auditors of the Company. At the Twenty-Ninth Annual General Meeting (“AGM”) held on 25th September, 2019, the Members had approved their re-appointment as Statutory Auditors of the Company for a period of five years from the conclusion of the said AGM till the conclusion of the AGM to be held for the Financial Year 2023-24.

The requirement of seeking ratification by the Members for continuance of their appointment has been withdrawn consequent to changes made by the Companies (Amendment) Act, 2018 with effect from 7th May, 2018. Hence, the Resolution seeking ratification of the Members for their appointment is not being placed at the ensuing AGM.

The Board Members and the Audit Committee at their Meetings held on 6th May, 2023 had reviewed the performance and effectiveness of the audit process of Statutory Auditors including their independence. The Board Members and the Audit Committee expressed their satisfaction towards the same and approved for their continuity as Statutory Auditors of the Company.

The Auditors’ Report for the Financial Year 2022-23, does not contain any qualification, reservation or adverse remarks and therefore there are no further explanations to be provided for in this Report.

o Details with respect to fraud reported by Auditors

During the year under review, no fraud was reported by Auditors.

o Secretarial Audit

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 had appointed M/s. Keyul M. Dedhia & Associates, Company Secretary in Practice (C.P. No. 8618), to undertake the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report is annexed herewith as Annexure IV.

There are no material observation or instances of non-compliance.

M/s. Keyul M. Dedhia & Associates have been re-appointed as the Secretarial Auditor of the Company for the Financial Year 2023-24.

o Internal Audit

The Company had appointed M/s. RMJ & Associates LLP, Chartered Accountants, Mumbai (Registration No. AAM 0182) to conduct Internal Audit of the Company for the Financial Year 2022-23.

M/s. RMJ & Associates LLP, have been re-appointed as the Internal Auditors of the Company for the Financial Year 2023-24.

The Audit Committee of the Board of Directors, Statutory Auditors and the Management are periodically apprised of the Internal Audit findings and corrective actions taken.

o Cost Records and Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

U. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year under review, no significant and material orders were passed by the Indian Regulators or Courts or Tribunals that would impact the going concern status of the Company and its future operations.

V. LISTING OF SHARES:

The Company’s equity shares are listed on BSE Limited and the National Stock Exchange of India Limited. The Company has duly paid the necessary listing fees with the concerned Stock Exchange(s) for the financial year under review.

W. TECHNOLOGY AND QUALITY:

Your Company is committed to deliver highest quality of products by continuous improvement in terms of product quality and achieving customer satisfaction and delight.

Your Company has already obtained various Quality and Product Safety certifications such as the internationally recognized ISO 22000 certificate and GFSI-BRCGS (British Retail Consortium Brand Reputation Compliance Global Standard) Food Safety certification for its plants located at Nadiad, Gujarat and Nasik, Maharashtra.

X. ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

Information required under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 is appended hereto and forms part of this Report as Annexure V.

Y. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management. A declaration to this effect has been signed by Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO and forms part of this Annual Report.

Z. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

AA. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

BB. DISCLOSURE REQUIREMENTS:

The various policies and codes adopted by the Company are stated in detail in the Corporate Governance Report of the Company, which forms part of this Annual Report.

The Company during the financial year complied with the applicable provisions of the Secretarial Standards issued by the Institute of the Companies Secretaries of India.

CC. ACKNOWLEDGEMENTS:

Your Directors wish to express their sincere appreciation of the excellent support and co-operation extended by the Company's shareholders, customers, bankers, suppliers and all other stakeholders.

For and on Behalf of the Board of Directors

Bimal R. Thakkar

Chairman, Managing Director & CEO

DIN: 00087404

Mumbai, 6th May, 2023

Regd. Office:

83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001, Gujarat.

Tel.: 0268-2551381/2, Fax: 0268-2565068;

E-mail: info@adf-foods.com; Website: www.adf-foods.com;

CIN: L15400GJ1990PLC014265.

ANNEXURE I

NOMINATION & REMUNERATION POLICY:

Introduction:

The Company considers human resources as its prime invaluable asset. ADF believes in harmonizing the aspirations of human resources to be consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee on 9th August, 2014 and approved by the Board of Directors in their Meeting on 11th August, 2014. The said Policy was amended by the Board of Directors in their Meeting held on 22nd May, 2019.

Objective and purpose of the Policy:

The objective and purpose of this policy is:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
- To carry out evaluation of the performance of Directors.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Effective Date:

This policy shall be effective from 1st April, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of Remuneration Committee constituted on 8th May, 2002 by renaming it as Nomination and Remuneration Committee on 28th May, 2014.

The Nomination and Remuneration Committee comprises of following Directors:

- i) Mr. Chandir Gidwani, Chairman [Non-Executive Independent Director]
- ii) Mr. Ravinder Kumar Jain, Member [Non-Executive Independent Director]
- iii) Mr. Jay Mehta, Member [Non-Executive Non-Independent Director]

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions:

- Board means Board of Directors of the Company.
- Directors mean Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company or ADF means ADF Foods Limited.
- Independent Director means a Director referred to in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Key Managerial Personnel (KMP) means:
 - (i) Chief Executive Officer or the Managing Director or the Manager;
 - (ii) the Company Secretary;
 - (iii) the Whole Time Director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) such other officer as may be prescribed.
- Senior Management Personnel means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

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

Applicability

The Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

General

This Policy is divided in three parts:

Part - A covers the matters to be dealt with and recommended by the Committee to the Board,

Part - B covers the appointment and nomination, and

Part - C covers remuneration and perquisites etc.

- The key features of this Company's policy shall be included in the Board's Report.

PART - A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- for every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- devise a policy on diversity of Board of Directors;

- identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in this Policy, and recommending to the Board of Directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- decide whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
- recommend to the Board, all remuneration, in whatever form, payable to Senior Management and KMPs.

PART - B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/ Tenure:

1. Managing Director/ Whole Time Director:

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

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation:

The Committee shall carry out evaluation of performance of every Director on annual basis.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

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

PART - C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

General:

1. The remuneration/ compensation/ commission, etc. to the Whole Time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission, etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole Time Director shall be in accordance with the percentage/ slabs/ conditions laid down in the Companies Act, 2013, read with the rules made thereunder and the approval of the Board of Directors.
3. Increments to the existing remuneration/ compensation structure of the Directors, KMPs and Senior Management Personnel may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole Time Director. Increments will be effective as per the terms of the employment agreements.
4. Where any insurance is taken by the Company on behalf of its Whole Time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
5. The approval of Shareholders by Special Resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.
6. The fees or compensation payable to Executive Directors who are Promoters or Members of the Promoter Group, shall be subject to the approval of the Shareholders by Special Resolution in General Meeting, if-
 - (i) the annual remuneration payable to such Executive Director exceeds Rupees 5 crore or 2.5 per cent of the net profits of the Company, whichever is higher; or
 - (ii) where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the Company.

Provided that the approval of the Shareholders under this provision shall be valid only till the expiry of the term of such Director.

• Remuneration to Whole Time/ Executive/ Managing Director, KMP and Senior Management Personnel:

1. Fixed pay:

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

2. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding the ceiling mentioned under Section 197 of the Companies Act, 2013. The same can be increased by way of a Special Resolution of the Members in accordance with the provisions of Schedule V of the Companies Act, 2013.

3. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

4. Provisions for excess remuneration:

If any Whole Time Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed under the Companies Act, 2013 or without approval required under provisions of the Companies Act, 2013, he/ she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it unless approved by the Company by Special Resolution within two years from the date the sum becomes refundable.

• Remuneration to Non-Executive/ Independent Director:**1. Sitting Fees:**

The Non-Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

2. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

3. Stock Options:

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

ANNEXURE II

1. PARTICULARS OF REMUNERATION

The information required under Section 197 of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, is as follows:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-23:

Name of Executive Director	Ratio to Median Remuneration
Mr. Bimal R. Thakkar	NA

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the Financial Year 2022-23:

Name of Person	% increase in Remuneration
Mr. Bimal R. Thakkar - Chairman, Managing Director & CEO	11%
Mr. Shardul Doshi - CFO	10%
Ms. Shalaka Ovalekar - Company Secretary	10%
Mr. Devang Gandhi - COO	10%

Note - The fixed remuneration components have been taken into consideration for determining the % increase in the remuneration over previous year.

Mr. Bimal R. Thakkar does not earn fixed remuneration. His remuneration is variable and commission based. He earns a commission upto 5% of the Consolidated Net Profit Before Tax of the Company for a financial year.

The ratio of remuneration of Mr. Bimal R. Thakkar to median remuneration is not determined as the median remuneration being fixed in nature cannot be compared to the commission based variable remuneration of Mr. Bimal R. Thakkar.

Particulars of employees of the Company for the Financial Year 2022-23 in receipt of remuneration in excess of the limits set out in the said rules:

Name of Person	Remuneration for the Financial Year 2022-23
Mr. Bimal R. Thakkar - Chairman, Managing Director & CEO	Rs. 3,76,70,635
Mr. Devang Gandhi - COO	Rs. 1,11,32,671
Mr. Shardul Doshi - CFO	Rs. 1,03,56,508

(iii) The percentage increase in the median remuneration of employees in the financial year: 8 %

(iv) The number of permanent employees on payroll of the Company: 347

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile 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 fixed salaries of employees other than managerial personnel in Financial Year 2022-23 was 12.50%.

Due to change in the remuneration structure of the Managing Director and his remuneration being variable in nature the same can't be compared with fixed salaries of other employees.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The performance of the individuals is measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

(vii) The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

2. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company except receipt of sitting fees for attending Board and Committee Meetings.

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline of the CSR policy of the Company:

The Company has always recognized that its business is a part of the community where it operates. The Company has undertaken various CSR initiatives so far including sponsoring education for underprivileged/disabled students, medical expenses for needy people, food expenses of residential care center for physically challenged youth, women's hostel and cancer patients, financial aid to underprivileged people, women empowerment, donation to animal welfare center, environment protection through tree plantation etc. The Company will continue to contribute in these areas and will simultaneously explore the opportunities to contribute towards other social causes through its CSR program.

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Viren A. Merchant	Chairman (Non-Executive Non-Independent Director)	1	1
2.	Mr. Bimal R. Thakkar	Member (Chairman, Managing Director & CEO)	1	1
3.	Mr. Jay M. Mehta	Member (Non-Executive Non-Independent Director)	1	1
4.	Ms. Deepa Misra Harris	Member (Non-Executive Independent Director)	1	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

<https://adf-foods.com/wp-content/uploads/2022/05/Composition-of-Committees-of-the-Board.pdf>

<https://adf-foods.com/wp-content/uploads/2021/07/CSR-Policy-1.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable

5. (a) Average net profit of the Company as per Section 135(5) : Rs. 48,13,15,741.22
 (b) Two percent of average net profit of the Company as per Section 135(5). : Rs. 96,26,314.82
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : NIL
 (c) Amount required to be set off for the financial year, if any. : Rs. 1,13,515.09
 (d) Total CSR obligation for the financial year (5b+5c-5d). : Rs. 95,12,799.73
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Rs. 90,56,180
 (b) Amount spent in Administrative Overheads. : Rs. 4,75,000
 (c) Amount spent on Impact Assessment, if applicable : N.A.
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs. 95,31,180
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
Rs. 95,31,180	NIL				

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

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	Rs. 96,26,314.82 However, CSR obligation for Financial Year 2022-23 was Rs. 95,12,799.73 as excess CSR amount of Rs. 1,13,515.09 spent during the Financial Year 2021-22 has been set off.
(ii)	Total amount spent for the Financial Year	Rs. 95,31,180
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 18,380.27 (Rs. 95,31,180 - 95,12,799.73)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)] (i.e. FY 2023-2024)	Rs. 18,380.27

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in Rs.)
					Amount (in Rs.)	Date of transfer	
1	2021-22	NIL	NIL	NIL	N.A.		NIL
2.	2020-21	NIL	NIL	NIL			
3.	2019-20	NIL	NIL	4,79,597 (This amount has been spent in FY 2020-21).			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/ acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as section 135(5) : Not Applicable

Bimal R. Thakkar
Managing Director & CEO

Viren A. Merchant
Director & Chairman of CSR Committee

CORPORATE SOCIAL RESPONSIBILITY POLICY

Introduction:

This policy has been framed in accordance with the provisions of Section 135 of the Companies Act, 2013 ('the Act') on Corporate Social Responsibility along with the Companies (CSR) Rules, 2014 ('the Rules') have become applicable w.e.f. 1st April, 2014. The said Act and the Rules in this regard have been substantially amended with effect from 22nd January, 2021, necessitating changes to be made in the CSR Policy.

The CSR activities/projects shall be undertaken or donations shall be made by the Company to assist weaker and underprivileged sections of the society.

Applicability:

In every financial year, in which the Company has a Net worth of INR 500 Crores or more; or Turnover of INR 1,000 Crores or more; or Net Profit of INR 5 Crores or more it is required to spend 2% of the average net profits (Profit Before Tax) of the last three financial years on CSR activities.

CSR Committee:

CSR Committee will be a Board Level Committee known as Corporate Social Responsibility Committee. The constitution of CSR Committee is in accordance with the applicable provisions of the Act and comprises of the Managing Director, two Non-Executive Non-Independent Directors and one Independent Director.

The CSR Committee comprises of following Directors:

1. Mr. Viren A. Merchant, Chairman [Non-Executive Non-Independent Director];
2. Ms. Deepa Misra Harris, Member [Non-Executive Independent Director];
3. Mr. Bimal R. Thakkar, Member [Chairman & Managing Director]; and
4. Mr. Jay Mehta, Member [Non-Executive Non-Independent Director].

The composition of the CSR Committee may be changed by the Board of Directors of the Company.

The Committee shall formulate CSR Policy, recommend the amount of expenses to be incurred in each CSR activity/project/program and monitor CSR policy on annual basis.

Role of CSR Committee

The CSR Committee shall play the following role in fulfilling the Company's CSR objectives:

- Review and recommend the CSR Policy to the Board of Directors;
- Recommend the amount of annual expenditure to be incurred on the CSR activities;
- Review the Annual Action Plan for each financial year and recommend the same to the Board;
- Review and recommend to the Board, certain CSR projects/ programs as ongoing projects in accordance with the CSR Rules;
- Annually report to the Board, the status of the CSR activities and contributions made by the Company.

The CSR Committee shall do all such acts, deeds, matters and things to ensure compliance with applicable provisions relating to CSR and the CSR policy as amended, from time to time.

CSR Activities as per Schedule VII and CSR Rules:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
7. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, Tribes, other backward classes, minorities and women;
9. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
10. Rural development projects;
11. Slum area development

Explanation. - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
12. Disaster management, including relief, rehabilitation and reconstruction activities.

Guidelines for CSR activities/projects/programs:

The Company may directly undertake the CSR activities as permitted under Schedule VII and approved by the CSR Committee or execute and implement CSR activities through any other implementing agency registered in India, having a valid CSR Registration Number granted by the Ministry of Corporate Affairs (MCA) and having track record of service, performance, governance and accountability.

Provided that -

1. A Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committee is in a position to report separately on such projects or programs in accordance with the CSR Rules;
2. The CSR projects shall be only taken up in India;
3. The CSR projects or programs or activities shall not only benefit the employees of the Company;
4. Company shall not contribute to any Political Party under CSR activities.

CSR Expenditure & Budget:

- CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR Programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework.
- In line with the requirements of the Act, Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.
- The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its Annual Action Plan. Within the Budget, the allocation towards specific CSR initiatives/projects will be approved by the CSR Committee of the Board. All projects undertaken by the Company shall be approved /ratified by the CSR Committee.
- During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s) subject to prior approval of the Managing Director.
- The surplus, if any, arising out of the CSR projects shall be ploughed back either to the same project from which such surplus arose or be spent in accordance with the Annual Action Plan.
- Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.
- In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.
- In case of excess CSR Spend in any year, such excess amount may be set-off against the requirement to spend under Section 135(5) of the Act up to immediate succeeding 3 financial years, subject to the condition that:
 - a) the excess amount available for set off shall not include surplus arising from CSR Activities; and
 - b) the Board shall pass a Resolution to that effect.

Guidelines for monetary contributions:

The Company may decide to grant donations to a registered trust/ a registered society/ a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act/by such institutions as mentioned in the Act.

Provided that -

If such trust, society or company is not established by the Company or its holding or subsidiary or its associate company, it shall have an established track record of three years in undertaking similar programs or projects.

Annual Action Plan:

The CSR Committee shall on an annual basis, recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes;
- (c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the Company.

Further, the Board may during the year, at the recommendation of the CSR Committee alter such plans.

Monitoring and Impact Assessment:

- The CSR initiatives/ projects of the Company will be monitored and reviewed by the Managing Director. The impact assessment will be done on the basis of the program reports to be submitted by the CSR implementing agencies.
- The CSR initiatives/ projects of the Company shall also be reported every year in the Annual Report of the Company.
- The CFO of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilized towards the same effect.

Accounting and Reporting:

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee. The report will be presented to the Committee at the end of each financial year.

Any surplus arising out of CSR projects/ programs/ activities shall not form part of the business profit.

The Board's Report shall include CSR report in the prescribed format on an annual basis.

The contents of CSR policy shall be disclosed in the Board's Report and the same shall be displayed on the Company's website.

ANNEXURE IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
ADF Foods Limited
Corporate Identity Number: L15400GJ1990PLC014265
83/86, GIDC Industrial Area, Nadiad, Gujarat- 387 001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADF Foods Limited (hereinafter called “the Company”). The 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 limited verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed with applicable regulatory authority(ies) and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2023 (‘Audit Period’), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

We herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2023, as per the provisions of:

- (i) The Companies Act, 2013, (‘the Act’) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the Audit period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the Company during the Audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit period**) and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- (vi) We relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for the compliance of the following laws applicable specifically to the Company:
1. Food Safety and Standards Act, 2006.
 2. Food Safety and Standards Rules, 2011.
 3. The Food Safety and Standards (Packaging and Labeling) Regulations, 2011.

We have also examined compliance with the applicable clauses of:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

Based on the aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards, etc. and we have not found material observation or instances of non-compliance in respect of the same.

We further report that the Adjudication Officer, Securities and Exchange Board of India, vide its Adjudication dt June 23, 2022, levied penalty of INR 40,00,000/- to be paid jointly and severally by Ms. Pallavi Navinchandra Mehta, Ms. Shefali Bhupendra Mehta, Shri. Navin Mansuklal Mehta, Shri. Abhishek Mehta under Section 12A (d) & (e) of SEBI Act and Regulation 4(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Ms. Priyanka Thakkar under Section 12A (d) of SEBI Act and Regulation 4(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Shri. Bhavesh Thakkar under Section 12A (d) & (e) of SEBI Act and Regulation 3(1), Regulation 4(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. None of the persons against whom the aforesaid SEBI Order has been passed hold directorship of the Company or are involved in the Company's management. Further, Mr. Bhavesh Thakkar and Mrs. Priyanka Thakkar do not hold any shares in the Company as per the latest beneficiary data available with the Company. Further, no penalty or stricture has been levied on the Company.

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 was given to all Directors about scheduled Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

Based on the representation made by the Company and its Officers explaining to us in respect of internal systems and mechanisms established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate

systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:

- a. The Board of Directors in its meeting held on April 29, 2022, has passed a resolution for conversion of 1,006,500 balance convertible warrants into 1,006,500 Equity Shares of Rs. 10/- at price of Rs. 362/- per Equity Share.

For Keyul M. Dedhia & Associates

Company Secretaries

Unique ICSI Code Number: S2009MH120800

Keyul M. Dedhia

Proprietor

FCS No: 7756 COP No: 8618

UDIN: F007756E000266498

Peer Review Certificate No.: 876/2020

May 6, 2023, Mumbai.

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

‘Annexure A’

To,
The Members,
ADF Foods Limited
Corporate Identity Number: L15400GJ1990PLC014265
83/86, GIDC Industrial Area, Nadiad, Gujarat- 387 001.

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

1. Maintenance of Secretarial records 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-check basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we follow, 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 and we have relied on Statutory Auditors’ independent assessment on the same.
4. Wherever 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 process followed by Company to ensure adequate Compliance on test-check 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 Keyul M. Dedhia & Associates

Company Secretaries

Unique ICSI Code Number: S2009MH120800

Keyul M. Dedhia

Proprietor

FCS No: 7756 COP No: 8618

UDIN: F007756E000266498

Peer Review Certificate No.: 876/2020

May 6, 2023, Mumbai.

ANNEXURE V

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the Financial Year ended 31st March, 2023.

A. Conservation of Energy

The Company has been continuously attempting to create a conscious awareness against excessive consumption and wastage at all levels. The Company is taking all possible steps to conserve energy. Maximum efforts for this purpose will continue.

FORM A

Form for disclosure of particulars with respect to Conservation of Energy

(A)	Power and Fuel Consumption:-	2022-23	2021-22
1	Electricity		
A	Purchased Units (KWH)	60,10,603	48,40,354
	Total Amount (Rs.)	5,42,92,941	4,01,21,983
	Average Rate/Unit (Rs.)	9.03	8.29
B	Own Generation:-	2022-23	2021-22
i	Through Diesel Generator	N.A.	N.A.
	Units (KWH)	-	-
	Units/ Lt. of Diesel	-	-
	Cost/Unit (Rs.)	-	-
ii	Through Steam Turbine/Generator	N.A.	N.A.
2	Agro Waste & Fire Wood:	2022-23	2021-22
	Quantity (kgs)	18,51,147	19,43,580
	Total Amount (Rs.)	1,49,82,406	1,16,33,121
	Average Rate/KL (Rs.)	8.09	5.99
3	Fuel Furnace Oil + Light Diesel	2022-23	2021-22
	Quantity (K.L.)	4,41,194	2,69,271
	Total Amount (Rs.)	2,99,45,847	1,57,94,701
	Average Rate/KL (Rs.)	67.87	58.66
4	Others/Internal Generation	N.A.	N.A.
(B)	Consumption per unit of production:		
	Products (with details)	Unit, Electricity, Furnace Oil, Agro Waste, Coal (specify quantity) Since the Company manufactures several items viz. Pickles, Chutneys, Frozen Foods, Retort Ready to Eat, Pastes and other food stuffs, having regard to other books maintained by the Company, it is impracticable to apportion the utilities.	

B. Technology Absorption, Research and Development (R&D):

1. Specific areas in which R&D carried out by the Company

- Development of new recipes.
- Development of new products.
- Improvement in quality.
- Better packaging.
- Standardization in packaging.

2. Benefits derived as a result of the above R&D.

Benefits comprise of improved customer satisfaction, introduction of new brands, introduction of new products, meeting world class quality norms, enhancement of exports, reduced costs on packing.

3. The Company will continue its efforts to develop new products, new recipes, reduce costs, improve technology and produce quality products.

			(Amount in Rs.)	
4. Expenditure on R&D	2022-23	2021-22		
(a) Capital	49,961	22,169		
(b) Recurring	40,69,706	41,78,433		
(c) Total	41,19,667	42,00,602		
(d) Total R&D expenditure as a percentage of total turnover	0.12%	0.14%		

Technology Absorption, Adaptation and Innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. The Company upgraded its technology at Nadiad to world class standard. At Nasik, the Company has improved state of the art machinery for manufacture of spices and masalas.

2. Benefits derived as a result of the above efforts.

Satisfaction of customer needs, improvement in product quality, new product development.

C. Foreign Exchange Earnings and Outgo:

1. The Company has maintained its focus on development of exports both in the ethnic and mainstream markets. The Company's products under the brand name "ASHOKA" & "AEROPLANE" are very popular in the U.S.A., U.K., Canada and Australia, while "CAMEL" is popular in the Middle East. The Company will continue to make exports a thrust area.

2. Total Foreign Exchange used and earned:

			(Rs. in Lakhs)	
Particulars	2022-23	2021-22		
Total Foreign Exchange Earned	34,604.67	23,608.02		
Total Foreign Exchange Used	1,460.71	1,373.31		

For and on Behalf of the Board of Directors

Bimal R. Thakkar

Chairman, Managing Director & CEO

DIN: 00087404

Mumbai, 6th May, 2023

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global economy

Overview: The global economy was estimated to have grown at a slower rate of 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.8% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5.0
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% in 2022 compared to 5.9% in 2021

China: GDP growth is expected to contract from 8% in 2021 to 3% in 2022

United Kingdom: GDP is expected to grow 4.1% in 2022 compared to 7.6% in 2021

Japan: Reported growth of 1.7% in 2022 compared to 1.6% in 2021

Germany: Reported GDP growth of 1.8 % in 2022 compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook: The global economy is projected to grow at 2.8% in 2023, marked by sustained Russia-Ukraine conflict and higher interest rates. Global inflation is projected to fall marginally to 7% in 2023 (Source: IMF).

On the positive side, the reopening of China's economy after the waning of the pandemic, the decline in the European energy crisis and robust US consumption outlook (despite high inflation) remain positives. Interestingly, even as the global economy is projected to grow less than 3% for five years, India and China are likely to account for half the global growth in 2023 (IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India reported an economic growth of 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy.

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth (%)	3.7	-6.6	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

After three consecutive years of rise, India's foreign exchange reserves declined by around \$ 70 billion in 2022 coupled with rising inflation and interest rates. The country's forex reserves, which stood at \$606.47 billion on 1st April, 2022, declined to \$578.44 billion on 31st March, 2023. India's currency weakened from Rs. 75.91 to a US dollar to Rs. 82.34 as on 31st March, 2023 due to a stronger dollar and weaker current account deficit.

There were positive features of the Indian economy during the year under review which are as under:

- o India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022.
- o Per capita income almost doubled in nine years to Rs 172,000 during the year under review, a rise of 15.8 percent over the previous year.

Outlook: India is expected to grow 6.8% in FY2024, catalysed in no small measure by 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit.

Union Budget FY 2023-24 provisions

An outlay of Rs. 1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors.

Industry developments

Global ethnic food market

The size of the global ethnic food market stood at USD 38,731.43 million in 2021, expected to reach USD 62,179.99 million by 2027, growing at a CAGR of 8.33% over 2022-2027. (Source: Mordor Intelligence, Fortune Business Insights).

The driving force behind the expansion of the ethnic food market is a rise in cross-border immigration: for job opportunities, environment concerns, educational opportunities and family reunification. India has the world's largest emigrant population; 4.7 crore Indians live overseas.

Global ready-to-eat food market

Ready-to-eat food has evolved to be among the most dynamic components of the global food market in recent years. An upsurge in convenience trends, combined with a rise in demand for specific meal solutions, has contributed to high demand for ready-to-eat food. The ready-to-eat industry is perceived as a one-stop shop for on-the-go customers, providing almost everything from sweets to snacks and meals. The global ready-to-eat market is predicted to grow from \$107.87 billion in 2022 to \$1471.94 billion in 2028. (Source: *globenewswire.com*, *businesswire.com*)

Packaged e-commerce foods sector

E-commerce accounts for less than 5% of total retail sales in India's packaged foods industry, which is likely to change. The Indian online grocery market stood at USD 3.95 billion in FY 2021 and expected to grow at a CAGR of around 33% to USD 26.63 billion by FY 2027, influenced by consumer preferences, increasing disposable incomes, new market entrants and attractive marketing strategies (Source: *Statista*, *Livemint*)

Growth drivers

- Demand for nutritious and high-quality food continues to rise as people adopt healthier lifestyles and eating habits.
- Nuclear families: Nuclear families are the norm, accounting for a majority of households. Nuclear families make up 58.2% of households. Working professionals, in particular, do not have adequate time to prepare meals. As a result, on-the-go meals (that demand minimal to no time) and related ingredients have become popular. (Source: *business-standard.com*, *newsroomodisha.com*)
- Food safety: The global market for Health and Wellness Foods, pegged at US\$733.1 billion in 2020, is predicted to reach US\$1 trillion by 2026, at a CAGR of 6% over the forecasted period. A growing emphasis on healthy eating, the popularity of organic foods and increasing food preferences are influencing the growth of the global health and wellness foods market. (Source: *globenewswire.com*)
- Ready to eat food: Millennials and Gen Z now account for approximately 1.8 billion people, or more than 23% of the global population. The ready-to-eat meals market is expanding as a result of busier lifestyles, rising incomes, an increase in nuclear families and an absence of cooking skills. (Source: *punemirror.com*)
- Healthy diet: Consumer preference for plant-based foods is catalysing the demand for safe and environment-friendly food.

- Working women: The proportion of employable women has increased from 41.25% in 2021 to 53.28% presently. It is anticipated to remain steady at 52.80% in 2023. (Source: fortuneindia.com, yourstory.com)

Government initiatives

The Indian government supported private sector investment in agricultural and allied sectors to enhance value-addition. Processed food exports increased from \$8.56 billion in 2020-21 to \$10.42 billion in 2021-22.

The implementation of the PLI scheme is expected to facilitate the expansion of food processing capacity by nearly Rs. 30,000 crore. PLI beneficiaries' investments are likely to increase food sales and exports. The scheme requires that the entire chain of manufacturing processes, including primary processing of food products, take place in India in order to qualify for the incentive. The scheme will also aid in the promotion of Indian brands abroad.

According to data reported by PLI beneficiaries, approximately Rs. 4900 crores have been invested under the scheme. (Source: pib.gov.in)

Company overview

ADF Foods is premier player in the prepared ethnic food segment with products stretching over a range of brackets from ready-to-eat to frozen foods and meal accompaniments. ADF Foods launched eight brands viz. Ashoka, Truly Indian, Camel, Aeroplane, ADF Soul and Khansaama, with a footprint across more than 55 countries. More than 99% of the company's revenues are derived from exports to North America, Europe, Asia Pacific and Gulf Cooperation Council (GCC) markets. The Company developed new products across categories to address consumer preferences. During the year under review, the Company launched 35 new product variants across categories comprising frozen kulchas, frozen snacks, ready-to-eat curry and chutneys (Ashoka brand) in ADF's product portfolio.

Ashoka	Truly Indian	Camel	Aeroplane	Nate's	PJ's	ADF Soul	Khansaama
Ready to eat food	Ready to eat food	Meal accompaniments	Meal accompaniments			Meal accompaniments	Cooking Pastes
Frozen Vegetables/ snacks/ breads	Papad (poppadum)	Cooking pastes	Cooking pastes	Meatless Meatballs	Burritos	Cooking pastes	Rose water and Kewra water
Meal accompaniments	Meal accompaniments		Curry powders			International gourmet category products featuring Dips, Italian Sauces & Thai Curry and other continental products	
Flavoured drink milk	Cooking pastes		Cooking sauces				
Cooking pastes	Cooking sauces						
Mango pulp and mango slices	Organic ready-to-eat and organic cooking sauces						
plant-based curries							

The Company's processed food business generated a revenue of Rs. 353.34 crore in FY 2022-23.

ADF has production plants in Nasik, Nadiad and Surat. Hazard Analysis and Critical Control Point, British Retail Consortium and ISO 22000:2005 certifications have been granted to the Nasik and Nadiad plants (both plants invested with automation).

The Company's distribution network includes more than 180 distributors.

In addition to our processed food business, the company has 'distribution' business including three FMCG companies i.e. Unilever, Patanjali Ayurved Ltd. and Ekaterra.

Financial highlights

Particulars	Standalone		Consolidated	
	FY22-23	FY21-22	FY22-23	FY21-22
Total Income	363.45	311.12	461.50	430.69
EBITDA	86.89	62.41	91.85	76.03
EBITDA margin	23.91%	17.17%	19.90%	16.47%
Interest	0.61	0.78	2.65	1.81
PAT	60.00	41.49	55.85	48.53
PAT margin	16.51%	11.42%	12.10%	10.51%
Working capital	246.68	183.25	286.85	243.59
ROE	15.49%	13.03%	17.66%	14.04%
RoCE	20.52%	17.44%	18.12%	18.13%
Basic EPS (Rs.)	27.41	20.68	25.62	23.97
Diluted EPS (Rs.)	27.41	20.13	25.62	23.33

Details of significant changes in key financial ratios

Particulars	March 2023	March 2022
Debtors' turnover	78 days	73 days
Inventory turnover	4.19 times	3.81 times
Interest Coverage Ratio	133 times	73.23 times
Current Ratio	9.77 times	6.59 times
Debt-Equity Ratio	-	-
Operating profit margin (%)	23.43%	19.86%
Net profit margin (%)	17.28%	14.48%

Debtors' turnover ratio: The ratio is more in line with the previous year and the company is in process of improving collection.

Inventory turnover ratio: The ratio has improved because of better inventory management.

Interest coverage ratio: During the year, cash flow from operations improved and interest cost declined due to limited usage of lease/bank facility. Hence, the ratio improved.

Current ratio: Current ratio improved on account of better working capital management.

Debt-equity ratio: Not applicable to the Company.

Operating profit margin: The ratio improved on account of a better operational efficiency and product mix.

Net profit margin: The ratio improved due to a better operational efficiency and reduction in other costs.

Risk and mitigation

The Company is engaged in de-risking its business through a steady Business Risk Management System, which examines risks. The industry risks are as follows:

- **Foreign exchange rate fluctuation risk:** The Company derives most of its revenues from exports and though depreciation in the Rupee helps exporters like us, an appreciation of the Indian Rupee can affect global competitiveness.

Mitigation: The company mitigates this risk by constant monitoring and adopting a structured forward contracts booking. Furthermore, the Company relies on value addition, developing internal shock absorbers to reduce the repercussions of a stronger rupee.

- **Raw material inflation risk:** Any rise in raw material costs could affect competitiveness and margins.

Mitigation: The Company keeps track of decisive and bulk purchases and its reliable distribution network has enabled it to maintain uninterrupted availability of raw materials at predetermined costs. Further, the Company implemented price hikes during FY 2022-23 to combat inflation. These price adjustments were carefully implemented, taking into account market dynamics and competitive positioning, allowing the Company to improve its pricing power.

- **Competition risk:** Growing competition (existing and new) and unorganised companies could affect market share.

Mitigation: ADF's long-standing funding in a brand recognition portfolio ensured consumer popularity and market share security. Further, the Company emphasizes on R&D and consequentially delivers new, innovative and healthy products every year.

➤ Logistics and supply chain challenges

Mitigation: Multiple logistic partners and increase in number of distributors, own distribution company and warehousing space.

Internal control systems and adequacy

Recognizing and tracking the internal control systems is a critical part in an organization. The company has a secured system of internal controls which works together with internal financial controls that are repeatedly administered by the management. The internal control system of ADF shows proficiency in operations; make the best use of resources and adhere with all applicable laws and regulations. Key controls are examined during the year and restorative and precautionary actions are taken for any fault. Internal audits are organized systematically by designated audit teams. The Audit Committee sanctions the risk based internal audit plan which also reviews worth and efficacy of the Company's internal financial controls.

Human resources

The Company provides employees with a conducive workplace, marked by knowledge accretion, respect for dignity, teamwork and career growth. The Company's permanent workforce strength was 347 as on 31st March, 2023.

Opportunities and outlook

The Company is building its business through the following initiatives:

- **Increasing capacities:** The Company commenced its greenfield project in Surat, Gujarat, with a budgeted capital outlay of Rs 60 crore in Phase I.
- **Widening distribution:** The Company's objective is to enlarge its distribution network in the major markets by engaging directly with retailers by servicing product needs from depots, warehouses and channel distribution, moderating intermediary costs. The Company's two warehouses in the US provide a combined leasehold area of 1 lac square feet. The Company's step-down subsidiary, Vibrant Foods New Jersey LLC that was set up in September, 2021 which acts as a distribution entity in the USA, performed well during FY 2022-23 and fetched a revenue of Rs. 67.06 crore.
- **Strengthening distribution business:** The Company's distribution segment saw good offtake during the FY 2022-23 and supplemented the overall business, contributing Rs. 88 crores revenue. The Company added new products of its principals: Patanjali and Unilever in our product basket.

Further, the Company entered into an agency distribution contract with Ekaterra, a Netherlands - based company as Unilever divested a majority of its tea making business. The said agency distribution contract entails distribution of tea under Lipton, Brooke Bond Red Label and Taj Mahal brands across major markets in the U.S.A.

- **Brand strengthening:** The Company's flagship brand Ashoka, crossed Rs. 200 crores in revenue in FY 2022-23, growing at a CAGR of 33.2% over the last two years. To support the brand growth, the Company increased marketing spend significantly. This includes various channels such as digital, television advertising, sampling, in-store promotions and securing shelf space. These efforts helped the Company raise brand awareness and capture a larger market share. The Company's brand spending is supported by the maximum incentive of Rs. 61.35 crores (during the scheme's tenure from FY 2023 to FY 2027) received by the Company under Category III of the Production Linked Incentive Scheme of the Government of India.
- **Operational processes:** On the operational side, the Company completed debottlenecking at its existing plants in Nadiad and Nashik during FY 22-23. The Company incurred a capex of Rs. 5 crores, which could fetch a potential revenue of Rs. 30 crores. The Company's greenfield expansion in Surat is expected to be completed within 18 months from breaking ground, which is anticipated in Q2 of FY 23-24. The growth will expand the Company's frozen food capacity and unlock the next level of growth.

Cautionary statement

Statements in this Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, competitive actions, changes in Government regulations, tax regimes, economic developments in India and in countries in which the Company conducts business and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, disclosure, monitoring and fairness in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other stakeholders. Your Company is committed to adoption and adherence to the best Corporate Governance practices at all times.

The Corporate Governance guidelines are in compliance with the requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with the stock exchanges.

The Company presents a summary of the practices it followed during the Financial Year 2022-23 in deference to its commitment to fairness, transparency and accountability.

II. BOARD OF DIRECTORS

A. Composition:

The Board of Directors of your Company represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2023, the total strength of the Board of Directors of the Company was 6 (Six) Directors comprising of one Executive Promoter Director, two Non-Executive, Non-Independent Directors and three Non-Executive, Independent Directors. The Non-Executive Directors are eminent professionals/ entrepreneurs with wide range of knowledge and experience in business, industry, marketing and finance. Their presence on the Board has been advantageous and fruitful in taking business decisions.

The composition of the Board, their inter-se relationship, their attendance at the meetings, their Directorship and Chairmanship/ Memberships of Committees in other companies as on 31st March, 2023 are given below:

Name of the Director	Designation Executive/ Non Executive Independent/ Promoter	Relationship with each other	Board Meetings held and attended by the Directors		Attendance at the last Annual General Meeting	*[1] Directorships in other Companies	*[2] No. of Board Committees in which Chairman / Member	
			Held	Attended			Chairman	Member
Mr. Bimal R. Thakkar	Promoter/ Chairman, Managing Director & CEO	No inter-se relationship with other Directors	6	5	Yes	4	1	1
Mr. Jay M. Mehta	Non-Executive Non-Independent Director	No inter-se relationship with other Directors	6	5	Yes	3	Nil	1
Mr. Viren A. Merchant	Non-Executive Non-Independent Director	No inter-se relationship with other Directors	6	5	Yes	1	Nil	Nil
Mr. Ravinder Kumar Jain	Non-Executive Independent Director	No inter-se relationship with other Directors	6	6	Yes	2	1	2
Mr. Chandir G. Gidwani	Non-Executive Independent Director	No inter-se relationship with other Directors	6	6	Yes	7	1	3
Ms. Deepa Misra Harris	Non-Executive Independent Director	No inter-se relationship with other Directors	6	6	Yes	4	1	3

The Board, on request of the Director(s) has granted Leave of Absence to the Director(s) being unable to attend the respective Board Meeting(s) and Committee Meeting(s).

*[1] Number of Directorships held by the Directors, as mentioned above do not include alternate Directorship and Directorship held in Foreign Companies, Section 8 Companies and Private Limited Companies incorporated in India.

*[2] Committee Chairmanship/ Membership of only Audit Committee and Shareholders' Grievance/ Stakeholders' Relationship Committee of Public Companies (excluding the Company) is reckoned. Membership includes Chairmanship of the Director.

None of the above Directors is a Member in more than 10 Committees or acts as Chairman of more than 5 Committees across all Companies in which he/ she is a Director.

The details of Directorship and Committee Membership of Directors in various companies is given at Annexure I to this Report.

None of the Directors of the Company hold directorship in more than seven listed entity. Further, Independent Directors of the Company are not serving as Independent Director in more than seven listed companies.

The Whole Time Director of the Company doesn't serve as Independent Director in more than three listed companies.

The Company has received declarations of independence from the Independent Directors as prescribed under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, as amended. All requisite declarations have been placed before the Board.

The details of Directorship of Directors in other listed entities and their category of Directorship are mentioned below:

Sr. No.	Name of the Director	Name of Listed Entity(s)	Category of Directorship
1.	Mr. Bimal R. Thakkar	Saurashtra Cement Limited	Independent Director
2.	Mr. Jay M. Mehta	Saurashtra Cement Limited	Executive Vice-Chairman and Managing Director
3.	Mr. Ravinder K. Jain	Delta Corp Limited	Independent Director
4.	Mr. Chandir G. Gidwani	Centrum Capital Limited	Non-Executive, Non-Independent Director
		Rap Media Limited	Independent Director
5.	Ms. Deepa Misra Harris	TCPL Packaging Limited	Independent Director
		Prozone Intu Properties Limited	
		Jubilant Foodworks Limited	

Disclosure of the number of equity shares of the Company held by Non-Executive Directors as on 31st March, 2023:

Sr. No.	Name of the Non-Executive Director	No. of Shares held in the Company
1.	Mr. Jay M. Mehta	75,000
2.	Mr. Viren A. Merchant	50,000
3.	Mr. Ravinder Kumar Jain	1,01,869
4.	Mr. Chandir G. Gidwani	25,000
5.	Ms. Deepa Misra Harris	25,000

B. Induction and training of Independent Directors:

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which *inter-alia* explains the role, function, duties and responsibilities expected of him/her as an Independent Director of the Company. The Directors appointed by the Board are given induction and orientation with respect to the Company's mission, business operations, growth strategies and financial position by having one to one meeting with the Managing Director and through Corporate Presentation.

Periodical Presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/ Committee Meetings on business and performance updates of the Company, business risks and controls, effectiveness of Internal Financial Controls, updates on relevant statutory changes encompassing important laws, etc.

The details of the Familiarization Programme imparted to the Independent Directors can be accessed by following the web link: <https://adf-foods.com/wp-content/uploads/2023/04/FamiliarizationProgramme2022-23.pdf>

C. Performance evaluation of the Board of Directors:

Pursuant to the provisions of the Companies Act, 2013, and the provisions of Regulation 25(4) of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance and the Directors individually including that of Independent Directors, evaluation of the Chairman and evaluation of the Committees of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various parameters of the Board's functioning such as adequacy

of the composition of the Board and its Committees, the process of selection of new Board Members, Board culture, understanding of the role and responsibilities, effectiveness of contributions made during the Board Meetings, etc.

D. Details of sitting fees, remuneration, etc. paid to Directors for the Financial Year ended 31st March, 2023:

Non-Executive Directors are eligible for only sitting fees not exceeding the limits prescribed under the Companies Act, 2013. The Non-Executive Directors were paid sitting fees of Rs. 50,000/- for attending every Meeting of the Board, Independent Directors Meeting, Audit Committee Meeting, Nomination and Remuneration Committee Meeting and Risk Management Committee Meeting and Rs. 20,000/- for attending Meetings of other Board Committees viz. CSR Committee and Shareholders' Grievance/ Stakeholders' Relationship Committee. There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company.

Name of Non-Executive Director	Sitting fees paid for attending Meetings of the Board and Committees (in Rs.)
Mr. Jay M. Mehta	4,20,000
Mr. Viren A. Merchant	4,80,000
Mr. Ravinder Kumar Jain	7,00,000
Mr. Chandir G. Gidwani	7,50,000
Ms. Deepa Misra Harris	6,00,000

The details of remuneration paid to the Managing Director/ Whole Time Director during the Financial Year ended 31st March, 2023 are as under:

Director	Inter-se relationship between Directors	Period of employment contract, Notice period.	Stock options	Salary (Rs.)	Other Perquisite (Rs.)	Commission from ADF Holdings (USA) Ltd.	Total (Rs.)
Mr. Bimal R. Thakkar Chairman, Managing Director & CEO	Not related to any Directors	1 st October, 2018 till 30 th September, 2023 Notice Period: 3 months	Nil	Nil	Nil	3,76,70,635	3,76,70,635

NOTES:

- (i) All appointments of Directors of the Company are non-contractual except those of Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO. Appointment of Mr. Bimal R. Thakkar is for five years with effect from 1st October, 2018. His earlier term was from 1st October, 2017 to 30th September, 2018. Further, the Board of Directors of the Company based on the recommendation of Audit Committee and Nomination and Remuneration Committee at its meeting held on 30th January, 2023, approved the re-appointment of Mr. Bimal R. Thakkar as the Chairman, Managing Director & CEO of the Company for a period of five years w.e.f. 1st October, 2023. The same was approved by the Shareholders of the Company through Postal Ballot on 11th March, 2023. Also, pursuant to Schedule V of the Companies Act, 2013, re-appointment of Mr. Bimal R. Thakkar as the Managing Director of the Company shall require approval of the Central Government as he is a Non Resident Individual. The Company has approached the Central Government for its approval for the said re-appointment.

The appointment of the above managerial personnel is conditional and subject to termination by three calendar months' notice in writing on either side but no severance fees of any other kind is payable.

- (ii) Presently, the Company does not have any scheme for grant of Stock Options to its Directors, Managing Director or other employees.
- (iii) None of the employees except Mr. Shivaan B. Thakkar, Senior Manager - Business & Strategy Development and Mr. Sumer B. Thakkar, Senior Manager - Business & Strategy Development are related to Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO of the Company as on 31st March, 2023.

E. Number of Board Meetings held:

The Meetings of the Board of Directors are scheduled well in advance. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings. During the year under review, 6 (six) meetings of the Board of Directors were held on the following dates:

29th April, 2022, 20th May, 2022, 28th July, 2022, 8th November, 2022, 30th January, 2023 and 25th February, 2023.

The Companies Act, 2013 read with the relevant rules made thereunder, facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual means. Accordingly, the option to participate in the Meetings through video conferencing was made available to the Directors.

F. Independent Directors' Meeting:

The Meeting of the Independent Directors of the Company was held on 7th March, 2023 to:

- review the performance of the Board as a Whole and the Chairman of the Board;
- the performance of the Non-Independent Directors; and
- timeliness of flow of information between the Company, Management and the Board that would be necessary for the Board to effectively and reasonably perform its duties for the year under review.

G. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

H. Chart/ Matrix setting out the skills/ expertise/ competence of the Board of Directors are as follows:

The brief summary of the competencies of the Directors is as under:

In the table below, the specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of a mark against a Member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of the Director	Industry knowledge/ experience			Technical skills			Governance Competencies			Behaviour competencies	
	Overall business management	Knowledge of Food sector	Global business	Sales and Marketing experience	Monitoring risk management systems	Strategy development and implementation	Financial literacy	Compliance focus	Director's performance management	Integrity and high ethical standards	Leadership
Bimal R.Thakkar	√	√	√	√	√	√	√	√	√	√	√
Viren A. Merchant	√		√	√	√	√	√	√	√	√	√
Ravinder Kumar Jain	√			√		√	√		√	√	√
Jay M. Mehta	√	√				√			√	√	√
Chandir G. Gidwani	√				√	√	√	√		√	√
Deepa Misra Harris	√	√	√	√	√	√	√	√	√	√	√

I. Confirmation:

The Board hereby confirms that the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the Management.

III. COMMITTEES OF DIRECTORS

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, Shareholders' Grievance/ Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Share Transfer Committee.

The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the

summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Committee Members individually and presented at the Board Meetings.

◇ AUDIT COMMITTEE

A Composition & Meetings:

The Audit Committee was constituted on 13th January, 2001 and over the years the Committee has been reconstituted to align it with the requirements of the provisions of applicable laws, rules and regulations. All Members of the Committee are financially literate and are having the requisite financial management expertise.

The present composition of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Regulations. The composition of the Audit Committee as on 31st March, 2023 was as under:

Sr. No.	Name of the Director	Category	Chairman/ Member
1.	Mr. Chandir G. Gidwani	Non-Executive, Independent Director	Chairman
2.	Mr. Ravinder Kumar Jain	Non-Executive, Independent Director	Member
3.	Mr. Viren A. Merchant	Non-Executive, Non-Independent Director	Member
4.	Ms. Deepa Misra Harris*	Non-Executive, Independent Director	Member

*Ms. Deepa Misra Harris was inducted as the Member of the Audit Committee w.e.f. 20th May, 2022

The Company Secretary acts as the Secretary to the Committee. The Managing Director & CEO, Chief Financial Officer, Chief Operating Officer, General Manager - Accounts, Internal Auditors and the Statutory Auditors are invitees to the Audit Committee Meetings.

During the year under review, 4 (four) Audit Committee Meetings were held on

20th May, 2022, 28th July, 2022, 8th November, 2022 and 30th January, 2023.

The attendance of each Audit Committee Member during the Financial Year 2022-23 is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1.	Mr. Chandir G. Gidwani	4
2.	Mr. Ravinder Kumar Jain	4
3.	Mr. Viren A. Merchant	3
4.	Ms. Deepa Misra Harris	3

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 12th August, 2022.

B. The terms of reference of the Audit Committee:

The said Committee is entrusted with the powers and scope as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18(3) of the Listing Regulations.

Under the Companies Act, 2013:-

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the Company with related parties;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

Provided further that in case of transaction, other than transactions referred to in Section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the Company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the

transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the Company against any loss incurred by it;

Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in Section 188 of the Companies Act, 2013, between a holding company and its wholly owned subsidiary company.

5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Oversee the vigil mechanism.

Under the Regulation 18(3) of the Listing Regulations:-

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

C. Review of Information by the Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Management letters/letters of internal control weaknesses issued by the statutory auditors;
3. Internal Audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
5. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

◇ **SHAREHOLDERS' GRIEVANCE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE**

A. Composition & Meetings:

The Shareholders' Grievance/ Stakeholders' Relationship Committee was constituted on 2nd May, 2001 and over the years, the Committee has been reconstituted to align it with the requirements of the provisions of applicable laws, rules and regulations. The same was renamed as Shareholders' Grievance/ Stakeholders' Relationship Committee in the Board Meeting held on 28th May, 2014.

The composition of the Shareholders' Grievance/ Stakeholders' Relationship Committee as on 31st March, 2023 was as under:

Sr. No.	Name of the Director	Category	Chairman/ Member
1.	Mr. Viren A. Merchant	Non-Executive, Non-Independent Director	Chairman
2.	Mr. Bimal R. Thakkar	Executive Director	Member
3.	Ms. Deepa Misra Harris	Non-Executive, Independent Director	Member

The Company Secretary acts as the Secretary to the Committee.

During the year, 4 (four) Meetings of the said Committee were held on 20th May, 2022, 28th July, 2022, 8th November, 2022 and 30th January, 2023.

The attendance of each Member of the Committee during the Financial Year 2022-23 is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1.	Mr. Viren A. Merchant	4
2.	Mr. Bimal R. Thakkar	4
3.	Ms. Deepa Misra Harris	4

B. The terms of reference of the Shareholders' Grievance/ Stakeholders' Relationship Committee

The said Committee is entrusted with the powers and scope as prescribed under Regulation 20 of the Listing Regulations.

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

The Committee specifically looks into redressing of investors' complaints including non-receipt of annual reports, non-receipt of declared dividends and complaints related to transmission of shares, issue of Letter of Confirmation in lieu of Duplicate Share Certificates, dematerialization of shares, etc.

The Registrar & Share Transfer Agent provide quarterly confirmation to the Committee on compliance of the requirements in respect of dealing with transmission of shares, issue of Letter of Confirmation in lieu of Duplicate Share Certificates, dematerialization of shares, etc., complaints and other shareholder related matters. The Committee also monitors and reviews the performance and service standards of the Registrar and Share Transfer Agent and provides continuous guidance to improve the service levels for investors.

C. Shareholders' Complaints:

12 complaints were received from the shareholders during the Financial Year ended 31st March, 2023. The complaints were mainly relating to transmission of shares, non- receipt of IEPF claim, non-receipt of the rejected DRF and Share Certificate sent for dematerialization and non-receipt of Letter of Confirmation in lieu of Duplicate Share Certificates. The complaints received were resolved to the satisfaction of the shareholders. One complaint which was received on 28th March, 2023 remained pending as on 31st March, 2023 and was resolved subsequently.

Apart from the said complaints, the Company also received certain requests/ general intimations regarding copy of Annual Report, change of address, revalidation of dividend warrants, transmission of shares, dematerialization of shares, claim of shares and dividends from IEPF, etc. There are no requests pending to be replied/ attended to as at the end of the year under consideration.

◇ NOMINATION & REMUNERATION COMMITTEE

A. Composition & Meetings:

The Remuneration Committee was constituted on 8th May, 2002 to recommend to the Board the remuneration package for managerial persons and over the years, the Committee has been reconstituted to align it with the requirements of the provisions of applicable laws, rules and regulations. The same has been renamed as Nomination & Remuneration Committee in the Board Meeting held on 28th May, 2014.

The composition of the Nomination and Remuneration Committee as on 31st March, 2023 was as under:

Sr. No.	Name of the Director	Category	Chairman/ Member
1.	Mr. Chandir G. Gidwani	Non-Executive, Independent Director	Chairman
2.	Mr. Ravinder Kumar Jain	Non-Executive, Independent Director	Member
3.	Mr. Jay M. Mehta	Non-Executive, Non-Independent Director	Member

During the year, 3 (three) Meetings of the said Committee were held on 20th May, 2022, 28th July, 2022, 30th January, 2023.

The attendance of each Member of the Committee during the Financial Year 2022-23 is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1.	Mr. Chandir G. Gidwani	3
2.	Mr. Ravinder Kumar Jain	3
3.	Mr. Jay M. Mehta	3

B. The terms of reference of the Nomination & Remuneration Committee:

The said Committee is entrusted with the powers and scope as prescribed under Section 178 of the Companies Act, 2013 and Regulation 19(4) of the Listing Regulations.

The Nomination & Remuneration Policy is attached as Annexure I to the Board's Report forming part of this Annual Report and is also available on the website of the Company at www.adf-foods.com.

Under the Companies Act, 2013:

- 1) The Committee shall identify persons with suitable qualifications to be appointed as Directors, Senior Management Personnel and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- 2) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- 3) The Committee shall, while formulating the policy ensure that-
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Under Regulation 19(4) of the SEBI Listing Regulations:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- 2) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. Use the services of external agencies, if required;
 - b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
- 3) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- 4) Devising a policy on diversity of Board of Directors;
- 5) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- 6) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- 7) Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

C. Performance evaluation criteria for Independent Directors:

The performance evaluation of the Independent Directors is carried by the entire Board of Directors (except the Director being subject to evaluation) evaluating the criteria such as participation at Board/ Committee Meetings, relationships with fellow Board Members, knowledge and skill, diligence, etc.

◇ SHARE TRANSFER COMMITTEE

Ms. Shalaka Ovalekar, Company Secretary and Compliance Officer has been delegated authority to approve transmission of shares, issuance of letter of confirmation in lieu of duplicate share certificate and to transact other shares-related matters.

◇ CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

A. Constitution & Meetings:

The CSR Committee was constituted on 28th May, 2014 and over the years the Committee has been reconstituted to align it with the requirements of the provisions of applicable laws, rules and regulations.

The composition of the Corporate Social Responsibility Committee as on 31st March, 2023 was as under:

Sr. No.	Name of the Director	Category	Chairman/ Member
1.	Mr. Viren A. Merchant	Non-Executive, Non-Independent Director	Chairman
2.	Mr. Bimal R. Thakkar	Executive Director	Member
3.	Mr. Jay M. Mehta	Non-Executive, Non-Independent Director	Member
4.	Ms. Deepa Misra Harris	Non-Executive, Independent Director	Member

During the year, 1 (one) Meeting of the said Committee was held on 20th May, 2022.

The attendance of each Member of the Committee during the Financial Year 2022-23 is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1.	Mr. Viren A. Merchant	1
2.	Mr. Bimal R. Thakkar	1
3.	Mr. Jay M. Mehta	1
4.	Ms. Deepa Misra Harris	1

B. The terms of reference of the CSR Committee:

- Review and recommend the CSR Policy to the Board of Directors;
- Recommend the amount of annual expenditure to be incurred on the CSR activities;
- Review the Annual Action Plan for each financial year and recommend the same to the Board;
- Review and recommend to the Board, certain CSR projects/ programs as ongoing projects in accordance with the CSR Rules;
- Annually report to the Board, the status of the CSR activities and contributions made by the Company.

The CSR Policy is attached as Annexure III to the Board's Report forming part of this Annual Report and is also available on the website of the Company at www.adf-foods.com.

◇ RISK MANAGEMENT COMMITTEE

A. Constitution & Meetings:

As per the amendments made in Listing Regulations by Notification dated 5th May, 2021, the constitution of Risk Management Committee was made applicable to Top 1000 listed companies based on market capitalization instead of Top 500 listed companies. The Company's rank as per market capitalization data of NSE as on 31st March, 2021 was 595. Accordingly, the said provisions became applicable to the Company w.e.f. 5th May, 2021 and thus, the Risk Management Committee was constituted by the Board of Directors of the Company on 24th May, 2021.

The composition of the Risk Management Committee as on 31st March, 2023 was as under:

Sr. No.	Name of the Director/Member	Category	Chairman/ Member
1.	Mr. Chandir G. Gidwani	Non-Executive Independent Director	Chairman
2.	Mr. Bimal R. Thakkar	Executive Director	Member
3.	Mr. Shardul A. Doshi	Chief Financial Officer	Member

During the year, 2 (two) Meetings of the said Committee was held on 26th September, 2022 and 24th March, 2023.

The attendance of each Member of the Committee during the Financial Year 2022-23 is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1.	Mr. Chandir G. Gidwani	1
2.	Mr. Bimal R. Thakkar	2
3.	Mr. Shardul A. Doshi	2

B. The terms of reference of the Risk Management Committee:

Under Regulation 21(4) of the Listing Regulations:

- 1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

IV. GENERAL BODY MEETINGS

A. Location, Time and Date when last three Annual General Meetings of the Company were held are given below:

Financial Year	Day & Date	Time	Location of the Meeting
2019-20	Wednesday, 5 th August, 2020	11.00 a.m.	Through Video Conferencing/ Other Audio Visual Means.
2020-21	Friday, 24 th September, 2021	4.00 p.m.	Through Video Conferencing/ Other Audio Visual Means.
2021-22	Friday, 12 th August, 2022	10.00 a.m.	Through Video Conferencing/ Other Audio Visual Means.

B. Special Resolutions whether passed in the Annual General Meetings:

Special Resolutions passed in the previous three Annual General Meetings:

Sr. No.	Annual General Meeting held on	Subject matter of the Special Resolution in brief
1.	Wednesday, 5 th August, 2020	None
2.	Friday, 24 th September, 2021	<ol style="list-style-type: none"> Continuation of directorship of Mr. Ravinder Kumar Jain as a Non-Executive Independent Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Approval for leasing of assets exceeding 20% of the assets of the Material Subsidiary of the Company.
3.	Friday, 12 th August, 2022	Approval to permit Non Resident Indians (“NRIs”) to purchase or acquire and hold on their own account, and to make investment in the equity shares of the Company on repatriable basis, subject to the condition that the aggregate of such holdings by NRIs shall not exceed 24% of paid up equity share capital.

C. Postal Ballot:

Resolutions put through Postal Ballot during the period and details of voting pattern:

During the Financial Year 2022-23, the following Resolutions were passed through the Postal Ballot on 11th March, 2023:

Re-appointment of Mr. Bimal R. Thakkar (DIN: 00087404), to hold the office as the Chairman, Managing Director & Chief Executive Officer (‘CEO’), for a further period of five years with effect from 1st October, 2023 till 30th September, 2028 subject to the approval of the Central Government.

The results of the voting by Postal Ballot were announced on 13th March, 2023.

Mr. Sanjay Risbud of M/s. S. S. Risbud & Co, Company Secretary in whole-time practice was appointed as the Scrutinizer by the Board to conduct the Postal Ballot process in a fair and transparent manner. The following result of the Postal Ballot (e-voting only) was declared and the said resolution were passed with requisite majority.

Resolutions passed through Postal Ballot	Votes in favour of the Resolution		Votes against the resolution	
	No. of shares	Percentage (%)	No. of shares	Percentage (%)
Re-appointment of Mr. Bimal R. Thakkar (DIN:00087404), to hold the office as the Chairman, Managing Director & Chief Executive Officer (‘CEO’), for a further period of five years with effect from 1 st October, 2023 till 30 th September, 2028 subject to the approval of the Central Government.	50,52,229	99.27%	37,211	0.73%

Procedure for Postal Ballot

In compliance with the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with rules made thereunder, Regulation 44 of the Listing Regulations, Secretarial Standard-2 and the provisions of the Ministry of Corporate Affairs Circulars, and any amendments thereto, the Company provided facility for voting by E-voting to all the Members to enable them to cast their votes electronically. For this purpose, the Company engaged the services of its RTA viz. Link Intime India Private Limited and had made necessary arrangements with RTA to facilitate E-voting. In terms of the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020 General Circular No. 10/2021 dated 23rd June, 2021, General Circular No. 11/2022 dated 28th December, 2022 issued by the Ministry of Corporate Affairs, Government of India (‘MCA Circulars’), voting was done only by E-voting.

In compliance with the requirements of the MCA Circulars, hard copies of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope was not sent to the Members for this Postal Ballot. The Postal Ballot Notice was sent to Members only in electronic form to the e-mail addresses registered with the Depository Participants (in case of electronic shareholding)/the Company’s

Registrar and Share Transfer Agent (in case of physical shareholding). The Company had also published a notice in the newspapers declaring the details of completion of dispatch and such other requirements as mandated under the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members were requested to vote before the close of the business hours on the last date of the E-voting.

The Scrutinizer submitted his report to the Chairman, after the completion of the scrutiny, and the results of the voting by Postal Ballot, were then announced by the Company Secretary. The results were displayed on the Company's website www.adf-foods.com and were also put on the notice board of the Company besides being communicated to the Stock Exchanges, Depository and Registrar and Share Transfer Agent. The last date for e-voting was the date on which the Resolutions were considered as passed.

There is no immediate proposal for passing any resolution through Postal Ballot.

V. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results are generally published in the "The Financial Express" (Ahmedabad edition in English) and "Lokmitra" (Ahmedabad edition in Gujarati).

The financial results and other information are displayed on the Company's website viz. www.adf-foods.com as well as on the website of the Stock Exchanges viz. www.bseindia.com and www.nseindia.com.

The Company's website also displays official news releases.

Website: The Company's website (www.adf-foods.com) contains a separate dedicated section viz. 'Investors' where information for the shareholders is made available. The Company's Annual Report is also available in downloadable form on the website.

The Company does not have the system of intimating shareholders individually of its quarterly/ half-yearly financial results. However, investors/ shareholders desirous of getting the quarterly/ half yearly financial results are given copies thereof after consideration of results by the Board and publication in the newspapers.

Annual Report: The Annual Report containing inter-alia, Audited Standalone Financial Statements, Audited Consolidated Financial Statements, Directors' Report, Corporate Governance Report, Business Responsibility & Sustainability Report, Management Discussion & Analysis Report, Auditors Report and other important information is circulated to the Members and others entitled thereto.

NSE Electronic Application Processing System (NEAPS): The NEAPS are web-based applications designed by NSE for the Corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Financial Results, Statement of Investor's Complaints, among others on NSE are filed electronically on NEAPS.

BSE Listing Centre: The Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Financial Results, Statement of Investor's Complaints, among others on BSE are filed electronically on Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Institutional Investors: There was/ were no presentation/(s) made to institutional investors or to the analysts during the year under review except those that had been intimated to the Stock Exchanges.

VI. GENERAL SHAREHOLDERS' INFORMATION

A. ANNUAL GENERAL MEETING:

Day, Date & Time : Wednesday, 9th August, 2023 at 4:00 p.m. (IST)

Venue : Video Conferencing.

B. FINANCIAL YEAR:

The Company follows the Financial Year from 1st April to 31st March.

C. FINANCIAL CALENDAR 2023-24:

Schedule of Board Meetings (tentative):

First Quarter ending 30th June, 2023: on or before 14th August, 2023.

Half Year ending 30th September, 2023: on or before 14th November, 2023.

Third Quarter ending 31st December, 2023: on or before 14th February, 2024.

Year ending 31st March, 2024: on or before 30th May, 2024.

D. DATES OF BOOK CLOSURE:

The Share Transfer Register will remain closed from Friday, 4th August, 2023 to Wednesday, 9th August, 2023 (both days inclusive).

E. DIVIDEND:

The Board of Directors has recommended a Final Dividend @ Rs. 5/- per share (i.e. 50 %) on equity shares of face value of Rs. 10/- each for the Financial Year ended 31st March, 2023, subject to the approval of the shareholders in the ensuing Annual General Meeting. If the same is declared, the payment will be made within 30 days from the date of declaration of dividend.

F. LISTING ON STOCK EXCHANGES

The Equity Shares of the Company are presently listed on the BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 and the National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

The Annual Listing fee for the securities listed on the aforesaid Stock Exchanges has been paid to the aforesaid Stock Exchanges for the Financial Year 2023-24 within the time limit.

G. STOCK CODE/SYMBOL:

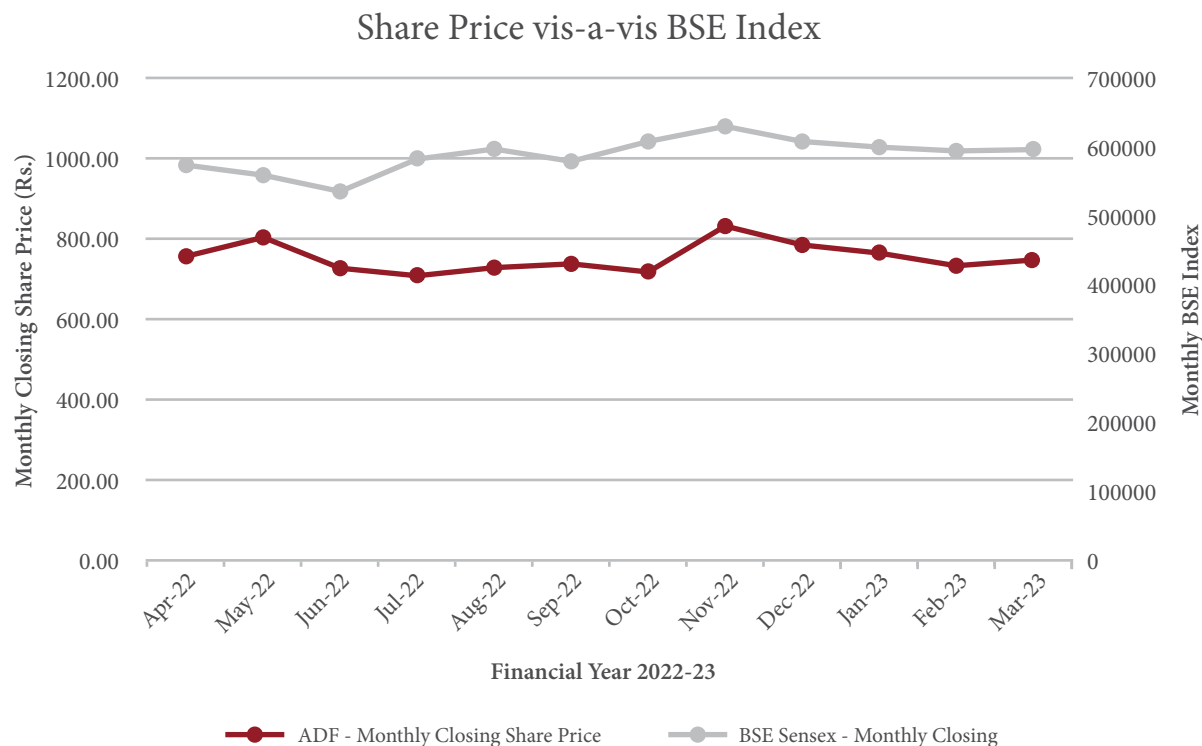
BSE Limited	:	519183
The National Stock Exchange of India Limited	:	ADFFOODS
ISIN	:	INE982B01019
CIN	:	L15400GJ1990PLC014265

H. MARKET PRICE DATA:

The monthly high, low and closing price quotations of the Company's shares traded on the BSE Limited during Financial Year 2022-23 are as under:

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Total Traded Quantity(Nos.)
April 2022	841.00	750.75	757.25	32,954.00
May 2022	848.60	692.95	801.40	14,95,573.00
June 2022	808.00	631.00	723.10	18,684.00
July 2022	741.95	678.95	699.85	17,451.00
August 2022	828.40	678.00	726.75	46,757.00
September 2022	775.95	679.70	733.60	42,756.00
October 2022	749.95	697.00	713.25	15,742.00
November 2022	860.00	700.00	828.65	1,43,131.00
December 2022	901.10	700.00	778.60	77,664.00
January 2023	787.95	702.00	763.05	26,570.00
February 2023	798.50	724.05	728.20	13,616.00
March 2023	766.75	666.95	743.30	21,038.00

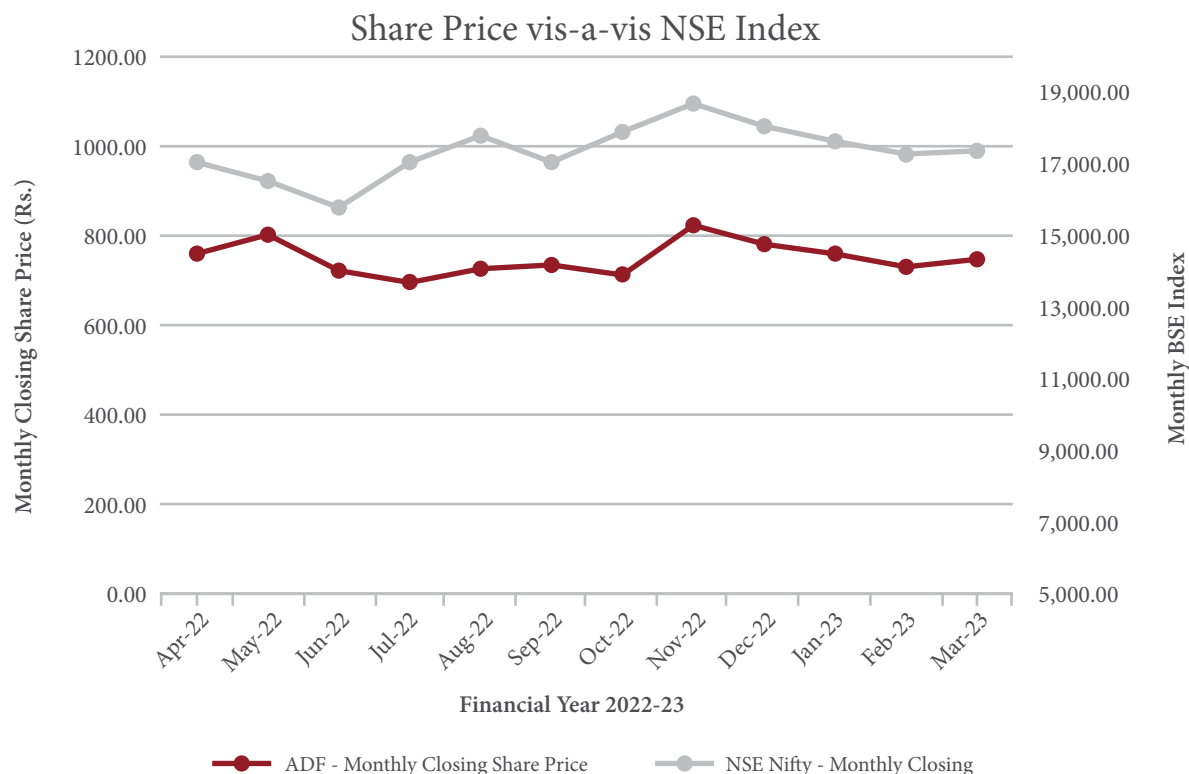
PERFORMANCE IN COMPARISON TO BROAD BASED INDICES (BSE - SENSEX)



The monthly high, low and closing price quotations of the Company's shares traded on the National Stock Exchange of India Limited during the Financial Year 2022-23 are as under:

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Total Traded Quantity(Nos.)
April 2022	843.70	753.90	757.95	2,86,057.00
May 2022	848.75	692.95	802.45	6,37,642.00
June 2022	809.65	650.00	722.35	1,43,735.00
July 2022	733.60	686.30	699.05	2,53,803.00
August 2022	826.30	685.80	725.55	6,79,784.00
September 2022	776.10	681.10	733.60	3,71,156.00
October 2022	745.00	696.00	711.15	1,96,813.00
November 2022	850.00	702.00	828.10	6,94,045.00
December 2022	958.30	701.15	779.95	7,40,127.00
January 2023	789.90	705.20	762.95	3,74,970.00
February 2023	780.00	724.05	731.25	1,65,435.00
March 2023	762.95	667.30	743.80	2,39,565.00

PERFORMANCE IN COMPARISON TO BROAD BASED INDICES (NSE - NIFTY)



I. REGISTRAR & SHARE TRANSFER AGENTS:

The Company's Registrar and Share Transfer Agents is Link Intime India Private Limited. Their address and contact numbers remain the same as reproduced below:

C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083.
Tel.: 022-49186270 Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in Website: [https:// www.linkintime.co.in](https://www.linkintime.co.in)

J. SHARE TRANSFER SYSTEM:

Shares held in the dematerialized form are electronically traded in the Depositories and the Registrar and Share Transfer Agents of the Company, viz. Link Intime India Pvt. Ltd., periodically receive the beneficial holdings data from the Depositories so as to enable them to update their records and to send all corporate communications.

SEBI vide gazette notification dated 24th January, 2022 read with SEBI Circular No. SEBI/ HO/ MIRSD/ MIRSO_RTAMB/ P/ CIR/2022/8 dated 25th January, 2022 has mandated that the companies should effect issuance of certificates or receipts or advices, as applicable in dematerialized form only, while processing the service requests relating to Issue of Duplicate Securities Certificate, Claim from Unclaimed Suspense Account, Renewal/ Exchange of Securities Certificate, Endorsement, Sub-Division/ Splitting of Securities Certificate, Consolidation of Securities Certificates/ Folios, Transmission and Transposition.

Accordingly, the Company sends Letter of Confirmation for requests of transmission of securities, deletion of name, issue of duplicate certificate etc. instead of issuing physical share certificates. On receipt of the Letter of Confirmation, the shareholders are required to approach their Depository Participants for conversion of shares into dematerialized mode.

Transfer of the shares into Investor Education and Protection Fund (IEPF) [in cases where dividend has not been paid or claimed for seven (7) consecutive years or more] - In terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/ unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred 45,572 shares to the IEPF during the Financial Year 2022-23.

The Company Secretary & Compliance Officer has been given the authority by the Board of Directors to approve the share transfers and other share related matters. Shareholders' Grievance/ Stakeholders' Relationship Committee makes a note of the same.

K. DISTRIBUTION PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2023:

Shareholding of Nominal Value (Rs.)	No. of Shareholders	% of Total	Face Value (Rs.)	% of Total
1 to 5000	25,891	96.64	162,07,570	7.38
5001 to 10000	448	1.67	35,52,990	1.62
10001 to 20000	197	0.74	28,57,090	1.30
20001 to 30000	71	0.27	18,25,530	0.83
30001 to 40000	30	0.11	10,57,030	0.48
40001 to 50000	35	0.13	16,35,480	0.74
50001 to 100000	44	0.16	31,73,460	1.44
100001 & above	76	0.28	18,94,18,040	86.21
Total	26,792	100.00	21,97,27,190	100.00

L. DEMATERIALISATION OF EQUITY SHARES AND LIQUIDITY:

The shares of the Company are mainly traded in dematerialised form and are available for trading under both the Depository Systems, viz. NSDL (National Securities Depository Limited) and CDSL [Central Depository Services (India) Limited]. Nearly 97.77% of total equity shares of the Company are held in dematerialised form with NSDL and CDSL.

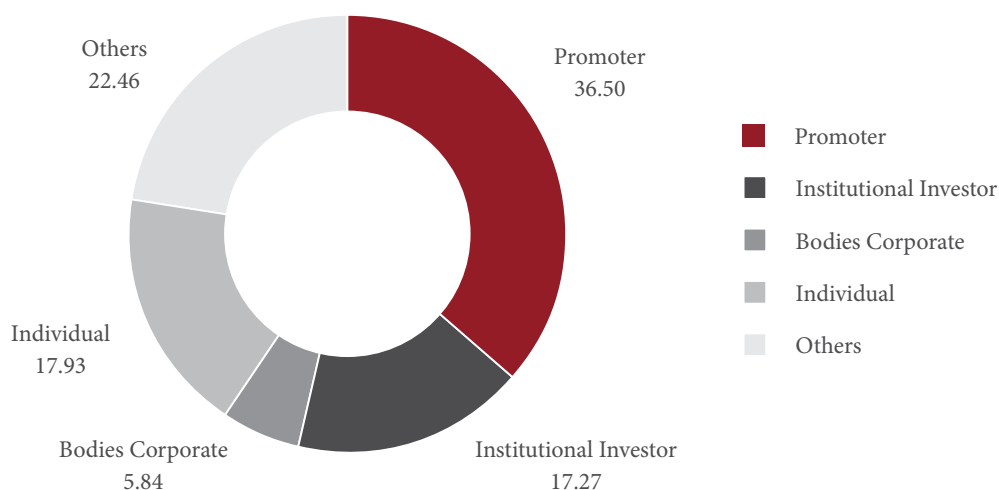
Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total paid-up and listed capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

M. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2023:

Category	No. of Shares	% Holding
A. Holding of the Promoter Group		
(a) Individual / HUF	74,01,798	33.69
(b) Bodies Corporate	6,18,915	2.82
Total (A)	80,20,713	36.50
B. Non-Promoters Holding		
1. Institutional Investors		
(a) Mutual Funds / UTI	600	0.00
(b) Alternate Investment Funds	17,32,076	7.88
(c) Foreign Portfolio Investors/ FIIs	20,61,553	9.38
Sub Total (B1)	37,94,229	17.26
2. Others		
(a) Bodies Corporate	12,82,167	5.84
(b) Individual	39,40,060	17.93
(c) Clearing Member	8,436	0.04
(d) Non Resident Indian (Repat/ Non Repat)	1,58,459	0.72
(e) NBFCs Registered with RBI	26,11,584	11.89
(f) Independent Director	1,51,869	0.69
(g) HUF	1,12,600	0.51
(h) Non-Independent Directors and their Relatives	2,32,000	1.06
(i) Investor Education and Protection Fund	5,15,389	2.35
(j) Foreign Companies	10,00,000	4.55
(k) Unclaimed or Suspense or Escrow Account	0	0
(l) Trusts	100	0.00
(m) LLP	68,113	0.31
(n) Key Managerial Personnel (KMP)	50,000	0.23
(o) Relative of Promoters (other than immediate relatives)	27,000	0.12
Sub Total (B2)	1,01,57,777	46.24
Total B1+B2 (B)	1,39,52,006	63.50
Grand Total (A)+(B)	2,19,72,719	100.00

Shareholding Pattern as on 31st March, 2023



N. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company does not have any outstanding GRDs/ ADRs/Warrants or any convertible instruments as on 31st March, 2023.

O. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

As the Company is engaged in the business of exporting the food products, it is exposed to exchange rate fluctuations on its exports. In order to mitigate this risk, the Company takes appropriate measures such as entering into forward contracts and hedging of its receivables.

P. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) - Rs. 1697.48 Lakhs as on 31st March, 2023. This in addition to the utilization of the funds amounting to Rs. 1764.75 lakhs during the previous financial year.**Q. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE LAST FINANCIAL YEAR, THE SAME TO BE DISCLOSED ALONG WITH REASONS THEREOF: N.A.****R. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:**

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166) have been appointed as the Statutory Auditors of the Company. The particulars of Statutory Auditors' fees, on consolidated basis for the Financial Year 2022-23 are given below:

Name of the Entity	Auditor's Fees (Rs.)
ADF Foods Limited:	
Audit Fees	14,70,000
Limited Review Reports (Quarterly)	6,90,000
Other Services	6,19,000
Out of Pocket Expenses	1,13,000
ADF Foods (India) Limited:	
Audit Fees	3,75,000
Limited Review Reports (Quarterly)	1,50,000
Telluric Foods (India) Limited	
Audit Fees	2,00,000
Telluric Foods Limited	
Audit Fees	2,50,000
Total	38,67,000

S. PLANT LOCATIONS:

* 77/84, GIDC Industrial Estate, Nadiad-387 001, Gujarat.

* 83/86, GIDC Industrial Estate, Nadiad-387 001, Gujarat.

* 94, GIDC Industrial Estate, Nadiad-387 001, Gujarat.

* C 1-40/2, GIDC Industrial Estate, Nadiad-387 001, Gujarat.

* Plot No. 5, MIDC Industrial Estate, Malegaon, Sinnar, Nashik-422 103, Maharashtra.

* Plot No. C-4, RS/Block No. 243, Village Shah, Kim-Mandvi, State Highway No. 165/169, Taluka Mangrol, District Surat.

T. ADDRESS FOR INVESTOR CORRESPONDENCE:

For any assistance regarding dematerialization of shares, issue of letter of confirmation in lieu of duplicate share certificate, transmissions, change of address or any other query relating to shares, please write to M/s. Link Intime India Private Limited, at the below mentioned address:

C - 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083, India.

Tel.: 022-49186270 Fax: 022-49186060

For general correspondence, please write to:

ADF Foods Limited

Registered Office: 83/86, G.I.D.C. Industrial Estate, Nadiad-387 001, Gujarat.

Corporate Office: The Company Secretary,

Marathon Innova, B2, G01, Ground Floor, G.K. Road, Lower Parel, Mumbai-400 013.

Email: co_secretary@adf-foods.com

Tel.: 022 6141 5555; Fax: 022 61415577

Shareholders holding shares in the electronic form should address their correspondence (except those relating to dividend) to their respective Depository Participants.

U. LIST OF ALL CREDIT RATINGS OBTAINED BY THE COMPANY ALONG WITH ANY REVISIONS THERETO DURING THE FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF THE COMPANY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE COMPANY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD: N.A.

V. OTHER DISCLOSURES:

i) Disclosure regarding materially significant related party transactions:

- (a) No transaction of material nature has been entered into by the Company with the related parties that may have potential conflict with the interest of the Company.
- (b) Transactions with related parties viz. Directors and their relatives, Key Managerial Personnel and Subsidiaries are covered by contracts which govern the terms and conditions clearly.
- (c) The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in Note No. 43 of the Financial Statements.
- (d) Related Party Transaction Policy is stated under the web-link below: <https://adf-foods.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>

ii) Details of compliance with the mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with the mandatory requirements and adopted the non-mandatory requirements the details of which are given at Point No. (xi) below.

iii) Subsidiary Companies:

The Company's Material Subsidiary Policy is stated under the web-link below:

<https://adf-foods.com/wp-content/uploads/2019/04/Policy-for-Determining-Material-Subsidiary.pdf>

The Company does not have any material unlisted Indian subsidiary as on 31st March, 2023.

The Company has four Subsidiaries viz. ADF Foods UK Ltd., Power Brands (Foods) Pvt. Ltd. (under voluntary liquidation), ADF Foods (India) Ltd. and Telluric Foods India Limited and four step down subsidiaries viz. ADF Holdings (USA) Ltd., ADF Foods (USA) Ltd. Telluric Foods Limited and Vibrant Foods New Jersey LLC.

Power Brands (Foods) Pvt. Ltd. is undergoing voluntary liquidation vide special resolution passed by the members on 5th November, 2012.

The Company monitors performance of its Subsidiaries, *inter-alia*, by the following means:

- The Financial Statements of the Subsidiary Companies are reviewed by the Audit Committee of the Company.
- The Minutes of the Board Meetings of the Subsidiary Companies are placed before the Board Meeting of the Company.
- The details of any significant transactions and arrangements entered into by the unlisted Subsidiary Companies are placed before the Board Meeting of the Company.

Power Brands (Foods) Private Limited:

Power Brands (Foods) Pvt. Ltd., Wholly Owned Subsidiary of the Company, is undergoing Voluntary Liquidation vide Special Resolution passed by the Members on 5th November, 2012.

Shareholders interested in obtaining a copy of the audited annual accounts of the Subsidiary Companies may write to the Company Secretary.

In terms of proviso to Sub-Section 3 of Section 129 of the Companies Act, 2013, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of this Annual Report.

iv) Certification from Company Secretary in Practice:

Mr. Sanjay Risbud of M/s. S. S. Risbud & Co., Practicing Company Secretary, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory Authority. The certificate is enclosed with this section as Annexure II.

v) Disclosure of Accounting Treatment:

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 which became applicable to the Company w.e.f. 1st April, 2017.

vi) Risk Management:

The Company has adopted Business Risk Management System (BRMS) for mitigating various risks associated and identified across all levels within the organization. BRMS would enable the management to review the business risks on periodical basis and to bring high risk areas to the immediate attention of the Board.

vii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital market during last three years.

viii) Disclosure of commodity price risks and commodity hedging activities:

The details are mentioned in point number "O" in General Shareholder's Information.

ix) Vigil Mechanism/ Whistle Blower Policy:

The Board has adopted a 'Whistle Blower Policy' in its Meeting held on 11th August, 2014 with an objective to conduct the Company's affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

With the adoption of this Policy, the Company has put in place a mechanism wherein the Employees are free to report to the management any actual or possible violation of the Principles or any other unlawful or unethical or improper practice or act, or activity of the Company including leakage of Unpublished Price Sensitive Information. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No person has been denied access to the Management and Audit Committee. The mechanism is being reviewed by the Audit Committee of the Company in accordance with the Listing Regulations.

Whistle Blower Policy of the Company is displayed on the Company's website www.adf-foods.com under the web-link: <https://www.adf-foods.com/wp-content/uploads/2019/04/Whistle-Blower-Policy-2.pdf>.

During the year, no complaints were received and remained pending under the Whistle Blower Policy.

x) Disclosure on Sexual Harassment of Women at Workplace:

The disclosure pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given as under:

No. of complaints filed during the Financial Year 2022-23 - Nil

No. of complaints disposed of during Financial Year 2022-23- Nil

No. of complaints pending as on the end of Financial Year 2022-23- Nil

- xi) The Company has complied with all the mandatory requirements of Regulation 16 to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), (1A) & (1B)	Yes - 17(1) and 1(A) NA - 17(1B)
Meeting of Board of Directors	17(2)	Yes
Quorum of Board Meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Role of the Audit Committee and the information to be reviewed by the Audit Committee	18(3)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee Meeting	19(2A)	Yes
The Chairperson of the Nomination and Remuneration Committee may be present at the Annual General Meeting, to answer the shareholders' queries	19(3)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Role of the Nomination and Remuneration Committee	19(4)	Yes
Composition of Stakeholder Relationship Committee	20(1) (2), & (2A)	Yes
The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders	20(3)	Yes
Meeting of Stakeholders Relationship Committee	20 (3A)	Yes
Role of the Stakeholders Relationship Committee	20(4)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3)&(4)	Yes
Meeting of Risk Management Committee	21(3A)	Yes
The provisions of this regulation shall be applicable to top 1000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year.	21(5)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1), (1A), (5),(6),(7) & (8)	Yes - 23(1),(5),(6),(7) & (8) N.A. - 23(1A)
Prior or Omnibus approval of Audit Committee for all Related Party Transactions	23(2) & (3)	Yes
Approval for material Related Party Transactions	23(4)	Yes
Disclosure of Related Party Transactions	23(9)	Yes

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24A	Yes
Alternate Director to Independent Director	25(1)	N.A.
Maximum Tenure	25(2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
An independent director shall be held liable, only in respect of such acts of omission or commission by the listed entity which had occurred with his knowledge, attributable through processes of Board of Directors, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in these Regulations.	25(5)	Yes
Filling up of casual vacancy caused by removal/ resignation of Independent Director	25(6)	N.A.
Familiarization of Independent Directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D&O Insurance for Independent Director	25(10)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from Members of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	Yes
No employee including Key Managerial Personnel or Director or Promoter of a listed entity shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an Ordinary Resolution.	26(6)	Yes
Other Corporate Governance Requirements	27(1) & (2)	Yes

With regards to the Corporate Governance, the Company is in compliance with the requirements under Regulation 17 to 27 read with Schedule V and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of discretionary requirements as per Part E of Schedule II of Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The status of compliance with discretionary requirements as referred above is stated below:

- a. The Board: The Company has an Executive Chairperson. Therefore, the discretionary requirements pertaining to Non-Executive Chairperson are not applicable.
- b. Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- c. Modified opinion(s) in Audit Report: The Company's financial statement for the year 2022-23 does not contain modified Audit opinion.
- d. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Not applicable

e. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

Details of compliances under Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46:

Particulars	Regulation Number	Compliance status with regard to the disclosure on the Company's website (Yes/No/NA)
Terms and conditions of appointment of Independent Directors	46(2)(b)	Yes
Composition of various Committees of Board of Directors	46(2)(c)	Yes
Code of Conduct of Board of Directors and Senior Management Personnel	46(2)(d)	Yes
Details of establishment of Vigil Mechanism/ Whistle Blower Policy	46(2)(e)	Yes
Criteria for making payment to Non-Executive Directors, if the same has not been disclosed in the Annual Report	46(2)(f)	N.A. as the same has been disclosed in the Annual Report
Policy on dealing with Related Party Transactions	46(2)(g)	Yes
Policy for determining material subsidiaries	46(2)(h)	Yes
Details of Familiarisation programmes imparted to Independent Directors	46(2)(i)	Yes

W. NON COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT, WITH REASONS THEREOF: N.A.

X. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

In accordance with the provision of Regulation 39(4) and Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has opened an Unclaimed Suspense Account with IIFL Wealth Management Ltd during the year and has no unclaimed shares of the shareholders held in physical form .

The requisite disclosures as per Schedule V (F) of Listing Regulations in this regard are given below:

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Year – 1100 Equity Shares by 2 Shareholders
- (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year - Nil
- (c) Number of shareholders to whom shares were transferred from suspense account during the year - Nil
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of year – Nil**
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

** During the Financial Year 2022-23, 1100 equity shares lying in suspense account were transferred to Investors Education & Protection fund (IEPF).

Y. DISCLOSURE OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED

Name of entity	Nature of loan and advances	Amount
Nil		

Note: Loans and advances to subsidiary whose accounts are consolidated is exempt and hence not mentioned above.

Z. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Statutory Auditors
ADF Holdings (USA) Ltd.	22 nd September, 2010	Delaware, USA	Funaro & Co., P.C.
ADF Foods UK Limited	6 th September, 2002	England & Wales	Kalyaniwalla & Mistry LLP
Vibrant Foods New Jersey LLC	1 st September, 2021	New Jersey, USA	Funaro & Co., P.C.

AA. CODE OF CONDUCT:

The Company has adopted the Code of Conduct and Ethics for Directors and Senior Management. As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to Corporate Governance, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code and a declaration signed by the Managing Director & CEO is given below:

“It is hereby declared that the Company has obtained from all Members of the Board and Senior Management Personnel, an affirmation that they have complied with the Code of Conduct for the Board Members and Senior Management Personnel for the Financial Year ended 31st March, 2023.”

Code of Conduct of the Company is displayed on the Company's website www.adf-foods.com under the web-link <https://www.adf-foods.com/wp-content/uploads/2016/12/ADF-Code-of-Conduct.pdf>.

Bimal R. Thakkar

Chairman, Managing Director & CEO

DIN: 00087404

BB. CEO/CFO CERTIFICATION:

A certificate duly signed by the Managing Director & CEO & CFO that the Financial Statements reflect true and fair view of the affairs of the Company was placed before the Board. The certificate is attached at Annexure III to this Report.

For and on behalf of the Board of Directors

Bimal R. Thakkar

Chairman, Managing Director & CEO

DIN: 00087404

ANNEXURE I

REPORT ON CORPORATE GOVERNANCEDETAILS OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS OF ALL THE DIRECTORS AS ON 31st March, 2023:**[1] MR. BIMAL R. THAKKAR****Other Directorships:**

- Saurashtra Cement Limited
- ADF Foods (India) Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]
- ADF Foods UK Limited
- ADF Holdings (USA) Limited
- ADF Foods (USA) Limited
- Telluric Foods Limited
- Telluric Foods(India) Limited

Committee Memberships:

- ADF Foods Limited
 - Shareholders' Grievance/Stakeholders' Relationship Committee
 - CSR Committee
 - Risk Management Committee
- Saurashtra Cement Limited
 - Nomination and Remuneration Committee
 - Stakeholders' Relationship Committee
 - Allotment Committee
 - CSR Committee
 - Finance Committee

[2] MR. VIREN A. MERCHANT**Other Directorships:**

- Encore Healthcare Private Limited
- Encore Healthcare International Private Limited
- ADF Foods (India) Limited

Committee Memberships:

- ADF Foods Limited
 - Audit Committee
 - CSR Committee
 - Shareholders' Grievance/ Stakeholders' Relationship Committee

[3] MR. JAY M. MEHTA**Other Directorships:**

- Saurashtra Cement Limited
- Metro Pizza Private Limited
- Goodkarma Hospitality Private Limited

- Indianapolis Hospitality Private Limited
- Omna Exports Private Limited
- Galaxy Technologies Private Limited
- Mehta Private Limited
- Agrima Consultants International Limited
- Arlightz and Films Private Limited
- Knight Riders Sports Private Limited
- ADF Foods UK Limited
- International Wine and Food Society
- Indian Automotive Racing Club Limited

Committee Memberships:

- ADF Foods Limited
 - Nomination and Remuneration Committee
 - Corporate Social Responsibility Committee
- Saurashtra Cement Limited
 - Stakeholders' Relationship Committee
 - Corporate Social Responsibility Committee

[4] MR. RAVINDER KUMAR JAIN

Other Directorships:

- Delta Corp Limited
- Nector Ramco Trading Private Limited
- Brovel Trading Private Limited
- Noble Newera Milestone Trading and Investment Private Limited
- Accra Investments Private Limited
- Orange City Properties Private Limited
- Nobel Feedback Computers Private Limited
- Spirit Marketing Private Limited
- Craft Brewerkz Private Limited
- Marvel Resorts Private Limited
- Daman Hospitality Private Limited
- Bayside Properties Private Limited CN

Committee Memberships:

- ADF Foods Limited
 - Audit Committee
 - Nomination and Remuneration Committee
- Delta Corp Limited
 - Audit Committee
- Marvel Resorts Private Limited
 - Audit Committee
 - Nomination and Remuneration Committee

[5] MR. CHANDIR G. GIDWANI**Other Directorships:**

- Centrum Capital Limited
- Rap Media Limited
- Nanikrami Agro Private Limited
- Maurya Sugar Private Limited
- Casby Global Air Private Limited
- Club 7 Holidays Limited
- Sonchajyo Investments and Finance Private Limited
- Centrum Capital Advisors Limited
- Centrum Alternative Investment Managers Limited
- Gurudaya Estates Private Limited
- Begonia Ventures Private Limited
- Business Match Services (India) Private Limited
- JBCG Advisory Services Private Limited
- P & M Infrastructures Limited
- Centrum Fiscal Private Limited
- Royale Thrill Ventures Private Limited
- Centrum Holdings Limited
- ADF Foods UK Limited
- ADF Holdings (USA) Limited
- ADF Foods (USA) Limited
- Modulus Alternatives Investment Managers Limited

Committee Memberships:

- ADF Foods Limited
 - Audit Committee
 - Nomination and Remuneration Committee
 - Risk Management Committee
- Centrum Capital Limited
 - Nomination and Remuneration Committee
 - Stakeholders' Relationship Committee
 - Corporate Social Responsibility Committee
- Rap Media Limited
 - Audit Committee
 - Stakeholders Relationship Committee
 - Nomination and Remuneration Committee

[6] MS. DEEPA MISRA HARRIS**Other Directorships:**

- TCPL Packaging Limited
- Prozone Realty Limited (formerly known as Prozone Intu Properties Limited)
- Jubilant Foodworks Limited
- Yatra Online Limited

Committee Memberships:

- ADF Foods Limited
 - Corporate Social Responsibility Committee
 - Shareholders' Grievance/ Stakeholders' Relationship Committee
 - Audit Committee
- Prozone Realty Limited (formerly known as Prozone Intu Properties Limited)
 - Audit Committee
 - Nomination and Remuneration Committee
 - Stakeholders' Relationship Committee
 - Corporate Social Responsibility Committee
- Jubilant Foodworks Limited
 - Audit Committee
 - Corporate Social Responsibility Committee
 - Risk Management Committee
 - Nomination and Remuneration Committee

ANNEXURE II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
ADF Foods Limited
Mumbai

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ADF Foods Limited having CIN: L15400GJ1990PLC014265 and having its Registered Office at 83/86, G.I.D.C. Industrial Estate, Nadiad - 387 001 (hereinafter referred to as 'the Company'), produced before me 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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 in Company
1.	Bimal Ramesh Thakkar	00087404	30/05/2003
2.	Viren Ajitkumar Merchant	00033464	03/11/2005
3.	Ravinder Kumar Jain	00652148	11/10/2007
4.	Jay Mahendra Mehta	00152072	12/02/2019
5.	Chandir Gobind Gidwani	00011916	07/02/2020
6.	Deepa Misra Harris	00064912	25/03/2020

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.

Place: Thane
Date : 25.04.2023

Name: Sanjay S. Risbud, Practicing Company Secretary
Membership No.: 13774
CP No.: 5117
UDIN: A013774E000186320

ANNEXURE III

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors
ADF Foods Limited

We, the undersigned, hereby certify and confirm to the Board of Directors of the Company that:

- A. We have reviewed financial statements and cash flow statement for year ended 31st March, 2023 and that to the best of our knowledge and belief;
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept 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 we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, of which we are aware and we have taken steps to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
1. there are no significant changes in internal control over financial reporting during the year;
 2. there are no significant changes in accounting policies during the year; and
 3. there has been no instance of fraud of which we 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.

Bimal R. Thakkar
Chairman, Managing Director & CEO
DIN: 00087404

Shardul Doshi
CFO

Date: 6th May, 2023

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Board of Directors
ADF Foods Limited

1. We, Kalyaniwalla & Mistry LLP, Chartered Accountants, the Statutory Auditors of ADF Foods Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2023, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended ("SEBI Listing Regulations"), pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, Clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

9. This certificate has been issued at the request of the Company solely for the purpose of enabling the Company to comply with the requirement of the SEBI Listing Regulations and should not be used by any other person or for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W / W100166

Sai Venkata Ramana Damarla
PARTNER

Membership Number 107017
UDIN: 23107017BGXHDT5912

Place: Mumbai
Date: May 6, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I Details of the listed entity

Sr. No.		
1	Corporate Identity Number (CIN)	L15400GJ1990PLC014265
2	Name of the Listed Entity	ADF Foods Limited
3	Year of incorporation	1990
4	Registered office address	83/86, G.I.D.C Industrial Estate, Nadiad - 387 001, Gujarat, India
5	Corporate address	Marathon Innova B2 – G01 Ground floor, Opp. Peninsula Corporate Park, G.K. Road, Lower Parel, Mumbai – 400 013
6	E-mail	co_secretary@adf-foods.com
7	Telephone	022 6141 5555
8	Website	https://adf-foods.com/
9	The financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹ 21,97,27,190
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Shalaka Ovalekar Email: co_secretary@adf-foods.com
13	Reporting boundary	Disclosures made in this report are on a standalone basis

II Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Distribution of Processed Foods	ADF Foods is a leading global food manufacturing company and distributor offering products such as sauces, pickles, chutneys, pastes, ready-to-cook, ready-to-eat products and frozen foods.	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Processed Foods including Meal accompaniments, ready to eat foods, frozen foods, canned foods and vegetables, cooking pastes.	10740 & 10750	100%

III Operations

16. The number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	1	4
International	0	3	3

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	55+

b. What is the contribution of exports as a percentage of the total turnover?

INR

	FY23	FY22	FY21
India	1,31,02,237.00	1,06,02,543.00	95,69,471.00
Outside India	3,46,04,66,683.00	2,85,54,60,446.00	2,27,80,12,555.00
Total	3,47,35,68,920.00	2,86,60,62,989.00	2,28,75,82,026.00
Contribution of Exports	99.62%	99.63%	99.58%

c. A brief on types of customers

ADF Foods serves a wide range of customers, including retail consumers, wholesalers and distributors. The Company has more than 180 distributors in more than 55 countries across the Globe.

IV Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	227	210	92.51%	17	7.49%
2.	Other than Permanent (E)	Not applicable as all employees are permanent employees.				
3.	Total employees (D + E)	227	210	92.51%	17	7.49%
Workers						
4.	Permanent (F)	120	62	51.67%	58	48.33%
5.	Other than Permanent (G)	865	355	41.04%	510	58.96%
6.	Total workers (F + G)	985	417	42.34%	568	57.66%

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently-abled employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
Differently-abled workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16%
Key Management Personnel	3	1	33%

20. Turnover rate for permanent employees and workers

Particulars	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14	0	6.16%	25	3	13.46%	21	6	13.36%
Permanent Workers	3	1	3.33%	1	1	1.61%	0	2	1.96%

V Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	ADF Foods (India) Limited	Subsidiary	100%	No
2	Telluric Foods (India) Limited	Subsidiary	100%	No
3	Telluric Foods Limited	Subsidiary	100%	No
4	ADF Foods UK Limited	Subsidiary	100%	No
5	ADF Holdings (USA) Limited	Subsidiary	100%	No
6	ADF Foods (USA) Limited	Subsidiary	100%	No
7	Vibrant Foods New Jersey LLC	Joint Venture	70%	No

VI CSR Details

22. (i) Whether CSR is applicable: Yes

(ii) Turnover (Rs. in Lakhs): Rs. 34,735.69 Lakhs

(iii) Net worth (Rs. in Lakhs): Rs. 42,565.38 Lakhs

VII Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes	NIL	NIL	NIL	NIL	NIL	NIL

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Employees and workers	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Customers	Yes	35	NIL	NIL	50	NIL	NIL
Value Chain Partners	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	Yes	NIL	NIL	NIL	NIL	NIL	NIL

Note: The weblink for resolving grievances of external stakeholders is as under

<https://adf-foods.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy-External.pdf> (External)

The weblink for resolving grievances of internal stakeholders is as under

<https://adf-foods.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy-Internal.pdf> (Internal)

Internal Grievance Redressal Mechanism :

The employees shall approach the HR Department with their Grievances. HR Department shall follow the below procedure :

- Ask employee to submit their grievances in writing, if possible
- Talk with the employee to ensure the matter is understood completely
- Provide the employee who faces allegations with a copy of the grievance
- Organize mediation procedures (e.g. arranging a formal meeting)
- Refer to Grievance Redressal Committee within 5 days if the same can't be resolved through mediation. The Grievance Redressal committee shall commence the enquiry within 10 days of receipt of the Grievance and communicate the decision within 3 months.
- Take actions to ensure the formal decision is adhered to
- Keep accurate records

24. Overview of the entity's material responsible business conduct issues

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Opportunity	Planned and executed renewable energy systems and energy-efficient appliances can drive the organisation to reach maximum efficiency of energy produced and procured.	Obtain renewable energy through solar power units, supply of renewable energy, and migrate to energy-efficient machinery and appliances to minimise power consumption.	Investing in renewable energy systems, energy-efficient appliances, and machinery has the potential to provide positive benefits and decrease operating expenses over the long run.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Carbon Emissions	Risk	Rising product demand will need higher manufacturing capacity, resulting in a rise in emissions.	Implementation of energy efficient technologies in the processes such as efficient machinery, environment friendly resources and transitioning to low-emission fuels.	Increasing operating costs will be brought on by investments in more environmentally friendly technology and techniques for reducing emissions.
3	Water Management	Risk	With water being a scarce resource on the planet and an essential component of food production industry, the scarcity and mismanagement of water poses a risk to the future operations	Establish strategies and audits to guarantee optimal ZLD efficiency in all plants, as well as additional measures to conserve water resources through programmes such as rainwater harvesting and groundwater recharging.	There is no estimated immediate financial effect, and measures are being undertaken to promote efficient water management to avoid this issue from becoming unmanageable.
4	Packaging Material	Risk	Due to the different geographical locations of the customers, it is not always feasible to monitor treatment and disposal or offer a collection of food packaging waste handled by individual customers.	Initiatives are being developed to embrace more environmentally friendly packaging technologies and materials in order to provide a safe environment. Present packaging material has increased shelf life of the products leading to an increase in the waste due to expiry of products.	An increase in output will result in an increase in packaging trash, increasing the company's responsibility for the waste and the increased quantity to acquire and execute viable treatment technologies.
5	Waste Management	Opportunity	The waste produced may be seen as a resource that could be used in the future as well as a way to lessen the negative effects the business has on the environment. Food residue from production can be used for fodder and similar purposes.	Collaboration with External agencies to ensure efficient waste recycling processes are being developed in order to reduce waste disposal. ZLD process is available in Nasik and further steps are taken to ensure that waste is processed and disposed of in accordance with CPCB/SPCB-approved limits.	Waste is recycled and reused both internally and externally, resulting in lower operating costs and a contribution to minimising environmental waste.
6	CSR	Opportunity	Involvement in the development of the community serves to improve the standard of community life, therefore producing future employees and consumers. It also helps the company generate goodwill by becoming a community benefactor.	Development and implementation of community engagement activities with the provision of funds to the community as well as through initiatives of the CSR dept. of the company.	The benefits to the community via engagement activities of the company develop goodwill and boost the company's brand, which has long-term benefits.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Diversity, Equity and Inclusion	Opportunity	It provides the company an avenue to contribute to the betterment of the society as a whole and access to a larger pool of talent for its workforce	Focus on encouraging people from all walks of life to enter the workforce by providing a safer workplace via the implementation of legislation that safeguard equal rights, fair pay and workplace safety. Creating robust systems in the form of policies, as well as efficient monitoring mechanisms, to ensure that initiatives are carried out in accordance with the company's values.	The benefits that DEI activities bring to the workforce develop loyalty among employees and enhance the company's workforce, which has long-term financial benefits.
8	Human Rights	Risk	Regular changing regulations pose a challenge to the business in terms of being ethical and fair employer.	All operations are rigorously monitored to ensure that no human rights violations occur in the course of doing business. We are committed to conducting regular human rights training for our employees and workers.	A violation in any of the business activities can lead to severe reputational and financial risk for the organisation
9	Workforce Welfare	Opportunity	As staff is an important component of the business growth plan, failing to satisfy workforce expectations may have a negative impact on the company's retention rate and business continuity.	Measures to guarantee that a specific emphasis is placed on providing benefits other than wages/salaries to all workers, such as medical and accidental insurance and other social security benefits.	Expenses for benefits are vital for worker welfare and producing a motivated staff, which leads to greater quality of operations and, consequently, increased revenues.
10	Human capital Development.	Opportunity	Highly skilled workers and employees carry out their duties more effectively and efficiently, resulting in a more effective workforce that supports the company's internal growth, which in turn helps to improve product quality and, eventually, revenue.	Ensure the holistic development of all company personnel via advanced technology training in manufacturing processes and logistics. Furthermore, relevant individuals receive skill enhancement training to ensure that the workforce is equipped with the most efficient skills.	Efforts in ensuring the skill development of the workforce will lead to a more efficient workforce and improved productivity of the company.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Employee Health and Safety	Risk	Employee health and safety issues can cause operations to be disrupted, productivity levels to fall, and the brand's image in the market to suffer.	Workplace safety policies are being adopted in order to safeguard the workforce's safety and boost productivity. Workers are provided with the necessary personal protective equipment, and stringent safety measures are implemented. To raise safety awareness among all employees, promotional initiatives and training are implemented.	Financial resources dedicated to employee health and safety will yield positive results in the long term
12	Sustainable Sourcing	Opportunity	Sourcing raw materials from local suppliers helps the company procure fresh materials for its food products thereby enhancing the product quality and economic development of the local communities.	ADF obtains majority of agro-based raw material from local mandis. The promotion of local vendors provides them with an enhanced source of revenue.	The reasonable cost of raw materials due to purchasing from local vendors enhanced ADF's commitment to the environment by lowering emissions from reduced transportation, improving product quality attributable to freshly sourced raw material, and upliftment of the local community.
13	Product Design & Lifecycle Management	Opportunity	Improved package quality in terms of environmental friendliness would significantly minimize ADF's carbon footprint and demonstrate ADF's commitment to the sustainable environment.	Efforts are being developed to transition all viable items to more environmentally friendly packaging.	Environmentally friendly packaging will ultimately lower indirect waste management costs and move the company towards a more sustainable model.
14	Product quality and safety	Risk	With the packaged food industry's high sensitivity to product quality and safety concerns, controlling risks associated with product responsibility is critical for a successful business model.	Comprehensive monitoring systems of all business operations to assure product quality and strict guidelines for guaranteeing product safety in accordance with industry standards and applicable statutory norms.	Any deviation from product quality and safety standards could result in fines and loss of business and therefore revenue. It can also potentially cause a reputational loss for the company.
15	Business Conduct and Ethics	Risk	Any transgression of the organization's ethical standards may result in the loss of goodwill of the business and may have financial and legal repercussions.	Mechanisms for rigorous monitoring and compliance are put in place to ensure that all business operations adhere to the company's principles and rules.	A violation in any of the business activities can lead to severe reputational, financial, and legal risk for the organisation.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No) [Refer Note 1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://adf-foods.com/wp-content/uploads/2019/04/Whistle-Blower-Policy-2.pdf https://adf-foods.com/wp-content/uploads/2016/12/ADF-Code-of-Conduct.pdf https://adf-foods.com/wp-content/uploads/2021/07/CSR-Policy-1.pdf https://adf-foods.com/wp-content/uploads/2022/11/Sexual-Harrasement-Policy.pdf https://adf-foods.com/wp-content/uploads/2023/02/Environment-Protection-Policy.pdf https://adf-foods.com/wp-content/uploads/2023/02/Equal-Opportunity-for-Work-and-Pay-Policy.pdf https://adf-foods.com/wp-content/uploads/2023/03/Grievance-Redressal-Policy-External.pdf https://adf-foods.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy-Internal.pdf https://adf-foods.com/wp-content/uploads/2023/02/Human-Rights-Policy.pdf https://adf-foods.com/wp-content/uploads/2023/02/Preferential-Procurement-Policy.pdf https://adf-foods.com/wp-content/uploads/2023/02/Marketing-Communication-Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/labels/ standards	1. ISO 22000:2008 certificate 2. GFSI-BRCGS Food Safety certification 3. USDA organic accreditation for the Nashik plant 4. UKAS accreditation 5. Sedex certification								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	ADF's ESG Roadmap with specific commitments, goals and targets is under development. This would be published as per the approval from our Board in the coming year.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								

Governance, leadership and oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At ADE, we recognize the crucial role that we play in ensuring the sustainability of our planet. We are committed to minimizing our environmental impact by taking responsible actions that prioritize sustainability in every aspect of our operations. To achieve our sustainability goals, we have implemented a comprehensive sustainability strategy that includes reducing greenhouse gas emissions, improving water efficiency, and reducing waste. We have also invested in renewable energy sources to power our operations, have implemented energy-efficient technologies throughout our production facilities, and Zero Liquid Discharge in our facility at Nasik.

In addition to minimizing our environmental impact, we are also committed to promoting social sustainability. We are in the process of prioritising fair labour practices throughout our supply chain and work with suppliers who share our commitment to human rights, labour rights, and ethical business practices.

As a company, we understand that sustainability is an ongoing journey, and we are continuously looking for ways to improve and innovate our sustainability practices. We believe that by prioritizing sustainability, we can create long-term value for our customers, our employees, and the planet.

We are proud of the progress we have made thus far and remain committed to achieving our sustainability goals while also driving growth and delivering value for all of our stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Chief Executive Officer
---	-------------------------

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No, a committee shall be formed in 2023-24 to take decisions on sustainability-related issues
---	---

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director	Annual								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director	Annual								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	NO								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics /principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Code of Conduct	100
Key Managerial Personnel	1	Code of Conduct, Human Rights, Anti-Corruption & Anti-Bribery, Business Ethics	100
Employees other than BoD and KMPs	1	Code of Conduct, Human Rights, Anti-Corruption & Anti-Bribery, Business Ethics, POSH	100
Workers	66	Human Rights, Health and Safety	100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred? (Yes/ No)
Penalty/ fine			Nil		
Settlement			Nil		
Compounding fee			Nil		

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an Appeal been preferred? (Yes No)
Imprisonment			Nil		
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes,

<https://adf-foods.com/wp-content/uploads/2023/03/Anti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not Applicable.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of Improvements in environmental and social impacts
R&D	100%	100%	The entire R&D expenditure and related Capex is focussed on Energy Conservation measures for processes and the further development of quality and healthy products.
Capex	100%	100%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
- Yes, the Company contributes to sustainable sourcing by obtaining majority of agro-based raw material from local mandis. The promotion of local vendors provides them with an enhanced source of revenue and larger supplier base for ADF for future operations.
- b. If yes, what percentage of inputs were sourced sustainably?
- Around 5% of the inputs are through sustainable sourcing.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste
- Plastic waste is given to authorised recycling agency. Other packaging wastes including cartons/ /Labels/ bottles/tins are given to other scrap dealers. E-wastes and batteries are given to authorised agencies. Processed burnt oil is disposed of outside the factory by an authorised external agency.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	210	210	100%	210	100%	0	0	210	100%	176	83.81%
Female	17	17	100%	17	100%	17	100%	0	0	8	47.05%
Total	227	227	100%	227	100%	17	7.49%	210	92.51%	184	81.06%
Other than Permanent employees											
Male	The Company doesn't have employees other than permanent employees.										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	62	62	100%	62	100%	0	0.00	62	100%	62	100%
Female	58	58	100%	58	100%	58	100%	0	0	58	100%
Total	120	120	100%	120	100%	58	48.33%	62	51.67%	120	100%

Other than Permanent workers

Non-Permanent Workers are contracted via a 3rd party and are not on the payroll of ADF, thereby responsibility related to the information shared above lies with the contractor. The Company ensures that the contractors meet the statutory requirements.

Insurance:

Group Mediclaim: All permanent employees are covered under Group Mediclaim (GMC) and Personal Accident policy. For GMC, coverages would depend as per the employee's grade and offers self-coverage. The policy entails cashless facility across major network hospitals across all company locations as well as reimbursement facility in case the hospital is not in the network.

Group Personal Accident: All permanent employees of the Company are covered during all 24 hours of the day, while on duty or otherwise under the GPA policy. Accidental injury and death are covered, either while on duty or otherwise.

Maternity Leave: As per statutory norms, all permanent female employees are entitled to a maximum of 180 days of Maternity Leave as per the Maternity Benefit (Amendment) Act, 2017 provided the employee has worked for at least 80 days.

Paternity Leave: All permanent male employees are entitled to 5 days paternity leave for each childbirth for the first two children.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	21.40	27.04	Y	19.57	29.81	Y
Others	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises of the company are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, ADF has implemented an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The policy can be accessed at <https://adf-foods.com/wp-content/uploads/2023/02/Equal-Opportunity-for-Work-and-Pay-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes - Suggestion Box, verbal/written complaints to HR Department, approach Whistle Blower Committee, approach Prevention of Sexual Harassment Committee
Other than Permanent Workers	Not Applicable. Non-permanent workers are contracted via a 3 rd party and their grievance redressal mechanism rests with the contractors. The Company ensures that all norms and regulations while working on plants are met.
Permanent employees	Yes - Suggestion Box, verbal/written complaints to HR Department, approach Whistle Blower Committee, approach Prevention of Sexual Harassment Committee
Other than permanent employees	Not Applicable. There are no non-permanent employees in the company.

Note:

√ **Suggestion Box:** The suggestion box has been installed in all factories as well as the Head office to encourage employees to submit suggestions, comments and complaints anonymously, although they can include their names if they want. The box is opened on periodic basis and the suggestions are taken into consideration.

√ The Whistle Blower Policy and Policy for Prevention Of Sexual Harassment are available to all employees of the Company. Further details of the procedures can be found at the following links

- o <https://adf-foods.com/wp-content/uploads/2019/04/Whistle-Blower-Policy-2.pdf>
- o <https://adf-foods.com/wp-content/uploads/2022/11/Sexual-Harrasement-Policy.pdf>

7. Membership of employees and worker in association(s) or union(s) recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or union(s) (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or union(s) (D)	% (D / C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	120	24	20%	124	25	20.16%
- Male	62	10	16.12%	65	10	15.38%
- Female	58	14	24.13%	59	15	25.42%

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees										
Male	210	176	83.81%	210	100%	195	161	82.56%	195	100%
Female	17	8	47.06%	17	100%	13	6	46.15%	13	100%
Total	227	184	81.06%	227	100%	208	167	80.29%	208	100%
Workers										
Male	417	417	100%	417	100%	418	418	100%	418	100%
Female	568	568	100%	568	100%	503	503	100%	503	100%
Total	985	985	100%	985	100%	921	921	100%	921	100%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	210	210	100%	195	195	100%
Female	17	17	100%	13	13	100%
Total	227	227	100%	208	208	100%
Workers						
Male	417	417	100%	418	418	100%
Female	568	568	100%	503	503	100%
Total	985	985	100%	921	921	100%

Note on the Company's Performance Appraisal system:

Appraisals are conducted in the organization with the aim to evaluate performance, planned development, identifying Career Paths and providing inputs for compensation enhancements

The appraisal process is an annual activity. For permanent employees the HR department rolls out the appraisal forms to all eligible employees in the organizations. The employees fill the KRA's and complete the self-appraisal process. Post the self-appraisal the forms are shared with respective HOD's who do the evaluation. Based on the scores obtained in the appraisal the increment percentage and promotions, if any are decided by the management. For the workers, on field review is done by the supervisors on continuous basis and based on the same the increment percentages are decided.

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, the occupational health and safety management system encapsulates the entire workforce. The coverages are as under.

- 1) Emergency vehicle with driver available 24x7.
- 2) First aid boxes are available.
- 3) Tie – up with local doctors and hospitals for immediate treatment.
- 4) Fire - fighting processes (Fire hydrant system, smoke detectors, siren systems and various types of fire extinguishers) are in place with regular fire drills.
- 5) PPE kits are provided.
- 6) Safety instructions are displayed at conspicuous places.
- 7) CCTV cameras at various locations for effective vigilance and surveillance.
- 8) Preventive maintenance of machines at regular intervals.
- 9) Exhaust systems and proper ventilation available in high temperature areas.
- 10) Gas leakage kits are available for NH3 gas.
- 11) Special jackets are provided in blast freezer areas where the temperature is -18 degrees.
- 12) Regular health and safety trainings are conducted.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

ADF conducts Hazard identification and risk assessment for each activity, area, and process on-site and risk assessment control/preventive measures.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

- d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No).

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The occupational health and safety management system encapsulates the entire workforce. The coverages are as under.

- 1) Emergency vehicle with driver available 24x7.
- 2) First aid boxes are available.
- 3) Tie – up with local doctors and hospitals for immediate treatment.
- 4) Fire - fighting processes (Fire hydrant system, smoke detectors, siren systems and various types of fire extinguishers) are in place with regular fire drills.
- 5) PPE kits are provided.
- 6) Safety instructions are displayed at conspicuous places.
- 7) CCTV cameras at various locations for effective vigilance and surveillance.
- 8) Preventive maintenance of machines at regular intervals.
- 9) Exhaust systems and proper ventilation available in high temperature areas.
- 10) Gas leakage kits are available for NH3 gas.
- 11) Special jackets are provided in blast freezer areas where the temperature is -18 degrees.
- 12) Regular health and safety trainings are conducted.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	3	0	-	3	0	-
Health & Safety	0	0	-	1	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

NA

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution that adds value to the business chain of the Corporation is identified as a core stakeholder. ADF has recognized both, internal stakeholder which includes employees and leadership and external stakeholder which includes external channels such as regulators, investors and community.

ADF has conducted a full-fledged materiality assessment which involves a process of stakeholder engagement. The company reached out to various groups of identified stakeholders through questionnaire with investors and supply partners, customers, employees and gauged their view.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Customers	No	Emails, meetings, phone calls, advertisements, brochures.	Regularly	<ul style="list-style-type: none"> a) availability of products at economical prices; b) Product quality c) Delivery schedules d) Feedback e) Prompt Complaint redressal
Shareholders	No	Emails, website, meetings, phone calls, letters, newspaper notices, investors presentations & press release	Regularly	<ul style="list-style-type: none"> a) Return on investments in form of Dividend/ Buyback; b) Adequate and timely disclosures of financial information through press mediums/ Company website; c) Queries/complaints redressal
Creditors/ Bankers	No	Emails, phone calls, letters and meetings	Regularly	<ul style="list-style-type: none"> a) Routine banking transactions; b) drawdown limits c) Lending terms d) Charge creations and release on mortgaged/hypothecated properties
Employees	No	Verbal Communication, Emails, phone calls, employee manuals, workshops, training sessions and meetings	Regularly	<ul style="list-style-type: none"> a) Yearly performance appraisals and increments b) Fair wages and equal opportunities c) Employee engagement activities d) Beneficial HR policies e) Safe environment and organized work culture f) Priority grievance redressal g) Skill upgradation

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Community	Yes	Campaigns, phone calls, meetings	Regularly	a) Optimal use of resource b) Managing waste c) Prevention of pollution d) Use of energy efficient technologies e) CSR initiatives for underprivileged people
Suppliers	No	Emails, meetings, phone calls	regularly	1) Purchase of quality material 2) Rate negotiation 3) delivery schedules

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. employees/workers covered (D)	% (D / C)
Employees						
Permanent	227	227	100%	208	208	100%
Other than permanent	-	-	100%	-	-	100%
Total Employees	227	227	100%	208	208	100%
Workers						
Permanent	120	120	100%	124	124	100%
Other than permanent	865	865	100%	797	797	100%
Total Workers	985	985	100%	921	921	100%

2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23				FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	227	0		227	100%	208	0		208	100%
Male	210	0		210	100%	195	0		195	100%
Female	17	0		17	100%	13	0		13	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	120	96	-	24	-	124			124	100%
Male	62	52	-	10	-	65			65	100%
Female	58	44	-	14	-	59			59	100%
Other than Permanent	865	865	100%	Nil		797	797	100%	0	0
Male	355	355	100%	Nil		353	353	100%	0	0
Female	510	510	100%			444	444	100%	0	0

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	Rs.6,00,000/-*	1	Rs.6,00,000/-
Key Managerial Personnel**	3	Rs.1,07,19,072/-	1	Rs.49,21,944/-
Employees other than BoD and KMP	208	Rs.3,62,747/-	16	Rs.4,02,024/-
Workers	62	Rs.1,81,783/-	58	Rs.1,81,783/-

Note:* Includes only sitting fees of Directors

** KMP includes Managing Director, Company Secretary, CFO & COO,

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the Company has a team in place under the direct touch initiative to address human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Guidance on human rights issues is covered as a part of the company's Code of Conduct. The Company has a Whistle Blower and Protection Policy that allows and encourages its stakeholders to raise concerns about the violations against the Code of Conduct. Any concerns reported are addressed by the direct touch team. Additionally, employees can report issues to the Chairman of the Audit Committee.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

A procedure has been implemented by the company wherein the identity of the complainant is protected to the extent possible. It is also ensured that no adverse action is taken against the complainant during and after the proceeding of the resolution of the complaint except when the complaints are proven to be false and/or baseless.

8. Do human rights requirements form part of your business agreements and contracts? (Yes)

Yes, some of the business agreements and contracts constitute human rights requirements.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

Not applicable

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY (2022-23) In MJ	FY (2021-22) In MJ
Total electricity consumption (A)	2,05,07,281	1,75,56,433
Total fuel consumption (B)	5,26,77,684	4,88,48,879
Energy consumption through other sources (C) (Solar)	5,51,502	6,84,270
Total energy consumption (A+B+C)	7,37,36,467	6,70,89,582
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.02 MJ/Rupee	0.02 MJ/Rupee
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water:

Parameter	FY (2022-23)	FY (2021-22)
Water withdrawal by source (in kilolitres)	-	-
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	64,175	64,075
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	64,175	64,075
Total volume of water consumption (in kilolitres)	31,030	30,930
Water intensity per rupee of turnover (Water consumed / turnover)	0.0089 KL/Thousand Rupees	0.0102 KL/Thousand Rupees

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

The Company has installed Effluent Treatment Plant at Nasik factory with zero liquid discharge. It recycles around 90,000 liters of water daily which is around 80% of total water consumption of Nasik plant.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	unit	FY 2022-23	FY 2021-22
Nox	µg/m ³	10.55	9.3
Sox	µg/m ³	13.68	14.62
Particulate matter (PM)	µg/m ³	62.88	53.47
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others- (Co ₂)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	TCO ₂ e	4,498.00	4,398.00
Total Scope 2 emissions	TCO ₂ e	5,126.82	4,389.11
Total Scope 1 and Scope 2 emissions per rupee of turnover	TCO ₂ e/Thousand Rupees	0.0028	0.0029

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

A solar unit generating 550 kw of power is operational at the Nashik unit for three years, meeting a large part of its requirement. The unit was installed by an agency as per the norms of MSEB and local State authorities.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY (Current Financial Year)	FY (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	5.26	0.15
E-waste (B)	0.02	0.41
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous Waste (G)	-	-
Other Non-Hazardous Waste Empty Drums (H)	22.00	-
Total (A+B + C + D + E + F + G + H)	27.28	0.56
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	4.97	0.41
(ii) Re-used		
(iii) Other recovery operations		
Total	4.97	0.41
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	22.00	-
(iii) Other disposal operations	0.30	0.15
Total	22.30	0.15

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

ADF employs robust waste management procedures to ensure that the least amount of waste is released into the environment. The procedures are briefly stated below,

- Installation of ETP for treatment of wastewater which is further discharged in the municipal sewer line
- Treated Solid waste is disposed of outside the factory by an authorised external agency
- All E-waste is disposed of outside the factory by an authorised external agency
- All Plastic waste is given to authorised external recycling agency
- Certain packaging material waste is given to scrap dealer.
- Processed burnt oil is disposed of outside the factory by an authorised external agency

10. If the entity has operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required, please specify details

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval /Clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			Nil

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws

Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder: Yes

Sr. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- Number of affiliations with trade and industry chambers/ associations:
4 (Four)
- List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Indian Merchant Chambers	National
2	Federation of Indian Export Organization	National
3	Confederation of Indian Industries	National
4	Federation of Indian Chambers of Commerce and Industry	National

- Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
Not Applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:
Nil
- Describe the mechanisms to receive and redress grievances of the community.

The Company's CSR implementation process has been developed keeping in mind the specific needs of the communities that it operates in. The Company finalises its community initiatives after a thorough understanding of the specific needs of each community through stakeholder engagement and need assessment. The Company interacts with various beneficiaries intermittently to ascertain whether there needs get addressed through the Company's CSR initiative.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	9.62%	12.61%
Sourced directly from within the district and neighbouring districts	5.00%	5.00%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback

For complaints/suggestions customers can share their feedback on the given mail id info@adf-foods.com mentioned on all products' packaging except for the bulk packets. Once a complaint is received an acknowledgement mail is sent to the customer within 24 hours and the final response & investigation report is shared within 5 -7 working days.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	There are no separate disclosures on environmental and social parameter other than Safe & responsible usage and recycling and safe disposal instructions.
Safe and responsible usage	60%
Recycling and/or safe disposal	27%

- Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other*	35	0	There have been many appreciations as well.	50	0	There have been many appreciations as well.

*Note – The complaints received from the consumers pertain to the quality and packaging of the products.

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes,

<https://adf-foods.com/wp-content/uploads/2023/04/Cyber-Security-Policy.pdf>

- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

NA

Independent Auditor's Report

To the members of
ADF FOODS LIMITED

Report on the audit of the Standalone Ind as Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **ADF FOODS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, and profit (financial performance including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	Our Response
<p>1. Impairment of Indefinite-lived intangible assets</p> <p>Indefinite-lived intangible assets (Brands) as at March 31, 2023 amount to ₹ 2,132.84 lakh.</p> <p>The impairment assessment must be performed at least annually and involves the determination of the recoverable amount, being the higher of the value-in-use and the fair value less costs to dispose.</p> <p>We consider this to be a key audit matter because the recoverability assessment of such assets involves complex and subjective estimates and judgements.</p> <p>These estimates and judgements are entrenched with inherent uncertainty as they include assumptions in relation to forecasting revenue growth rates, direct costs, foreign exchange rates, discount rates and future cash flows.</p>	<p>We have assessed the valuation methodology and challenged management's analysis and assumptions around the key drivers of cash flow forecasts including discount rate, terminal growth rate, royalty rate etc. by comparing them to relevant market data and with the assistant from independent external experts.</p> <p>We assessed the appropriateness and completeness of the related disclosures in the financial statements.</p>

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS 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.

Key Audit Matter Description	Our Response
<p>2. Derivative Instruments and Hedge Accounting</p> <p>The Company enters into a high volume of derivative financial instrument contracts to manage its exposure to foreign currency risk. These contracts gave rise to Derivative Liabilities of Rs.116.78 lakh as at March 31, 2023. These contracts are recorded at fair value and for the majority of them hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognised in the Statement of Profit or Loss when hedges mature. The high volume of contracts necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. The valuation of hedging instruments and consideration of hedge effectiveness can involve a significant degree of both complexity and management judgement and are subject to an inherent risk of error.</p>	<p>Ensure that the entity's Hedging policy is documented, validated by adequate level of management and those charged with governance, and communicated to all stakeholders within the entity.</p> <p>Assess process and controls to validate hedging requests to ensure that all hedging requests were duly validated by adequate level of management, and are in line with the entity's documented hedging policy.</p> <p>Verify that all derivatives documented in hedging relationships are allocated to a specific hedged risk from their inception.</p> <p>Testing management's controls over derivative financial instruments and hedge accounting.</p> <p>Inspecting, on a sample basis, appropriateness of hedging documentation and contracts.</p> <p>Obtaining confirmation in respect of derivative financial instruments from counterparties.</p> <p>Re-performing the year end valuations of derivative financial instruments and calculations of hedge effectiveness; and</p> <p>We assessed the appropriateness and completeness of the related disclosures in the financial statements.</p>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, namely Management Discussion and Analysis, Director's report, Corporate Governance Report, Business Responsibility Report and Share Holders Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the 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 Ind AS Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS 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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 Ind AS 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 with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS 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 Ind AS Financial Statements, the including disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- (g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its Standalone financial position in its Standalone Ind AS Financial Statements – Refer Note 38 to the Financial Statements.
 - ii. The Company did not have any material foreseeable losses, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. i. the management has represented that, to the best of it’s knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - ii. the management has represented, that, to the best of it’s knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. The dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
 - vi. In respect of the financial year 2022-23, Management has not been mandated to use the accounting software with requisite audit trail facility. Accordingly, proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023. Consequently, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner
Membership. No. 107017
UDIN: 23107017BGXHDR8678

Place: Mumbai
Dated: May 6, 2023

Annexure A to the Independent Auditor's Report

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone Ind AS Financial Statements for the year ended March 31, 2023.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets;
- (b) As explained to us, the Company has a regular programme of physical verification of Property, Plant and Equipment, by which all Property, Plant and Equipment are verified once in three years. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified during the year and discrepancies reported on such verification were not material and have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (iii) (a) The Company has provided loans to wholly owned subsidiary company during the year, Details are as follows.

Particulars	₹ Lakhs
	Loans
Aggregate amount of Loan granted/ provided during the year wholly owned subsidiary	115.00
Other	-
Balance outstanding as at balance sheet date in respect of above cases wholly owned subsidiary	115.00
Other	-

- (b) In our opinion and according to the information and explanation given to us and based on audit procedures performed by us, the investments made and terms and conditions of grant of all loans are, prima facie, not prejudicial to the Company's interest.
- (c) According to the information and explanation given to us and based on audit procedures performed by us, there were no stipulation of schedule of repayment of principal and payment of interest in respect of loan given to wholly owned subsidiary company as principle is repayable on demand along with interest thereon.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets and both during the year.
- (e) There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed were noticed on physical verification of inventories carried out at during the year.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed with such banks or financial institutions are in agreement with the books of account of the Company.
- (d) There is no amount overdue for more than ninety days so the question of taking reasonable steps to recover principle and interest doesn't not arise.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, no loans or advances in the nature of loan has been granted by the Company which has fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has granted following loans which are repayable on demand.

Particulars	₹ Lakhs
Aggregate amount of Loan	
Repayable on demand (A)	115.00
Agreement does not specify any terms or period of repayment (B)	-
Total (A+B)	115.00
Percentage of loans to total loans	100%

- (iv) In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not advanced any loans to the persons covered under Section 185 or given any guaranteed securities under section 186 of the Act. In our opinion and according to the information and explanations given to us, the provisions of Section 185 and Section 186 of the Act in respect of Investments made have been complied with by the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- (vi) According to the information given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act, in respect of any of the activities of the Company. Thus, the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities as applicable to it; According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities as applicable to it, There were no outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us and the records examined by us, Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Sr. No.	Name of the Statute	Amount (₹ in Lakh)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	463.54	F.Y.2006-2007 to F.Y.2010-2011	CESTAT
2	Income Tax Act, 1961	285.77*	F.Y.2009-2010, FY 2013-2014, FY 2016-2017, FY 2019-2020	CIT (Appeal)

* Net Amount disclosed, Company paid 124.06 Lakh disclosed in Notes 8 to Ind-AS Standalone Financial Statements.

- (viii) There are no instances of any transactions not being recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender;
- (b) According to the information and explanations given to us, the Company is not declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us, the Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, clause 3(ix) (c) of Order is not applicable.

- (d) According to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, the provisions clause 3(x) (a) of Order is not applicable.
- (b) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made preferential allotment of shares during the year. Hence, the clause 3(x) (b) of Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle-blower there were no complaints received by the Company during the year (and up to the date of this report), while determining the nature timing and extent of our audit procedure.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by the us.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered during the year into non-cash transactions with directors or persons connected with them. Accordingly, clause 3(xv) of Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the during the financial year, hence clause 3(xvii) of Order is not applicable.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) and are in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, clause 3(xx) (a to b) of Order is not applicable.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner
 Membership. No. 107017
 UDIN: 23107017BGXHDR8678

Place: Mumbai
 Dated: May 6, 2023

Annexure B to the Independent Auditor's Report

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls with reference to Financial Statements of ADF FOODS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, 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 System 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 Ind AS 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 Control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS 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 Control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls System with reference to financial statements and such Internal Financial Controls with reference to financial statements were operating effectively as at

March 31, 2023, based on “the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner

Membership. No. 107017
UDIN: 23107017BGXHDR8678

Place: Mumbai
Dated: May 6, 2023

Standalone Balance Sheet as at March 31, 2023

Particulars	Note No.	₹ Lakhs	
		As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4(a)	7,408.82	5,993.58
Capital work-in-progress	4(b)	69.45	13.63
Intangible assets	4(c)	2,143.84	2,137.85
Financial assets			
Investments	5	8,783.08	8,683.08
Loans	6	8.82	6.34
Other financial assets	7	106.14	117.84
Income tax assets (net)	8	639.42	498.40
Other non-current assets	9	9.26	77.89
Total non-current assets		19,168.83	17,528.61
Current assets			
Inventories	10	3,664.07	3,531.94
Financial assets			
Investments	11	7,998.73	3,927.08
Trade receivables	12	8,865.89	6,092.16
Cash and cash equivalents	13	1,846.64	3,093.79
Bank balances other than Cash and cash equivalents	14	2,361.34	2,336.10
Loans	15	129.43	39.30
Other financial assets	16	1,590.23	1,933.54
Other current assets	17	1,025.27	645.19
Total current assets		27,481.60	21,599.10
Total assets		46,650.43	39,127.71
Equity and liabilities			
Equity			
Equity share capital	18	2,235.10	2,134.45
Other equity	19	40,330.28	32,786.66
Total equity		42,565.38	34,921.11
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	20	167.64	5.81
Provisions	21	119.74	92.20
Deferred tax liabilities (net)	22	983.96	830.86
Total non-current liabilities		1,271.34	928.87
Current liabilities			
Financial liabilities			
Lease Liabilities*	23	-	-
Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	24	157.99	279.53
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	24	1,484.36	1,937.75
Other financial liabilities	25	898.94	803.78
Other Current liabilities	26	187.77	153.57
Provisions	27	14.86	12.83
Income tax liabilities (net)	28	69.79	90.27
Total current liabilities		2,813.71	3,277.73
Total liabilities		4,085.05	4,206.60
Total equity and liabilities		46,650.43	39,127.71
Significant accounting policies	2		

* Figures indicates less than Rs. 1000/-

The accompanying notes 1 to 58 form an integral part of the standalone financial statements.

As per our report of even date

For KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Signatures to the Standalone Balance Sheet and Notes to the financial statements

For and on behalf of the Board

Sai Venkata Ramana Damarla

Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place: Mumbai

Date: May 06, 2023

Standalone Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	₹ Lakhs	
		For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	29	35,334.01	30,201.26
Other income	30	1,010.78	910.93
Total income		36,344.79	31,112.19
Expenses			
Cost of materials consumed	31(a)(b)	14,357.89	12,021.21
Purchase of stock-in-trade	31(c)	754.76	632.89
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(48.19)	(116.49)
Employee benefits expense	33	2,046.44	1,791.18
Finance cost	34	61.18	77.71
Depreciation and amortisation expenses	35	552.14	550.29
Other expenses	36	10,544.51	10,542.30
Total expenses		28,268.73	25,499.09
Profit before Tax		8,076.06	5,613.10
Tax expense			
Current tax	22	2,049.49	1,420.48
Deferred tax		223.78	43.15
(Excess) provision of earlier year		(197.87)	-
Total tax expense		2,075.40	1,463.63
Profit for the year		6,000.66	4,149.47
Other comprehensive income			
A. Items that will not be reclassified subsequently to profit or loss			
Re-measurements of the defined benefit plans		(20.64)	5.10
Income tax on above item		5.20	(1.28)
		(15.44)	3.82
B. Items that will be reclassified subsequently to profit or loss			
Net gain/(loss) on cash flow hedges		(260.16)	69.29
Income tax on above item		65.48	(17.44)
		(194.68)	51.85
Net other comprehensive income for the year (net of tax) (A + B)		(210.12)	55.67
Total comprehensive income for the year		5,790.54	4,205.14
Earning per equity share [Nominal value per share ₹10/- each]	46		
Basic (₹)		27.41	20.68
Diluted (Rs.)		27.41	20.13

The accompanying notes 1 to 58 form an integral part of the standalone financial statements.

As per our report of even date

Signatures to the Standalone Statement of Profit and Loss and Notes to the financial statements

For KALYANIWALLA & MISTRY LLP

For and on behalf of the Board

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla

Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place: Mumbai

Date: May 06, 2023

Standalone Statement of Cash Flows for the year ended March 31, 2023

Particulars	₹Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow from Operating Activities		
Profit before Taxation	8,076.06	5,613.10
Adjustment for:		
Depreciation and amortisation expense	552.14	550.29
Loss on sale of fixed assets / assets scrapped	20.06	49.21
Finance cost	61.18	77.71
Allownce for doubtful trade receivable and advances	-	8.71
Liabilities no longer required written back	(17.74)	(29.50)
Unrealised exchange (gain)/loss	(154.17)	(47.31)
Net (gain) /loss on sale of investments / fair valuation of investments	(339.98)	(88.33)
Unwinding of security deposit	(4.33)	(3.72)
Notional Rent on Security Deposit	3.53	1.91
Rent concession	-	(10.17)
Interest income	(86.94)	(133.00)
Dividend income	(0.06)	(0.06)
Operating Profit before working capital changes	8,109.75	5,988.84
Adjustment for:		
(Increase)/Decrease in Trade receivables	(2,755.55)	(657.39)
(Increase) / Decrease in Inventories	(132.13)	(490.33)
(Increase)/ Decrease in Non-Current Financial Assets	15.10	69.24
(Increase) / Decrease in Non-Current Assets	0.56	(4.91)
(Increase) / Decrease in Current Financial Assets	181.01	(794.63)
(Increase) / Decrease in Other Current Assets	(380.08)	199.26
Increase / (Decrease) in Trade Payable	(553.88)	431.15
Increase / (Decrease) in Non - Current Provisions	27.54	13.05
Increase / (Decrease) Current Financial Liabilities	(45.46)	386.65
Increase / (Decrease) Current Provisions	2.03	0.17
Increase / (Decrease) Other Current Liabilities	34.21	37.65
Cash generated from operating activities	4,503.10	5,178.75
Taxes Paid (Net of refunds)	(2,013.12)	(1,357.91)
Net Cash Flow from Operating Activities (A)	2,489.98	3,820.84
B. Cash Flow from Investing Activities		
Purchase of Property, plant and equipments	(1,846.63)	(1,028.93)
Proceeds from sale of Property, plant and equipments	17.99	10.23
Fixed Deposits placed with the bank	(30.33)	147.05
Investment in mutual funds	(11,983.67)	(15,651.37)
Proceeds from sale of mutual funds	8,252.00	13,475.27
Loan to Subsidiary	(115.00)	-
Investment in subsidiary	(100.00)	(1,685.80)
Dividend Received	0.06	0.06
Interest received	130.89	98.54
Net Cash Flow (used in) Investing Activities (B)	(5,674.69)	(4,634.95)

Standalone Statement of Cash Flows for the year ended March 31, 2023

₹Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash Flow from Financing Activities		
Proceed from issue of preferential share warrants	2,732.64	2,561.60
Finance cost	(54.92)	(75.34)
Payment of Lease Rent	(0.50)	(47.48)
Dividend Paid	(878.91)	(600.68)
Net cash flow from / (used in) financing activities (C)	1,798.31	1,838.10
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(1,386.40)	1,023.99
CASH AND CASH EQUIVALENTS:		
AS AT THE BEGINNING OF THE YEAR	3,093.79	2,039.24
Unrealised Foreign Exchange Restatement in Cash and cash Equivalents	139.25	30.56
Cash and Cash Equivalents - Closing Balance	1,846.64	3,093.79
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,247.15)	1,054.55
Notes:		
1. Cash and Cash Equivalents:		
(a) Cash on Hand	2.19	2.49
(b) Balance with banks	1,844.45	3,091.30
Cash and Cash Equivalents	1,846.64	3,093.79

- The standalone cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on 'Cash Flow Statement' and presents cash flows by operating, investing and financing activities.
- The above standalone cash flow statement includes ₹95.31 lakhs towards Corporate Social Responsibility activities (Refer Note 47)
- Figures for the previous year have been regrouped/ restated wherever necessary to conform to current year's classification.

As per our report of even date

Signatures to the standalone statement of cash flows and Notes to the financial statements

For **KALYANIWALLA & MISTRY LLP**
 CHARTERED ACCOUNTANTS
 Firm Registration Number 104607W/W100166

For and on behalf of the Board

Sai Venkata Ramana Damarla
 Partner
 Membership Number 107017
 Place: Mumbai
 Date: May 06, 2023

Bimal R. Thakkar
 Chairman, Managing Director & C.E.O.
 DIN: 00087404
 Place: Paris

Shardul A. Doshi
 Chief Financial Officer
 Place: Mumbai

Shalaka Ovalekar
 Company Secretary
 Membership No: A15274
 Place: Mumbai
 Date: May 06, 2023

Standalone Statement of Changes in Equity For The Year Ended March 31, 2023

(a) Equity Share Capital

₹ Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
	Balance at beginning of the reporting period	2,09,66,219	2,096.62	2,00,22,719
Issued during the year	10,06,500	100.65	9,43,500	94.35
Balance at end of the reporting period	2,19,72,719	2,197.27	2,09,66,219	2,096.62

(b) Other Equity

₹ Lakhs

Particulars	Capital reserve	Capital redemption reserve	Securities premium (Refer Note 19 (c))	General reserve	Money received against share warrants (Refer Note 19(e))	Retained earnings	Cash flow hedge reserve	Total
Balance as on April 1, 2021	105.00	197.73	2,166.86	763.97	1,764.75	21,614.42	102.22	26,714.95
Addition during the year	-	-	-	-	2,561.60	-	-	2,561.60
Profit for the year	-	-	-	-	-	4,149.47	-	4,149.47
Other Comprehensive Income	-	-	-	-	-	3.82	51.85	55.67
Less: Dividend paid	-	-	-	-	-	(600.68)	-	(600.68)
Issue of Equity Shares pursuant to conversion of preferential share warrants	-	-	3,321.12	-	(3,415.47)	-	-	(94.35)
Balance as at March 31, 2022	105.00	197.73	5,487.98	763.97	910.88	25,167.03	154.07	32,786.66
Addition during the year	-	-	-	-	2,732.64	-	-	2,732.64
Profit for the year	-	-	-	-	-	6,000.66	-	6,000.66
Other Comprehensive Income	-	-	-	-	-	(15.44)	(194.68)	(210.12)
Less: Dividend paid	-	-	-	-	-	(878.91)	-	(878.91)
Issue of Equity Shares pursuant to conversion of preferential share warrants	-	-	3,542.89	-	(3,643.52)	-	-	(100.63)
Balance as at March 31, 2023	105.00	197.73	9,030.87	763.97	-	30,273.34	(40.61)	40,330.30

The accompanying notes 1 to 58 form an integral part of the standalone financial statements.

As per our report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Signatures to the Standalone Statement of changes in equity and Notes to the financial statements
For and on behalf of the Board

Sai Venkata Ramana Damarla

Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place: Mumbai

Date: May 06, 2023

Notes forming part of the Standalone Financial Statements

1 Company Overview

Description of Business

ADF Foods Limited (“the Company”) is a public company incorporated under the provisions of the Companies Act, 1956 and domiciled in India having registered office at 83/86 G.I.D.C Industrial Estate, Nadiad, Gujarat. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company is engaged in the manufacture and selling of food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices etc. The Company caters mainly to international markets and domestic market.

The Financial statements of the Company for the year ended March 31, 2023 are approved by the Board of Directors on May 06, 2023.

Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Company’s Financial Statements for the year ended March 31, 2023 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and the Notes to Financial Statements.

Current versus non-current classification of all assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Key Accounting Estimates and Judgements:

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- (a) Measurement of defined benefit obligations – Note 45
- (b) Measurement and likelihood of occurrence of provisions and contingencies – Note 38
- (c) Recognition of deferred tax liabilities – Note 22
- (d) Impairment of Intangible asset – Note 35
- (e) Measurement of Lease liabilities and Right of Use of Assets – Note 4, 20 & 23
- (f) Fair value of financial instruments including derivative contracts (Note 25) and applicable discount rate

Measurement of fair values

The Company’s accounting policies and disclosures require financial instruments to be measured at fair values. The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs

Notes forming part of the Standalone Financial Statements

and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2 Significant Accounting Policies

2.1 Property, Plant and Equipment

2.1.1 Initial Recognition

Property, Plant and Equipment are initially recognised at cost which comprises of purchase price including import duties, non-refundable taxes and any directly attributable cost of bringing the assets to its present condition and location for its intended use, including the cost of replacing parts only when future economic benefit associated to that cost will flow to the company and its cost can be reliably measured, borrowing costs for long term construction projects if the recognition criteria are met and present value of any expected cost for decommissioning, restoration and similar liability of an asset after its use is included in the cost of respective asset. On replacement of a component, its carrying amount is derecognised.

Further, in case the component was not depreciated separately, the cost of incoming component is used as an indication to determine the cost of the replaced part at the time of capitalising.

2.1.2 Subsequent Recognition

Subsequent recognition is at cost less accumulated depreciation and accumulated impairment losses, if any. Impairment testing is undertaken at the balance sheet date if there are indicators.

2.1.3 Disposal or Retirement

The carrying value is eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.1.4 Component Accounting

The Company identifies and determines cost of each component of an asset separately, if the component has a materially different useful life as compared to entire asset and its cost is significant of the total cost.

2.1.5 Depreciation

Depreciation is calculated on Straight Line Basis as per the useful lives specified in Schedule II to the Companies Act, 2013 on pro rata basis except for carboys and pallets where lower lives of 5 years is applied based on the technical advice obtained by the company.

Notes forming part of the Standalone Financial Statements

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The estimated useful lives for computing depreciation are generally as follows:

Machinery and equipment	15 Years
Furniture and fixtures	10 Years
Automobiles	08 Years
Office Building	60 Years
Factory Building	30 Years
Computers	03 Years

Leasehold land under operating lease is depreciated over the leasehold period or its estimated useful life, whichever is shorter.

Freehold land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

2.2 Capital Work In Progress

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset.

Intangible Assets

2.2.1 Initial Recognition

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

2.2.2 Subsequent Recognition

Intangible assets are carried at cost less accumulated amortisation and impairment loss, if any.

2.2.3 Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Goodwill - 5 years	Software - 3 Years
--------------------	--------------------

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of brands. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not the change in useful life from indefinite to finite is made on a prospective basis.

2.2.4 Derecognition

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Notes forming part of the Standalone Financial Statements

2.3 Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

2.4 Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of GST credits.

Raw materials, packing materials and stores: Costs includes cost of purchase net of discounts and other costs incurred in bringing each product to its present location and condition.

Finished goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition. Finished goods valuation also includes applicable duty. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

2.5 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.6 Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. 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 synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment. The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

2.7.1 Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

2.7.1.1 Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of

Notes forming part of the Standalone Financial Statements

financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.7.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

2.7.1.2.1 Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

2.7.1.2.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

2.7.1.2.3 Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

2.7.1.2.4 Financial assets as Equity Investments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements

2.7.1.3 *Derecognition*

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

The rights to receive cash flows from the asset have expired, or

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

2.7.1.4 *Impairment*

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'Simplified Approach' for recognition of impairment allowance. This approach doesn't require the Company to track changes in credit risk. Rather, it recognises impairment allowances based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL 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 entity expects to receive, discounted at the original EIR. Lifetime ECL are expected credit losses resulting from all possible defaults over the expected life of a financial instrument. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

2.7.2 **Financial Liabilities**

(i) *Classification*

The Company classifies all financial liabilities as subsequently measured at amortised cost.

(ii) *Initial recognition and measurement*

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

(iii) *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to loans and borrowings.

(iv) *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(v) *Offsetting of financial instruments*

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

Notes forming part of the Standalone Financial Statements

2.7.3 Share Capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

2.7.4 Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions. (Cash flow hedges).

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

When forward contracts are used to hedge forecast transactions, gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within other equity.

The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within other equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Notes forming part of the Standalone Financial Statements

2.8 Government Subsidy/Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

2.9 Provisions, Contingent Liabilities and Contingent Assets

2.9.1 Provisions

Provisions are 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 the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.9.2 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where 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.

2.9.3 Contingent Assets

Contingent assets are not recognised in the financial statements. Contingent assets if any, are disclosed in the notes to the financial statements.

2.10 Revenue from Operation

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

2.11 Other Non-Operating Income

2.11.1 Interest Income

Interest income is recognized using the Effective Interest Rate (EIR) method.

2.11.2 Dividend Income

Dividend income on investments is recognised when the right to receive dividend is established.

Notes forming part of the Standalone Financial Statements

2.12 Employee Benefits

Liabilities in respect of employee benefits to employees are provided for as follows:

a) *Short-term employee benefits*

- i) Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) *Long Term Employee Benefit Plan*

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

c) *Post Separation Employee Benefit Plan*

i) **Defined Benefit Plan**

- Gratuity Liability on the basis of actuarial valuation as per Ind AS-19. Liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

- Actuarial gain / loss pertaining to above and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

ii) **Defined Contribution Plans:**

Defined contribution plans are Employee Provident Fund scheme and Employee State Insurance scheme for eligible employees. The Company's contribution to defined contribution plans is recognised as an expense in the Statement of Profit and Loss as they fall due.

2.13 Taxes

2.13.1 Current Taxes

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its branch operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Notes forming part of the Standalone Financial Statements

2.13.2 Deferred Taxes

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary timing differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and MAT credit entitlements only if it is probable that future taxable amounts will be available to utilise those temporary differences, losses and credit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.14 Foreign Currencies

The Company's functional currency is Indian Rupee (INR) and it is also the presentation currency for the Company.

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate of exchange prevailing on the date of the transaction. Monetary assets and monetary liabilities denominated in foreign currencies and remaining unsettled at the end of the year are converted at the functional currency spot rate of exchange prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

2.15 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease

Notes forming part of the Standalone Financial Statements

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.16 Borrowings costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

2.17 Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.18 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes forming part of the Standalone Financial Statements

3. Recent Pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Notes forming part of the Standalone Financial Statements

4(a) Property, Plant and Equipment

₹ Lakhs

Particulars	Period		Land		Right-of-use	Buildings	Leasehold improvement	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Office premises	Electrical installation	Laboratory equipment	Computers	Total
	April 1, 2021	March 31, 2022	Freehold	Leasehold												
Opening gross carrying amount as at	4.18	94.39	4.18	94.39	253.27	2,971.09	93.14	3,911.54	84.88	216.47	38.18	97.77	99.39	9.77	34.03	7,908.10
Additions	-	-	-	-	-	157.43	-	779.47	1.11	-	13.77	-	10.60	1.79	50.28	1,014.43
Deductions	-	-	-	-	-	-	-	(114.52)	(0.20)	-	(2.79)	-	-	(0.01)	(4.47)	(121.99)
Closing gross carrying amount as at	4.18	94.39	4.18	94.39	253.27	3,128.52	93.14	4,576.49	85.79	216.47	49.16	97.77	109.99	11.55	79.84	8,800.54
Opening gross carrying amount as at	4.18	94.39	4.18	94.39	253.27	3,128.52	93.14	4,576.49	85.79	216.47	49.16	97.77	109.99	11.55	79.84	8,800.54
Additions	-	-	-	-	156.08	44.57	-	543.73	7.03	-	14.82	-	3.64	0.42	39.94	2,003.58
Deductions	-	-	-	-	-	-	-	(113.31)	-	-	-	-	-	-	-	(113.31)
Closing gross carrying amount as at	4.18	1,287.73	4.18	1,287.73	409.35	3,173.09	93.14	5,006.91	92.82	216.47	63.98	97.77	113.63	11.97	119.78	10,690.83
Opening accumulated depreciation	-	5.05	-	5.05	198.62	536.17	44.59	1,295.15	52.07	87.29	20.13	8.42	45.79	4.73	22.07	2,320.07
Charge for the year	-	-	-	-	49.82	119.89	17.70	300.52	6.49	21.24	6.06	1.68	10.52	0.80	13.71	549.44
Deduction	-	-	-	-	-	-	-	(56.48)	(0.06)	-	(2.06)	-	-	-	(3.94)	(62.55)
Closing accumulated depreciation	-	6.06	-	6.06	248.44	656.06	62.29	1,539.19	58.50	108.53	24.13	10.10	56.31	5.53	31.84	2,806.96
Opening accumulated depreciation	-	6.06	-	6.06	248.44	656.06	62.29	1,539.19	58.50	108.53	24.13	10.10	56.31	5.53	31.84	2,806.96
Charge for the year	-	-	-	-	0.99	120.41	17.70	329.48	7.37	20.58	7.73	1.68	12.10	0.88	25.25	550.28
Deduction	-	-	-	-	-	-	-	(75.26)	-	-	-	-	-	-	-	(75.26)
Closing accumulated depreciation	-	12.17	-	12.17	249.43	776.47	79.99	1,793.41	65.87	129.11	31.86	11.78	68.41	6.41	57.09	3,282.01
Net carrying amount as at	4.18	88.33	4.18	88.33	4.83	2,472.46	30.85	3,037.30	27.29	107.94	25.03	87.67	53.68	6.02	48.00	5,993.58
Net carrying amount as at	4.18	1,275.56	4.18	1,275.56	159.92	2,396.62	13.15	3,213.50	26.95	87.36	32.12	85.99	45.22	5.56	62.69	7,408.82

1. Of the above the title deeds of immovable properties are held in the name of the Company.

2. Charge has been created over the part of Property, Plant and Equipment of the Company towards Working Capital facilities from banks.

Notes forming part of the Standalone Financial Statements

4(b) Capital Work - in - Progress

₹ Lakhs

Particulars	Total
Opening as at April 1, 2021	34.68
Additions during the year	950.90
Capitalised during the year	(971.95)
Closing as at March 31, 2022	13.63
Opening as at April 1, 2022	13.63
Additions during the period	1838.64
Capitalised during the period	(1,782.82)
Closing as at March 31, 2023	69.45

(i) CWIP ageing schedule

₹ Lakhs

CWIP as on March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	69.45	-	-	-	69.45
Total	69.45	-	-	-	69.45

₹ Lakhs

CWIP as on March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13.63	-	-	-	13.63
Total	13.63	-	-	-	13.63

4(c) Intangible assets

₹ Lakhs

Particulars	Period	Brands	Software	Total
Opening gross carrying amount as at	April 1, 2021	2,132.84	16.55	2,149.39
Additions		-	4.56	4.56
Deductions		-	(0.75)	(0.75)
Closing gross carrying amount as at	March 31, 2022	2,132.84	20.36	2,153.20
Opening gross carrying amount as at	April 1, 2022	2,132.84	20.36	2,153.20
Additions			7.85	7.85
Deductions			-	-
Closing gross carrying amount as at	March 31, 2023	2,132.84	28.21	2,161.05
Opening accumulated amortisation	April 1, 2021	-	14.82	14.82
Charge for the year		-	0.85	0.85
Deduction		-	(0.32)	(0.32)
Closing accumulated amortisation	March 31, 2022	-	15.35	15.35
Opening accumulated amortisation	April 1, 2022	-	15.35	15.35
Amortisation for the year			1.86	1.86
Deduction			-	-
Closing accumulated amortisation	March 31, 2023	-	17.21	17.21
Net carrying amount as at	March 31, 2022	2,132.84	5.01	2,137.85
Net carrying amount as at	March 31, 2023	2,132.84	11.00	2,143.84

Notes forming part of the Standalone Financial Statements

5 Non - Current Investments

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments of subsidiaries		
Investment in Subsidiaries (Unquoted)		
(At amortised cost)		
a) ADF Foods (India) Limited		
Face value (Rs.)	10.00	10.00
Number of shares	5,50,000	5,50,000
Amount in ₹ Lakhs	55.00	55.00
b) ADF Foods UK Limited		
Face value (£)	1.00	1.00
Number of shares	20,85,281	20,85,281
Amount in ₹ Lakhs	1,826.29	1,826.29
c) Power Brands (Foods) Private Limited (Refer Note: 48)		
Face value (Rs.)	10.00	10.00
Number of shares	2,08,85,992	2,08,85,992
Amount in ₹ Lakhs	-	-
d) Telluric Foods (India) Limited		
Face value (Rs.)	10.00	-
Number of shares	10,00,000	-
Amount in ₹ Lakhs	100.00	-
Investments in preference shares:		
Investment in Subsidiaries (Unquoted)		
(At amortised cost)		
a) ADF Foods UK Limited		
(0.001% Redeemable Cumulative Preference Shares)		
Face value (£)	1.00	1.00
Number of shares	71,37,740	71,37,740
Amount in ₹ Lakhs	6,801.79	6,801.79
Total	8,783.08	8,683.08
Aggregate amount of unquoted investments	8,783.08	8,683.08
Aggregate amount of impairment in value of investments	-	-

6 Non-current loans

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans and advances to Employees	8.82	6.34
Total	8.82	6.34

7 Other non-current financial assets

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Security deposits	98.94	112.19
Deposits held as Margin Money more than 12 months*	7.20	5.65
Total	106.14	117.84

* Above bank deposits are hypothecated as margin money.

Notes forming part of the Standalone Financial Statements

8 Income tax assets (net)

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (net of Provision for Tax) (Net of Tax Provision CY ₹ 6,160.25 Lakhs (PY ₹ 4,937.64 Lakhs))	639.42	498.40
Total	639.42	498.40

9 Other non-current assets

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured Considered good		
Capital Advances (Refer note: 38(b))	5.87	70.41
Unsecured Considered Doubtful		
Capital Advances (Refer note: 38(b))	4.20	4.20
Provision for doubtful advances	(4.20)	(4.20)
Total Capital Advances	5.87	70.41
Prepayments	3.39	5.88
Deferred lease expenses	-	1.57
Other Assets	-	0.03
Total	9.26	77.89

10 Inventories

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realizable value)		
Raw materials	643.18	718.79
Packing materials	941.40	781.85
Work-in-progress	1,647.82	1,463.98
Finished goods	349.49	527.43
Traded goods	82.18	39.89
Total	3,664.07	3,531.94

Inventories hypothecated as collateral towards Working Capital facilities from banks.

11 Current Investments

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Investments in Mutual Funds (Quoted) (Measured at FVTPL)		
Kotak Equity Arbitrage Reg -DM	326.15	309.69
HDFC Liquid - Growth	1,120.57	530.96
Aditya Birla Sl Arbitrage-Growth	107.14	102.13
Tata Arbitrage Fund - Growth	627.56	-
Mirae Asset Cash Management-G	461.07	150.38
SBI Liquid-G	939.61	552.40
Nippon India Liquid-G	1,092.09	578.41
Aditya Birla Sl Liquid-G	62.54	227.89
SBI Arbitrage Opportunity Fund	51.87	-
Kotak Luqid Fund-Growth	1,076.88	614.15
ICICI Pru Liquid Fund-Growth	1,292.53	551.16
Nippon India Arbitrage -G	840.72	309.91
Total	7,998.73	3,927.08
Aggregate amount of quoted investments at Cost	7,860.18	3,905.93
Aggregate amount of quoted investments at market value	7,998.73	3,927.08
Aggregate amount of impairment in value of investments	-	-

Notes forming part of the Standalone Financial Statements

12 Trade receivables

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured Considered good		
Related parties (Refer note: 43)	1,750.83	880.37
Others	7,115.06	5,211.79
	8,865.89	6,092.16
Trade receivable which have significant increase in credit risk	9.02	9.02
Less: Allowance for credit impaired	(9.02)	(9.02)
Total	8,865.89	6,092.16

Trade Receivable hypothecated as collateral towards Working Capital facilities from banks.

(i) Trade Receivables Ageing Schedule

₹ Lakhs

Particulars (As at March 31, 2023)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,861.59	4.30	-	-	-	8,865.89
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	9.02	9.02
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(9.02)	(9.02)
Total	8,861.59	4.30	-	-	-	8,865.89

₹ Lakhs

Particulars (As at March 31, 2022)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,090.85	1.31	-	-	-	6,092.16
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	9.02	9.02
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(9.02)	(9.02)
Total	6,090.85	1.31	-	-	-	6,092.16

Notes forming part of the Standalone Financial Statements

13 Cash and cash equivalents

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	2.19	2.49
Balance with banks		
in Current accounts	530.22	1,530.55
in EEFC accounts	1,237.20	1,560.75
Bank deposits with original maturity of less than 3 months	77.03	-
Total	1,846.64	3,093.79

14 Bank balances other than Cash and cash equivalents

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
in Current accounts *	65.95	69.49
in Fixed deposit accounts **	2,164.31	2,033.84
in Margin deposit accounts***	131.08	232.77
Total	2,361.34	2,336.10

* Balance with banks in current account is on account of earmark balance for unclaimed dividend.

**Deposits with maturity of less than 12 months.

*** Margin deposits with maturity of less than 12 months.

15 Current loans

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans to employees	14.43	15.17
Loans to Subsidiary (Refer Note: 41 & 43)	115.00	-
Loans and advances to others	-	24.13
Total	129.43	39.30

16 Other current financial assets

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative foreign exchange forward contracts (Refer note : 44)	-	143.38
Security Deposits	161.54	109.20
Interest accrued on fixed deposits and others	32.12	76.07
Export incentive receivable	1,395.97	1,604.56
Other receivables	0.60	0.33
Total	1,590.23	1,933.54

Notes forming part of the Standalone Financial Statements

17 Other current non-financial assets

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advance to suppliers for services	81.59	20.57
Advance to suppliers for goods	4.51	12.50
Balances with Government authority	847.76	544.91
Prepayments	89.84	62.55
Deferred lease expenses	1.57	3.53
Other assets	-	1.13
Total	1,025.27	645.19

18 Equity share capital

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized shares		
2,50,00,000 (March 31, 2022: 2,50,00,000) equity shares of ₹ 10/- each	2,500.00	2,500.00
Issued, subscribed and fully paid share capital		
2,19,72,719 (March 31, 2022: 2,09,66,219) equity shares of ₹ 10/- each	2,197.27	2,096.62
	2,197.27	2,096.62
Shares forfeited		
7,56,600 (March 31, 2022: 7,56,600) equity shares of ₹ 10/- each; amount originally paid up thereon @ ₹ 5 per share (Refer Note: 18(a)(i))	37.83	37.83
Total	2,235.10	2,134.45

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	₹ Lakhs
Equity shares		
As at April 1, 2021	2,07,79,319	2,040.10
Issued during the year	9,43,500	94.35
As at March 31, 2022	2,17,22,819	2,134.45
Issued during the year (Refer Note: 18(a)(ii))	10,06,500	100.65
As at March 31, 2023	2,27,29,319	2,235.10

- (i) Of the above 7,56,600 equity shares (₹ 37.83 lakhs) forfeited in earlier years are not cancelled by the Company.
- (ii) During the year the Company has issued 10,06,500 Equity Shares (2021-2022: 9,43,500 Equity Shares) pursuant to conversion of equivalent number of preferential share warrants

(b) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes forming part of the Standalone Financial Statements

18 Equity share capital (Contd.)

(c) Details of equity shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at	
	March 31, 2023	March 31, 2022
Mr. Bimal R. Thakkar		
No. of Shares	22,78,924	22,78,924
%	10.37	10.87
Mrs. Mahalaxmi R. Thakkar		
No. of Shares	19,33,000	19,53,000
%	8.80	9.31
Authum Investment and Infrastructure Limited		
No. of Shares	26,11,584	36,61,682
%	11.89	17.46
Infinity Holdings		
No. of Shares	20,00,000	20,00,000
%	9.10	9.54
Sixth Sense India Opportunities III		
No. of Shares	13,99,779	-
%	6.37	-
Total - Number of shares	1,02,23,287.00	98,93,606.00
Total - %	46.53	47.18

(d) Shares reserved for issue under options outstanding as at the end of the year on un-issued share capital:

There are no (March 31, 2022: 1,006,500) Equity Shares reserved for issue on subscription of Preferential Share Warrants (Refer Note 19 (e) for terms of Preferential Share Warrants)

(e) Equity shares movement during the five years preceding March 31, 2023

Financial Year	Aggregate no. of equity shares bought back
2017-18	-
2018-19	11,78,742
2019-20	-
2020-21	-
2021-22	-

There are no shares reserved for issue under option and contracts/commitments for the sale of shares / disinvestment, including the terms and amounts.

(f) Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bimal R. Thakkar*	22,78,924	10.37%	22,78,924	10.87%	-0.50%
Mrs. Mahalaxmi R. Thakkar	19,33,000	8.80%	19,53,000	9.31%	-0.52%
Bimal Thakkar HUF***	5,95,246	2.71%	5,95,246	2.84%	-0.13%
Parul Bimal Thakkar**	10,85,827	4.94%	7,10,827	3.39%	1.55%
Krish Bhavesh Thakkar	3,51,000	1.60%	3,51,000	1.67%	-0.08%
Shivaan Bimal Thakkar	5,78,901	2.63%	2,66,501	1.27%	1.36%
Sumer Bimal Thakkar	5,78,900	2.63%	2,66,300	1.27%	1.36%
H J Thakkar Property Investment Limited	6,18,915	2.82%	6,18,915	2.95%	-0.14%
	80,20,713	36.50%	70,40,713	33.58%	2.92%

* 4,25,000 shares are pledged as on March 31, 2023

** 4,00,000 shares are pledged as on March 31, 2023

*** 2,25,000 shares are pledged as on March 31, 2023

Notes forming part of the Standalone Financial Statements

18 Equity share capital (Contd.)

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bimal R. Thakkar*	22,78,924	10.87%	22,78,924	11.38%	-0.51%
Mrs. Mahalaxmi R. Thakkar	19,53,000	9.31%	19,53,000	9.75%	-0.44%
Bimal Thakkar HUF	5,95,246	2.84%	5,95,246	2.97%	-0.13%
Parul Bimal Thakkar	7,10,827	3.39%	4,10,827	2.05%	1.34%
Krish Bhavesh Thakkar	3,51,000	1.67%	3,51,000	1.75%	-0.08%
Shivaan Bimal Thakkar	2,66,501	1.27%	41,501	0.21%	1.06%
Sumer Bimal Thakkar	2,66,300	1.27%	41,300	0.21%	1.06%
H J Thakkar Property Investment Limited	6,18,915	2.95%	6,18,915	3.09%	-0.14%
	70,40,713	33.58%	62,90,713	31.42%	2.16%

* 8,00,000 shares are pledged as on March 31, 2022

19 Other equity

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve (Refer Note: 19 (a))	105.00	105.00
Capital redemption reserve (Refer Note: 19 (b))	197.73	197.73
Securities premium (Refer Note: 19 (c))		
As per Last Balance Sheet	5,487.98	2,166.86
Issue of Equity Shares pursuant to conversion of preferential share warrants (Refer Note: 19 (e))	3,542.89	3,321.12
Closing balance	9,030.87	5,487.98
General reserve	763.97	763.97
Money received against share warrants (Refer Note: 19 (e))		
As per Last Balance Sheet	910.88	1,764.75
Amount received during the year	2,732.64	2,561.60
Issue of Equity Shares pursuant to conversion of preferential share warrants (Refer note: 43)	(3,643.52)	(3,415.47)
Closing balance	-	910.88
Retained earning		
As per Last Balance Sheet	25,167.03	21,614.42
Add: profit for the year	6,000.66	4,149.47
Re-measurement of defined benefit plans	(15.44)	3.82
Less: Dividend paid	(878.91)	(600.68)
Movement during the year	5,106.31	3,552.61
Closing balance	30,273.34	25,167.03
Cash flow hedge reserve (Refer Note: 19 (d))		
As per Last Balance sheet	154.07	102.22
Add: Change in fair value of hedging instrument	(260.16)	69.29
Less: Deferred tax	65.48	(17.44)
Closing balance	(40.61)	154.07
Total	40,330.28	32,786.66

Notes forming part of the Standalone Financial Statements

19 Other equity (Contd.)

Nature of Reserves

(a) Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(c) Securities Premium

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

(d) Cash flow hedge reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

(e) Money received against Preferential Share Warrants

During the Financial Year 2020-21, the Company had done Preferential Allotment of 19,50,000 warrants at an issue price of Rs 362 per warrant to certain promoters and non-promoters on receipt of 25% of the issue price.

On March 16, 2022, the first tranche of 9,43,500 warrants was converted into equivalent number of equity shares on receipt of balance 75% of the subscription money and on April 29, 2022 the remaining 10,06,500 warrants were converted into equivalent number of equity shares on receipt of balance 75% of the subscription money.

The face value of each equity shares is Rs 10 and the premium is Rs 352. The aggregate subscription money received for full issue size is Rs 7,059 lakhs out of which Rs.2732 lakhs were received during FY 2022-23.

20 Non - Current Lease Liabilities

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Non - Current Lease Liabilities (Refer Note: 42)	167.64	5.81
Total	167.64	5.81

21 Non-current provisions

Rs. Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer Note: 45)		
For Privilege Leave Liability	102.87	78.48
For Sick Leave Liability	16.87	13.72
Total	119.74	92.20

Notes forming part of the Standalone Financial Statements

22 Income taxes (Contd.)

a) Tax expense recognised in profit and loss		₹ Lakhs	
Particulars	As at March 31, 2023	As at March 31, 2022	
Current tax expense for the year	2,049.49	1,420.48	
(Excess) provision of earlier years	(197.87)	-	
Net current tax expenses	1,851.62	1,420.48	
Deferred Income tax liability / (asset), (net)			
Origination and reversal of temporary differences	223.78	43.15	
Total	2,075.40	1,463.63	

b) Tax expense recognised in other comprehensive income		₹ Lakhs	
Particulars	As at March 31, 2023	As at March 31, 2022	
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of the defined benefit plans	5.20	(1.28)	
Items that will be reclassified subsequently to profit or loss			
Net gain / (loss) on cash flow hedges	65.48	(17.44)	
Total	70.68	(18.72)	

c) Reconciliation of effective tax rate		₹ Lakhs	
Particulars	As at March 31, 2023	As at March 31, 2022	
Profit before tax	8,076.06	5,613.10	
Tax using the company's domestic tax rate	2,032.50	1,412.65	
Tax rate %	25.17%	25.17%	
Tax effect of:			
Expenses not deductible for tax purposes	23.73	27.84	
Allowances under Income Tax Act	85.44	10.28	
Tax Expenses in respect to prior years	5.49	-	
Others	(71.75)	12.85	
Total	2,075.40	1,463.62	

d) Movement in deferred tax balances

March 31, 2023		₹ Lakhs		
Particulars	Net Balance April 01, 2022	Recognised in profit or loss	Recognised in OCI	Net Balance Mar 31, 2023
Deferred tax assets / (liabilities)				
Property, plant and equipment	(919.56)	(27.97)		(947.53)
Cash flow hedge reserve	36.09	-	65.48	101.58
Employee benefits	49.05	7.46	5.20	61.70
Provision for doubtful advances	3.32	-	-	3.32
Items allowable for tax purpose on Receipt	-	(203.36)		(203.36)
Lease Liability	0.25	0.08	-	0.33
Net Deferred tax assets / (liabilities)	(830.85)	(223.78)	70.68	(983.96)

Notes forming part of the Standalone Financial Statements

22 Income taxes (Contd.)

d) March 31, 2022

₹ Lakhs

Particulars	Net Balance April 01, 2021	Recognised in profit or loss	Recognised in OCI	Net Balance Mar 31, 2022
Deferred tax assets / (liabilities)				
Property, plant and equipment	(893.28)	(26.28)	-	(919.56)
Cash flow hedge reserve	28.14	25.39	(17.44)	36.09
Employee benefits	102.13	(51.80)	(1.28)	49.05
Provision for doubtful advances	1.13	2.19	-	3.32
Lease liability	(7.10)	7.35	-	0.25
Net Deferred tax assets / (liabilities)	(768.98)	(43.15)	(18.72)	(830.86)

23 Current Lease Liabilities

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Non - Current Lease Liabilities *(Refer Note:42)	-	-
Total	-	-

* Figures indicates less than Rs. 1000/-

24 Trade payables

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to micro and small enterprises (Refer note: 39)	157.99	279.53
Other *	1,484.36	1,937.75
Total	1,642.35	2,217.28

* Trade payable includes ₹ 17.10 Lakhs (March 2022: ₹ 44.10 Lakhs) payable to Power Brands (Foods) Pvt Ltd, which is under voluntary liquidation.

(i) Trade Payables Ageing

₹ Lakhs

Particulars (As at March 31, 2023)	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	157.99	-	-	-	157.99
(ii) Others	1,395.98	70.79	-	17.59	1,484.36
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	1,553.97	70.79	-	17.59	1,642.35

₹ Lakhs

Particulars (As at March 31, 2022)	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	279.53	-	-	-	279.53
(ii) Others	1,890.25	2.90	0.50	44.10	1,937.75
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	2,169.78	2.90	0.50	44.10	2,217.28

Notes forming part of the Standalone Financial Statements

25 Other Current Financial Liabilities

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative Foreign exchange forward contracts (Refer note: 44)	116.78	-
Employees related payables	126.73	118.78
Unclaimed dividend	65.95	69.49
Payable to Related party (Refer note: 43)	116.17	0.04
Payable for capital goods	45.59	128.02
Gratuity Payable (Refer note: 45)	52.89	40.81
Other liabilities	374.83	446.64
Total	898.94	803.78

26 Other current non-financial liabilities

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	56.63	46.77
Statutory dues and other dues payable	124.74	102.49
Other liabilities	6.40	4.31
Total	187.77	153.57

27 Current provisions

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer note: 45)		
For Privilege Leave Liability	12.23	10.76
For Sick Leave Liability	2.63	2.07
Total	14.86	12.83

28 Income tax liabilities (net)

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of Advance Tax CY ₹ 3,270.39 Lakhs (PY ₹ 1,358.03 Lakhs))	69.79	90.27
Total	69.79	90.27

29 Revenue from operations

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	34,735.69	28,660.63
Export Incentive*	598.32	1,540.63
Total	35,334.01	30,201.26

Notes forming part of the Standalone Financial Statements

29 Revenue from operations (Contd.)

The Chief Operating Decision Maker (CODM) evaluates the performance of the Company based on revenue and operating income in one segment i.e. "Processed food". Accordingly, as per Ind AS-108 (Operating Segment), the Company has only one business segment and hence disaggregation information has not been separately disclosed.

* Products Link Incentive (PLI) was announced in May 2021, starting with the base year as FY 2021-22 and valid upto FY 2025-26. Subsequently, MOFPI (Ministry of Foods Processing Industries) has revised the period starting with base year as FY22-23 & valid upto FY 2026-27. PLI Income of Rs.754.95 Lakh for F.Y. 2021-2022 has been derecognized during Current Year and recognised income of Rs 808 Lakh for FY 2022-2023, Net Impact of Income in Statement of profit and loss is of Rs 53.05 Lakh

30 Other income

Particulars	₹ Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from		
Bank deposits	77.38	126.92
Others	9.56	6.08
Dividend income		
From subsidiary	0.06	0.06
Unwinding of discount on security deposit	4.33	3.72
Foreign exchange gain (net)	463.56	487.88
Liabilities no longer required written back	17.74	29.50
Profit on Sale & Fair value of mutual funds	339.98	88.33
Rent Received (Refer Note: 43)	2.06	-
Royalty Received (Refer Note: 43)	2.09	-
Miscellaneous income	94.02	168.44
Total	1,010.78	910.93

31 Cost of materials consumed

(a) Raw materials consumed

Particulars	₹ Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year	718.79	322.17
Add: Purchases (net)	10,287.92	9,291.23
	11,006.71	9,613.40
Less: Inventories at the end of the year	643.18	718.79
Total	10,363.53	8,894.61

(b) Packing materials consumed

Particulars	₹ Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year	781.85	804.63
Add: Purchases (net)	4,153.91	3,103.82
	4,935.76	3,908.45
Less: Inventories at the end of the year	941.40	781.85
Total	3,994.36	3,126.60
Total cost of materials consumed	14,357.89	12,021.21

Notes forming part of the Standalone Financial Statements

(c) Purchase of stock-in-trade		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Purchases	754.76	632.89	
Total	754.76	632.89	

32 Changes in inventories of finished goods, stock in trade and work-in-progress		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Inventories at the beginning of the year			
Work-in progress	1,463.98	948.10	
Finished goods	527.43	857.72	
Stock in trade	39.89	108.99	
	2,031.30	1,914.81	
Less: Inventories at the end of the year			
Work-in progress	1,647.82	1,463.98	
Finished goods	349.49	527.43	
Stock in trade	82.18	39.89	
	2,079.49	2,031.30	
Total	(48.19)	(116.49)	

33 Employee benefits expense		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Salaries and wages	1,861.30	1,639.31	
Contribution to provident fund and other funds	101.78	90.48	
Staff welfare expenses	83.36	61.39	
Total	2,046.44	1,791.18	

34 Finance costs		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Interest expense on			
Borrowing from banks	0.61	33.35	
Lease	6.26	2.37	
Others	54.31	41.99	
Total	61.18	77.71	

35 Depreciation and amortisation expenses		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Tangible assets	550.28	549.44	
Intangible assets	1.86	0.85	
Total	552.14	550.29	

Notes forming part of the Standalone Financial Statements

36 Other expenses

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Freezing and preservation charges	209.79	97.42
Power & fuel	992.21	675.50
Electricity	21.00	13.37
Water charges	32.91	23.13
Rent including lease rent	501.75	384.92
Repairs and maintenance to building	99.01	40.43
Repairs and maintenance to machinery	210.79	148.87
Repairs and maintenance to others	40.04	40.04
Insurance	56.24	69.75
Rates and taxes	52.70	40.92
Communication expenses	47.88	33.17
Travelling and conveyance expenses	346.12	316.05
Motor car expenses	34.17	34.42
Printing and stationery expenses	14.58	12.65
Freight and forwarding expenses	4,994.28	6,086.50
Advertisement	615.08	846.87
Sales Promotion/Commission/Claims and marketing expenses	959.73	784.08
Legal and professional fees	613.58	335.58
Payment to auditor (Refer Note: 36.1)	28.92	28.67
CSR expenses (Refer Note: 47)	95.31	89.45
Registration and filling fees	3.75	6.64
Directors' sitting fees	29.50	27.00
Loss on sale of fixed assets / assets scrapped	20.06	49.21
Provision for Doubtful Advances	-	4.20
Provision for doubtful trade receivables	-	4.51
Miscellaneous expenses	525.11	348.95
Total	10,544.51	10,542.30

36.1 Payment to Auditor:

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to auditor comprise :		
For statutory audit	14.70	13.35
For other services	13.09	14.15
For reimbursement of expenses	1.13	1.17
Total	28.92	28.67

Notes forming part of the Standalone Financial Statements

37 Financial Ratios

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reason
Current ratio	Total Current assets	Total Current liabilities	9.77	6.59	48%	Current ratio improved on account of better working capital management.
Return on Equity ratio	Profit after tax	Average Total Equity	15.49%	13.03%	19%	
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	4.19	3.81	10%	
Trade Receivables turnover ratio	Sales turnover	Average trade receivables	4.64	4.98	-7%	
Trade payables turnover ratio	Cost of Goods Sold	Average trade payables	7.81	6.21	26%	Improved due to revision in credit period to the vendors
Net capital turnover ratio	Sale of Products	Average working capital	1.62%	1.77	-9%	
Net profit ratio	Profit after tax	Sale of Products	17.28%	14.48%	19%	
Return on Capital employed	Profit before tax and finance costs	Average Capital Employed	20.52%	17.44%	18%	
Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	5.47%	5.55%	-1%	
Debt Service Coverage ratio	Earnings available for debt service i.e. Net Profit After Tax + Depreciation + Interest + Loss on sale of Fixed Assets	Debt Service i.e. Lease Payment for the Year + Repayment of Borrowings	13,268.08	101.66	12952%	Improved due to no borrowing as on reporting date and reduction in lease payment due to completion of lease agreement

* Debt Equity ratio not applicable as there is no borrowings as on reporting date

38. Contingent Liabilities and Commitments

a. Contingent Liabilities

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
1.	Claims against the company not acknowledged as debts:		
a.	Income Tax Matters	409.83	289.04
b.	Service Tax Matters	463.53	463.54
c.	Legal Cases	13.19	18.24
2.	Guarantees:		
a.	Guarantees given on behalf of subsidiaries (net of margin money)	80.83	124.31

Notes:

- It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of above pending resolution of the respective proceedings as it is determinable only on receipt of judgments / decisions pending with various forums/ authorities.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

b. Capital Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitments (net of advances) – for purchase of property, plant and equipment	2.85	1,108.89

Notes forming part of the Standalone Financial Statements

39. Dues to Micro and Small Enterprises

Micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues to micro enterprises and small enterprises amounting to Rs.157.99 lakhs (2021-22: ₹ 283.84 lakhs). The disclosures pursuant to MSMED Act based on the books of account are as under:

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Dues remaining unpaid	164.39	283.84
Principal	157.99	279.53
Interest	6.40	4.31
Interest paid in terms of Section 16 of MSMED Act	Nil	Nil
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year but without adding the interest specified under the MSMED Act	Nil	Nil
Amount of interest accrued and remaining unpaid	6.40	4.31
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

40. Disclosures made in terms of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

a. Advances to Subsidiaries

For disclosure of loans, investments and Guarantee- 'Refer Note 41'.

b. Deposits paid to related parties

Interest free security deposit of ₹ 8.00 lakhs (2021-22: ₹ 8.50 lakhs), paid for guest house taken on lease from a Related party.

41. Disclosures u/s 186(4) of the Companies Act, 2013

Details of investments made are disclosed under Note 5 & 11 and Guarantees are disclosed under note no. 38(a). There are no loans given by the company except below.

- The loans to subsidiaries have been made for general corporate purposes. These loans are given at rates comparable to the average commercial rate of interest and in compliance with the provisions of Companies Act, 2013
- Loans to subsidiaries are as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Balance	Maximum outstanding during the year	Balance	Maximum outstanding during the year
Telluric Foods (India) Ltd	115.00	115.00	-	-

Notes forming part of the Standalone Financial Statements

41. Disclosures u/s 186(4) of the Companies Act, 2013 (Contd.)

3. The details of loans given to related parties which are repayable on demand are as follows:

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Balance	Percentage to the total loans	Balance	Percentage to the total loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	115.00	100%	-	-
Total	115.00	100%	-	-

4. No loans are due from Directors or other officers of the Company either severally or jointly with any other person or amount due by firms or private companies in which any director is a partner, a director or a member.

42. Disclosures in respect of Ind AS 116 - Lease

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Company has treated the leases with remaining lease term of less than 12 months as if they were “short term leases”

The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

Movement of right-of-use assets and depreciation is given in Note no. 4(a) and Interest on account of Ind AS 116 is given in Note no. 34

The Company has entered into operating leases on its Land, office building and guest house. These leases have terms of between 3 and 99 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Future minimum contractual rentals payable under non-cancellable operating leases as at March 31, 2023 are, as follows

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
i) Not later than one year	8.51	0.50
ii) Later than one year and not later than five years	57.26	2.00
iii) Later than five years	1,329.49	39.33

Total cash outflow is ₹ 501.75 Lakhs, which includes short term lease payment recognised in the Statement of Profit and Loss of ₹ 501.25 lakhs and ₹ 0.50 Lakhs related to lease premises on which IND AS 116 is applied.

The Company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019, which is 8.85% for measuring the lease liability.

43. Related party disclosures

Sr. No:	Related party relationship	Name of the Related Parties
1	Direct subsidiaries	ADF Foods UK Limited ADF Foods (India) Limited Power Brands (Foods) Private Limited (Under members' voluntary liquidation-refer note no. 48) Telluric Foods (India) Limited (w.e.f. 08.07.2022)

Notes forming part of the Standalone Financial Statements

43. Related party disclosures (Contd.)

Sr. No:	Related party relationship	Name of the Related Parties
2	Step down subsidiaries	ADF Holdings (USA) Limited ADF Foods (USA) Limited Vibrant Foods New Jersey LLC. (w.e.f. 01.09.2021) Telluric Foods Ltd (w.e.f. 17.05.2022)
3	Key managerial personnel – Non Executive	Ms. Deepa Harris Mr. Jay M. Mehta Mr. Ravindra Kumar Jain Mr. Viren A. Merchant Mr. Chandir Gidwani
4	Key managerial personnel	Mr. Bimal R. Thakkar – Chairman, Managing Director and Chief Executive Officer Mr. Devang Gandhi – Chief Operating Officer Mr. Shardul Doshi – Chief Financial Officer
5	Relative of key managerial personnel	Mrs. Mahalaxmi R. Thakkar (Relative of Director) Mrs. Parul Bimal Thakkar (Relative of Director) Mr. Shivaan B. Thakkar (Relative of Director) Sr. Manager Business & Strategy Mr. Sumer B. Thakkar (Relative of Director) Sr. Manager Business & Strategy
6	Entity in which Director has significant Beneficial Ownership	Centrum Capital Limited

The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	Financial Year	Direct Subsidiaries	Indirect Subsidiaries	Key Managerial Personnel	Key Managerial Personnel Non Executive	Relatives of Key Managerial Personnel	Entity in which Director has significant Beneficial Ownership	Total
Dividend Income	2022-23	0.06	-	-	-	-	-	0.06
	2021-22	0.06	-	-	-	-	-	0.06
Sale of goods	2022-23	964.48	3,233.91	-	-	-	-	4,198.39
	2021-22	229.41	1,581.47	-	-	-	-	1,810.88
Salary	2022-23	-	-	214.58	-	34.90	-	249.48
	2021-22	-	-	192.11	-	42.61	-	234.72
Commission	2022-23	-	-	-	-	15.00	-	15.00
	2021-22	-	-	-	-	-	-	-
Independent Director's Sitting fees	2022-23	-	-	-	29.50	-	-	29.50
	2021-22	-	-	-	27.00	-	-	27.00
Rent Paid	2022-23	-	-	-	-	0.50	-	0.50
	2021-22	-	-	-	-	0.50	-	0.50
Rent Received	2022-23	0.98	1.08	-	-	-	-	2.06
	2021-22	-	-	-	-	-	-	-
Security Deposit received	2022-23	0.25	0.25	-	-	-	-	0.50
	2021-22	-	-	-	-	-	-	-
Unsecured Loan	2022-23	115.00	-	-	-	-	-	115.00
	2021-22	-	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

43. Related party disclosures (Contd.)

Particulars	Financial Year	Direct Subsidiaries	Indirect Subsidiaries	Key Managerial Personnel	Key Managerial Personnel Non Executive	Relatives of Key Managerial Personnel	Entity in which Director has significant Beneficial Ownership	Total
Interest Income	2022-23	0.73	-	-	-	-	-	0.73
	2021-22	-	-	-	-	-	-	-
Royalty Income	2022-23	-	2.09	-	-	-	-	2.09
	2021-22	-	-	-	-	-	-	-
Expenses charged to/ reimbursed by other companies	2022-23	5.20	1.67	-	-	-	-	6.87
	2021-22	-	-	-	-	-	-	-
Expenses charged by/ reimbursed to other companies	2022-23	51.47	238.30	-	-	-	10.00	299.77
	2021-22	-	-	-	-	-	-	-
Investment in Equity shares of ADF Foods (India) Limited	2022-23	-	-	-	-	-	-	-
	2021-22	25.00	-	-	-	-	-	25.00
Investment in Equity shares of Telluric Foods (India) Limited	2022-23	100.00	-	-	-	-	-	100.00
	2021-22	-	-	-	-	-	-	-
Investment in Equity shares of Telluric Foods Limited	2022-23	-	3.00	-	-	-	-	3.00
	2021-22	-	-	-	-	-	-	-
Sale of Stake of Telluric Foods Limited	2022-23	3.00	-	-	-	-	-	3.00
	2021-22	-	-	-	-	-	-	-
Investment in Preference Shares of ADF Foods UK Limited.	2022-23	-	-	-	-	-	-	-
	2021-22	1,660.95	-	-	-	-	-	1,660.95
Subscription in Equity Shares	2022-23	-	-	-	23.53	3,620.00	-	3,643.53
	2021-22	-	-	152.04	338.47	2,715.00	-	3,205.51

Balances outstanding at the end of the year:

Particulars	Financial Year	Direct Subsidiaries	Indirect Subsidiaries	Key Managerial Personnel	Key Managerial Personnel Non Executive	Relatives of Key Managerial Personnel	Entity in which Director has significant Beneficial Ownership	Total
Non-Current investments	2022-23	8,783.08	-	-	-	-	-	8,783.08
	2021-22	8,683.08	-	-	-	-	-	8,683.08
Non-Current loans (Security Deposit)	2022-23	-	-	-	8.00	-	-	8.00
	2021-22	-	-	-	8.50	-	-	8.50
Other Payable (Security Deposit)	2022-23	0.25	0.25	-	-	-	-	0.50
	2021-22	-	-	-	-	-	-	-
Unsecured Loan	2022-23	115.00	-	-	-	-	-	115.00
	2021-22	-	-	-	-	-	-	-
Other receivable	2022-23	0.73	2.09	-	-	-	-	2.82
	2021-22	-	-	-	-	-	-	-
Other Payable	2022-23	38.33	77.84	-	-	15.00	10.80	141.97
	2021-22	0.04	-	-	-	-	-	0.04
Trade payable	2022-23	17.10	-	-	-	-	-	17.10
	2021-22	44.10	-	-	-	-	-	44.10
Trade receivable	2022-23	454.26	1,293.72	-	-	-	-	1,747.98
	2021-22	19.45	860.92	-	-	-	-	880.37

Notes forming part of the Standalone Financial Statements

43. Related party disclosures (Contd.)

Material related party transactions as under:

Particulars	Name of the related parties	₹ Lakhs	
		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Sale of goods	ADF Foods (India) Limited	61.86	57.90
	ADF Foods UK Limited	902.62	171.51
	ADF Foods (USA) Limited	-	257.82
	ADF Holding (USA) Limited	-	468.34
	Vibrant Foods New Jersey LLC.	3,201.75	855.31
	Telluric Foods Ltd	32.15	-
Investment in Preference Shares	ADF Foods UK Limited	-	1,660.95
Investment in Equity Shares	ADF Foods (India) Limited	-	25.00
Investment in Equity Shares	Telluric Foods (India) Limited	100.00	-
Unsecured Loan	Telluric Foods (India) Limited	115.00	-
Security Deposit Received	Telluric Foods (India) Limited	0.25	-
Security Deposit Received	Telluric Foods Ltd	0.25	-
Expenses charged to/ reimbursed by other companies	ADF Foods UK Limited	51.47	-
Expenses charged by/ reimbursed to other companies	Vibrant Foods New Jersey LLC.	171.96	-
Expenses charged by/ reimbursed to other companies	ADF Foods (USA) Limited	66.34	-
Expenses charged by/ reimbursed to other companies	Centrum Capital Limited	10.00	-
Investment in Equity shares of Telluric Foods Limited	Telluric Foods Ltd	3.00	-
Sale of Stake of Telluric Foods Limited	Telluric Foods (India) Limited	3.00	-

Material related party transactions as under:

Particulars	Name of the related parties	₹ Lakhs	
		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salary	Mr. Shivaan B. Thakkar	10.77	23.26
	Mr. Sumer B. Thakkar	24.13	19.35
	Mr.Devang Gandhi	111.62	99.82
	Mr. Shardul Doshi	102.96	92.29
Sales Commission	Mr. Sumer B. Thakkar	15.00	-
Subscription in Equity Shares (Refer Note 19 (e))	Mr.Devang Gandhi	-	86.88
	Mr. Shardul Doshi	-	65.16
	Mr. Shivaan B. Thakkar	1,130.88	814.50
	Mr. Sumer B. Thakkar	1,131.61	814.50
	Mrs. Parul Bimal Thakkar	1,357.50	1,086.00
	Ms. Deepa Harris	-	90.50
	Mr. Jay M. Mehta	23.53	66.97
	Mr. Ravindra Kumar Jain	-	90.50
	Mr. Chandir Gidwani	-	90.50
Non-Executive Directors Sitting Fees	Ms. Deepa Harris	6.00	4.50
	Mr. Jay M. Mehta	4.20	3.00
	Mr. Ravindra Kumar Jain	7.00	6.50
	Mr. Viren A. Merchant	4.80	6.50
	Mr. Chandir Gidwani	7.50	6.50
Rent	Mrs. Mahalaxmi R. Thakkar	0.50	0.50

Notes forming part of the Standalone Financial Statements

43. Related party disclosures (Contd.)

Balances outstanding at the end of the year

₹ Lakhs

Particulars	Name of the related parties	For the Year Ended	For the Year Ended
		March 31, 2023	March 31, 2022
Non-current investments	ADF Foods UK Limited	8,628.08	8,628.08
	ADF Foods (India) Limited	55.00	55.00
	Telluric Foods (India) Limited	100.00	-
Non-Current loans (Security Deposit)	Mrs. Mahalaxmi R. Thakkar	8.00	8.50
Unsecured Loan Given	Telluric Foods (India) Limited	115.00	-
Other receivable	Telluric Foods (India) Limited	0.73	-
	Telluric Foods Limited	2.09	-
Other payable	Mr. Sumer B Thakkar	15.00	-
	ADF Foods UK Ltd	38.33	-
	ADF Foods USA Limited	2.80	-
	Vibrant Foods New Jersey LLC.	75.04	-
	ADF Foods (India) Limited	-	0.04
	Centrum Capital Limited	10.80	-
Other Payables(Security Deposit)	Telluric Foods(India) Limited	0.25	-
	Telluric Foods Limited	0.25	-
Trade receivable	ADF Foods (India) Limited	46.65	19.45
	Telluric Foods Limited	19.44	-
	ADF Foods UK Ltd	407.61	-
	Vibrant Foods New Jersey LLC.	1,274.23	860.92
Trade payable	Power Brands (Foods) Pvt. Ltd.	17.10	44.10

Compensation to Key Managerial Personnel is as follows: ₹ Lakhs

₹ Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Short term employee benefits	5.78	5.71
Post-retirement benefits	5.44	3.26
Share based payment transactions	-	-

44. Financial and derivative instruments – Hedge Accounting

i) Impact of hedging activities

a. Disclosure of effects of hedge accounting on financial position:

March 31, 2023

₹ Lakhs

Types of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge foreign exchange risk foreign exchange forward contracts	13,669.35	-	-	116.78	April 2023 to March 2024	1: 1	(260.16)	260.16

Notes forming part of the Standalone Financial Statements

44. Financial and derivative instruments – Hedge Accounting (Contd.)

March 31, 2022							₹ Lakhs		
Types of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge foreign exchange risk foreign exchange forward contracts	11,709.50	-	143.38	-	April 2022 to March 2023	1: 1	69.29	(69.29)	

* The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1

b. Disclosure of effects of hedge accounting on financial performance

March 31, 2023					₹ Lakhs
Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or (loss)	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	
Cash flow hedge foreign exchange risk	(260.16)	-	-	-	

March 31, 2022					₹ Lakhs
Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or (loss)	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	
Cash flow hedge foreign exchange risk	69.29	-	-	-	

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument.

Refer Note -19 for the details related to movement in cash flow hedge reserve.

Notes forming part of the Standalone Financial Statements

45. Employee Benefits

a. Defined contribution plans

Amount of ₹ 93.41 lakhs (2021-22: ₹ 82.68 lakhs) representing contribution to provident fund is recognised as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

Amount of ₹ 8.27 lakhs (2021-22: ₹ 7.69 lakhs) representing contribution to Employee State Insurance scheme is recognised as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

b. Defined benefit plan

Compensated absence

Provision for compensated absences is made for outstanding leave balance at the year end at basic salary cost which can be utilized in future and are en-cashable. Amount of ₹ 115.10 lakhs (2021-22: ₹ 89.24 lakhs) has been recognised in balance sheet of which ₹ 102.87.lakhs (2021-22: ₹ 78.48 lakhs) shown under long term provision and balance Rs.12.23 lakhs (2021-22: ₹ 10.76 lakhs) is shown under short term provision as given in the Actuarial report as on March 31, 2023.

Expenses of Rs.40.63 lakhs (2021-22: ₹ 29.04 lakhs) are recognised in the Statement of Profit and Loss.

Compensated sick leave

Provision for compensated absences is made for outstanding sick leave balance at the year end at gross salary which can be utilized in future and are non en-cashable. Amount of ₹ 19.50 lakhs (2021-22: ₹ 15.80 lakhs) has been recognised in balance sheet of which Rs.16.87 lakhs (2021-22: ₹ 13.72 lakhs) shown under long term provision and balance Rs.2.63 lakhs (2021-22: ₹ 2.07 lakhs) is shown under short term provision as given in the Actuarial report as on March 31, 2023.

Expenses of Rs.3.71 lakhs (2021-22: ₹ 1.73 lakhs) are recognised in the Statement of Profit and Loss.

Gratuity

Funded

The Company has offered its employees defined benefit plan in the form of Group Gratuity Scheme. Gratuity Scheme covers all qualifying employees as statutorily required under the Payment of Gratuity Act, 1972. The Company has made irrevocable contribution of funds to LIC of India.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Particulars	₹ Lakhs	
	Gratuity (funded)	
	2022-23	2021-22
I Present value of obligation		
Liability at the beginning of the year	248.69	234.45
Interest cost	17.98	15.94
Current service cost	28.06	24.01
(Liability Transferred Out/ Divestments)	-	-
Benefit paid	(16.81)	(20.11)
Benefit payable by the Company	-	-
Actuarial (gain) / loss on obligations - Due to change in Demographic assumptions	-	(0.06)
Actuarial (gain) / loss on obligations - Due to change in financial assumptions	(6.59)	(8.66)
Actuarial (gain) / loss on obligations – Due to experience adjustment	24.45	3.11

Notes forming part of the Standalone Financial Statements

45. Employee Benefits (Contd.)

Particulars	₹ Lakhs	
	Gratuity (funded)	
	2022-23	2021-22
Liability at the end of the year	295.79	248.69
II Change in Plan Assets		
Fair value of plan assets at the beginning of the year	207.88	165.33
Interest Income	15.03	11.24
Actual return on plan assets	-	-
Employer's Contributions	39.57	51.91
Benefit paid	(16.81)	(20.11)
Re-measurement – return on assets	(2.78)	(0.50)
Fair value of plan assets at the end of the year	242.90	207.88
III Amount recognised in the balance sheet		
Liability at the end of the year	295.79	248.69
Fair value of plan assets at the end of the year	242.90	207.88
Net (Liability)/Asset Recognized in the Balance Sheet	52.89	40.81
IV Expenses recognised in the Statement of Profit and Loss		
Current service cost	28.06	24.01
Interest cost	2.95	4.70
Actual return on plan assets	-	-
Net actuarial (gain) / loss to be recognized	-	-
Expense recognised in Statement of Profit and Loss	31.01	28.71
V Amount recognized in Other Comprehensive Income		
Actuarial (Gains)/Losses on Obligation For the Period	17.86	(5.61)
Return on Plan Assets, Excluding Interest Income	2.78	0.50
Net (Income)/Expense For the Period Recognized in OCI	20.64	(5.10)
VI Actuarial assumptions :		
Discount rate	7.52%	7.23%
Rate of return on plan assets	7.52%	7.23%
Salary escalation	6.00%	6.00%
Mortality	Indian Assured lives Mortality(2012-14) Ultimate	

Maturity Analysis of the Benefit Payments: From the Fund

	₹ Lakhs	
Projected Benefits Payable in Future Years From the Date of Reporting	2022-23	2021-22
1st Following Year	18.23	19.20
2nd Following Year	17.78	9.01
3rd Following Year	18.64	16.27
4th Following Year	29.63	16.34
5th Following Year	23.64	25.90
Sum of Years 6 to 10	173.85	144.37
Sum of Years 11 and above	314.76	266.18

Notes forming part of the Standalone Financial Statements

45. Employee Benefits (Contd.)

Sensitivity Analysis		₹ Lakhs	
Particulars	2022-23	2021-22	
Projected Benefit Obligation on Current Assumptions	295.79	248.69	
Delta effect on + 1% Change in Rate of Discounting	(20.98)	(18.39)	
Delta effect on - 1% Change in Rate of Discounting	23.82	20.92	
Delta effect on + 1% Change in Rate of Salary Increase	23.94	20.97	
Delta effect on - 1% Change in Rate of Salary Increase	(21.46)	(18.75)	
Delta effect on + 1% Change in Rate of Employee Turnover	1.48	1.05	
Delta effect on - 1% Change in Rate of Employee Turnover	(1.73)	(1.23)	

46. Computation of earnings per share

		₹ Lakhs	
Particulars	2022-23	2021-22	
Profit after tax	6,000.66	4,149.47	
Weighted average number of equity shares for basic EPS	2,18,95,508	2,00,64,078	
Weighted average number of equity shares for diluted EPS	2,18,95,508	2,06,17,299	
Earnings per share			
Basic	27.41	20.68	
Diluted	27.41	20.13	
Nominal value of shares	10	10	

47. As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

		₹ Lakhs	
Particulars	As at March 31, 2023	As at March 31, 2022	
(i) Amount required to be spent by the company during the year	95.13	88.33	
(ii) Amount of expenditure incurred	95.31	89.45	
(iii) Shortfall at the end of the year	-	-	
(iv) Total of previous years shortfall	-	-	
(v) Reason for shortfall	NA	NA	
(vi) Nature of CSR activities	Promoting Education for Disable, Eradication of hunger & poverty, Women Empowerment, Animal Welfare, Healthcare, Environment protection and COVID 19 relief		
(vii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard(1)	NA	NA	
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA	

Notes forming part of the Standalone Financial Statements

48. The Company held majority shareholding in Power Brands (Foods) Private Limited ('PBFPL'). It presently holds 2,08,85,992 fully paid Equity Shares of ₹ 10/- each (including 20,75,992 Equity shares acquired at ₹ 330.08 lakhs in Financial Year 2012-13). PBFPL is presently under voluntary liquidation process.

Pursuant to a special resolution passed on November 5, 2012 by its members, PBFPL went into the members' voluntary liquidation. In the course of liquidation process, the voluntary liquidator, with the prior approval of the members vide their special resolution dated March 8, 2013, distributed PBFPL's intangible asset - Ashoka brand and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other fixed and current assets to meet its contingent and other liabilities.

By virtue of the above distribution, the Company received Ashoka brand in the financial year 2012-13 (valued at ₹ 2,935.99 lakhs by an independent valuer) in lieu of its investment in PBFPL's equity shares of ₹ 2,211.08 lakhs. Accordingly, the Company capitalised the said brand in its books at ₹ 2,935.99 lakhs in the said financial year after adjusting the same against the investment value of ₹ 2,211.08 lakhs and carried the balance of ₹ 724.91 lakhs to the credit of the Statement of Profit and Loss as an exceptional item in that year.

During the Financial Year 2012-13, the voluntary liquidator, with the prior approval of the members vide their special resolution dated 10th November 2014, distributed PBFPL's immovable property situated at Sewree, Mumbai and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other current assets to meet with its contingent and other liabilities. The excess value of assets so received over the investment value in Equity Shares of PBFPL was accounted for in the Company's Statement of Profit & Loss under the head exceptional item.

Consequently, the investment in Equity Shares of PBFPL stand fully realised. However, pending completion of liquidation process, the Company has not surrendered the said shares to the Voluntary liquidator and they have been shown under the head "Investment" at nil value.

49. Financial instruments – Fair values and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

₹ Lakhs

March 31, 2023	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Non -Current								
Loans	-	-	8.82	8.82	-	-	-	-
Other financial assets	52.13	-	54.01	106.14	-	52.13	-	52.13
Current								
Investments	7,998.73	-	-	7,998.73	7,998.73	-	-	7,998.73
Trade Receivables	-	-	8,865.89	8,865.89	-	-	-	-
Cash and cash equivalents	-	-	1,846.64	1,846.64	-	-	-	-
Bank balance other than Cash and cash equivalents	-	-	2,361.34	2,361.34	-	-	-	-
Loans	129.43	-	-	129.43	-	-	-	-
Other financial assets	-	-	1590.23	1590.23	-	-	-	-
Total	8,234.30		14,672.92	22,907.22	7,998.73	52.13		8,050.86

Notes forming part of the Standalone Financial Statements

49. Financial instruments – Fair values and risk management (Contd.)

₹ Lakhs

March 31, 2023	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities								
Non-Current								
Lease Liabilities	-	-	167.64	167.64	-	-	-	-
Current								
Lease Liabilities*	-	-	0.00	0.00	-	-	-	-
Trade payables	-	-	1,642.35	1,642.35	-	-	-	-
Other financial liabilities	-	116.78	782.13	898.91	-	116.78	-	116.78
Total	-	116.78	2,541.26	2,708.90	-	116.78	-	116.78

* Figures indicates less than ₹ 1000/-

₹ Lakhs

March 31, 2022	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Non - Current								
Loans	-	-	6.34	6.34	-	-	-	-
Other financial assets	48.17	-	69.67	117.84	-	48.17	-	48.17
Current								
Investments	3,927.08	-	-	3,927.08	3,927.08	-	-	3,927.08
Trade Receivables	-	-	6,092.16	6,092.16	-	-	-	-
Bank balance other than Cash and cash equivalents	-	-	3,093.79	3,093.79	-	-	-	-
Bank balances other than above	-	-	2,336.10	2,336.10	-	-	-	-
Loans	24.13	-	15.17	39.30	-	-	24.13	24.13
Other financial assets	-	143.38	1,790.16	1,933.54	-	143.38	-	143.38
Total	3,999.38	143.38	13,403.39	17,546.15	3,927.08	191.55	24.13	4,142.76
Financial Liabilities								
Non-Current								
Lease liabilities	-	-	5.81	5.81	-	-	-	-
Current								
Lease liabilities*	-	-	0.00	0.00	-	-	-	-
Trade payables	-	-	2,217.28	2,217.28	-	-	-	-
Other financial liabilities	-	-	803.78	803.78	-	-	-	-
Total	-	-	3,026.87	3,026.87	-	-	-	-

* Figures indicates less than ₹ 1000/-

Notes forming part of the Standalone Financial Statements

49. Financial instruments – Fair values and risk management (Contd.)

Fair Value Hierarchy

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: 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.

Calculation of Fair Values

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. Methods and assumptions used to estimate the fair values are consistent with prior years.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
3. Loans – Security Deposits have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

50. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk, excluding receivables from related parties, is influenced mainly by the individual characteristic of each customer

(i) Credit Risk

Credit risk arises from trade receivables, cash and cash equivalents and deposits with banks and financial institutions.

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Company's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognised in the statement of financial position.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

Notes forming part of the Standalone Financial Statements

50. Financial Risk Management (Contd.)

- Historical trend default in case of applicable financial asset
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligations
- Other applicable macroeconomic information such as regulatory changes

A default on a financial asset is when the counter party fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 8,865.89 lakhs (March 31, 2022 – ₹ 6,092.16 lakhs) shown as current as at reporting date. Trade receivables are typically unsecured. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company expects that estimate of expected credit loss for impairment is immaterial based on historical trend and the nature of business. No provision is considered necessary as at reporting date other than disclosed in Note 12 and Management continuously assesses the requirement for provision on ongoing basis. During the year, the Company has made no write-offs of trade receivables.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management regularly monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows to ensure it has sufficient cash to meet ongoing operational fund requirements.

₹ Lakhs

March 31, 2023	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Other financial liabilities	167.64	167.64	0.00*	0.00*	0.00*	167.64
Current						
Trade payables						
a) Total outstanding dues of Micro Enterprises and Small Enterprises	157.99	157.99	157.99	-	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,484.36	1,484.36	1,484.36	-	-	-
Other Financial Liabilities	898.91	898.91	898.91	-	-	-
Total	2,708.90	2,708.90	2,541.26	-	-	-

Note :

* Figures indicates less than Rs. 1,000/-

Notes forming part of the Standalone Financial Statements

50. Financial Risk Management (Contd.)

₹ Lakhs

March 31, 2022	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Other financial liabilities	5.81	5.81	-	0.00*	0.00*	5.81
Current						
Trade payables						
a) Total outstanding dues of Micro Enterprises and Small Enterprises	279.53	279.53	279.53	-	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,937.75	1,937.75	1,937.75	-	-	-
Other Financial Liabilities	803.78	803.78	803.78	-	-	-
Total	3,026.87	3,026.87	3,021.06	0.00	0.00	5.81

* Figures indicates less than Rs. 1,000/-

(iii) Currency Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

The Company's risk management policy is to consider 100% of forecasted net exposures for period 1 to 3 months of export sales and 70% of forecasted net exposures for 4 to 12 months of export sales for hedge purpose under hedge program.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedge exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship.

The carrying amount of the Company's exposure to foreign currency at the end of the reporting period expressed in INR, are as follows:

a) Trade and other receivables

₹ Lakhs

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	93.53	7,685.02	69.70	5,282.51
GBP	11.52	1,170.74	7.93	788.71

Notes forming part of the Standalone Financial Statements

50. Financial Risk Management (Contd.)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
	USD	1.54	126.16	0.50
GBP	0.49	50.22	0.24	23.39
CAD	0.17	10.32	0.19	11.23
EURO	-	-	0.10	8.67

₹ Lakhs

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
	USD	14.42	1,185.11	11.77
GBP	0.51	52.19	6.72	668.61

₹ Lakhs

The following significant exchange rates have been applied during the year

₹ Lakhs

Foreign currency	Year- end spot rate as at	
	March 31, 2023	March 31, 2022
	USD / INR	82.1650
GBP / INR	101.6100	99.4800
CAD/ INR	60.66	60.5100
EURO/INR	89.43	84.2000

Sensitivity for above exposures

A fluctuation in the exchange rates of 5% with other conditions remaining unchanged would have the following effect on Company's profit or loss after taxes as at March 31, 2023 and March 31, 2022:

Particulars	Impact on profit after tax	
	For the year ended March 31, 2023	For the year ended March 31, 2022
	USD / INR increase by 5%	282.82
USD / INR decrease by 5%	(282.82)	(150.95)
GBP / INR increase by 5%	41.92	28.29
GBP / INR decrease by 5%	(41.92)	(28.29)
CAD / INR increase by 5%	(0.39)	(0.42)
CAD / INR decrease by 5%	0.39	0.42
EURO / INR increase by 5%	-	(0.33)
EURO / INR decrease by 5%	-	0.33

₹ Lakhs

Notes forming part of the Standalone Financial Statements

- 51.** As per the requirements of Ind AS 108 on “Operating Segments”, segment information has been provided under the Notes to Consolidated Financial Statements.
- 52.** The Company has availed the facility of packing credit and as on march 31, 2023, there is no overdrawn amount.
- The borrowings obtained by the Company from Banks have been applied for which such Packing Credit Facility were taken.
- The Quarterly returns filed by the Company with Banks are in agreement with Books of Accounts.
- 53.** The Board has recommended final dividend @ 50% i.e ₹ 5/- per equity share of face value ₹ 10/- each for the financial year ended March 31, 2023. The record date for the final Dividend is fixed as August 03, 2023 to ascertain the number of Shareholders of the Company entitled for the payment of Dividend.
- 54.** In the Board meeting held on 06th May, 2023, the approval was granted for sub-division of 1 (One) fully paid-up Ordinary (equity) Share of the Company having face value of ₹10/- (Rupees Ten) each, into 5 (Five) fully paid-up Ordinary (equity) Shares having face value of ₹2/- (Rupee Two) each. The same will be subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.
- 55.** Information's required as per schedule III (amended by MCA notification dated March 23, 2021) and as per Ind-AS has been disclosed in the financial statements to the extent applicable.
- 56.** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the code will come into effect has not been notified. The Company will assess the impact and will record any related impact in the period once the code becomes effective.
- 57.** The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other source of funds) to other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or like on or behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall either directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 58.** Previous year's figures have been regrouped / restated wherever necessary to conform to current year's classification. All figures have been rounded off to the nearest lakhs.

For and on behalf of the Board of Directors

Bimal R. Thakkar
Chairman, Managing Director & C.E.O.
DIN: 00087404
Place: Paris

Shardul A. Doshi
Chief Financial Officer
Place: Mumbai

Shalaka Ovalekar
Company Secretary
Membership No: A15274
Place : Mumbai
Date : May 06, 2023

Independent Auditor's Report

To the members of
ADF FOODS LIMITED

Report on the audit of the Consolidated Ind as Financial Statements

Opinion

We have audited the accompanying Consolidated Ind-AS Financial Statements of ADF FOODS LIMITED (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flows Statement for the year then ended, and the Notes to the Consolidated Ind- AS Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind-AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2023, of the consolidated profit, and its consolidated cash flows for the year then ended.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	Our Response
<p>1. Impairment of Indefinite-lived intangible assets</p> <p>Indefinite-lived intangible assets (Brands) as at March 31, 2023 amount to ₹ 2,132.84 lakhs.</p> <p>The impairment assessment must be performed at least annually and involves the determination of the recoverable amount, being the higher of the value-in-use and the fair value less costs to dispose.</p> <p>We consider this to be a key audit matter because the recoverability assessment of such assets involves complex and subjective estimates and judgements.</p> <p>These estimates and judgements are entrenched with inherent uncertainty as they include assumptions in relation to forecasting revenue growth rates, direct costs, foreign exchange rates, discount rates and future cash flows.</p>	<p>We have assessed the valuation methodology and challenged management's analysis and assumptions around the key drivers of cash flow forecasts including discount rate, terminal growth rate, royalty rate etc. by comparing them to relevant market data and with assistance from independent external experts.</p> <p>We assessed the appropriateness and completeness of the related disclosures in the Financial Statements.</p>

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind-AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind-AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind-AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter Description	Our Response
<p>2. Derivative Instruments and Hedge Accounting</p> <p>The Holding Company enters into a high volume of derivative financial instrument contracts to manage its exposure to foreign currency risk. These contracts gave rise to Derivative Liabilities of ₹ 116.78 lakh as at March 31, 2023. These contracts are recorded at fair value and for the majority of them hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognised in the Statement of Profit or Loss when hedges mature. The high volume of contracts necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. The valuation of hedging instruments and consideration of hedge effectiveness can involve a significant degree of both complexity and management judgement and are subject to an inherent risk of error.</p>	<p>Ensure that the entity's Hedging policy is documented, validated by adequate level of management and those charged with governance, and communicated to all stakeholders within the entity.</p> <p>Assess the process and controls to validate hedging requests to ensure that all hedging requests were duly validated by adequate level of management, and are in line with the entity's documented hedging policy.</p> <p>Verify that all derivatives documented in hedging relationships are allocated to a specific hedged risk from their inception.</p> <p>Testing management's controls over derivative financial instruments and hedge accounting.</p> <p>Inspecting, on a sample basis, appropriateness of hedging documentation and contracts.</p> <p>Obtaining confirmation in respect of derivative financial instruments from counterparties.</p> <p>Re-performing the year end valuations of derivative financial instruments and calculations of hedge effectiveness; and</p> <p>We assessed the appropriateness and completeness of the related disclosures in the Financial Statements.</p>

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind-AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with the respect to preparation and presentation of these Consolidated Ind-AS Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statements of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind-AS 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 Ind-AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind-AS Financial Statements, the respective Board of Directors of the companies 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 Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind-AS 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 Ind-AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind-AS 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 Companies Act, 2013, 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 and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind-AS Financial Statements, including the disclosures, and whether the Consolidated Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within

the Group and its associates and jointly controlled entities to express an opinion on the Consolidated Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind-AS financial statements of such entities included in the Consolidated Ind-AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind-AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the 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 Ind-AS Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind-AS 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 Ind-AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 3 subsidiaries incorporated outside India, whose financial statements reflect total assets of ₹ 15,440.40 Lakh as at March 31, 2023, total revenues of ₹ 12,067.27 Lakh and net cash outflows amounting to ₹ 578.42 Lakh for the year ended on that date, as considered in the Consolidated Ind-AS Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind-AS Financial Statements, in so far as it relates to the amounts and

disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

These subsidiaries are located outside India whose interim financial results and other financial information has been prepared in accordance with accounting principles generally accepted in their respective country and which has been reviewed by other auditor under generally accepted auditing standards applicable in their respective country. The Company's management has converted the interim financial results of these subsidiaries located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India (Indian Accounting Standards "Ind AS"). We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to amounts and disclosures included in respect of such subsidiaries located outside India is based on the reports of the other auditors.

Our opinion on the Consolidated Ind-AS 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 and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act based on our audit and on the consideration of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind-AS Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Ind-AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated 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 Ind-AS Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Ind-AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2023, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the Directors of the Group companies, incorporated in India are disqualified as on March 31, 2023, from being appointed as a Director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group 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 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Ind-AS Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group, Refer Note 38 to the Consolidated Ind-AS Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended March 31, 2023.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities,

including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or

entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- vi. In respect of the financial year 2022-23, Management has not been mandated to use the accounting software with requisite audit trail facility. Accordingly, proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023. Consequently, reporting under Rule 11 (d) - (g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- 2) According to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under Companies (Auditor’s Report) Order, 2020 (“CARO”), which have been reproduced as per the requirements of the Guidance Note on CARO.

Name of Entity	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO Report
ADF Foods (India) Limited	U15132GJ2009PLC0 58782	Subsidiary Company	Clause xvii
Telluric Foods (India) Limited	U52609MH2022PLC 386349	Subsidiary Company	Clause xvii
Telluric Foods Limited	U52399MH2022PLC 382741	Step Down Subsidiary Company	Clause xvii

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner

Membership. No. 107017
 UDIN: 23107017BGXHDS1510

Place: Mumbai
 Dated: May 6, 2023

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **ADF FOODS LIMITED** of even date)

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

In conjunction with our audit of the Ind-AS Consolidated Financial Statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **ADF FOODS LIMITED** (hereinafter referred to as the “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and

maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023,

based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner
Membership No. 107017
UDIN: 23107017BGXHDS1510

Place: Mumbai
Dated: May 6, 2023

Consolidated Balance Sheet as at March 31, 2023

Particulars	Note No.	₹ Lakhs	
		As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4(a)	12,905.55	11,562.48
Capital work-in-progress	4(b)	671.99	13.63
Goodwill	4(c)	2,441.46	2,319.42
Intangible assets		2,143.84	2,137.85
Financial assets			
Loans	5	8.82	6.34
Other financial assets	6	228.15	227.22
Deferred tax assets (net)	22	457.99	277.29
Income tax assets (net)	7	640.54	499.46
Other non-current assets	8	9.26	77.89
Total non-current assets		19,507.60	17,121.58
Current assets			
Inventories	9	6,311.90	7,621.19
Financial assets			
Investments	10	7,998.73	3,927.08
Trade receivables	11	9,425.56	7,095.46
Cash and cash equivalents	12	3,987.51	5,423.74
Bank balance other than Cash and cash equivalents	13	2,361.34	2,336.10
Loans	14	14.43	39.30
Other financial assets	15	1,620.93	2,065.46
Other current assets	16	1,273.91	1,433.45
Total current assets		32,994.31	29,941.78
Total assets		52,501.91	47,063.36
Equity and liabilities			
Equity			
Equity share capital	17	2,235.10	2,134.45
Other equity	18	39,689.49	32,162.57
Non-Controlling Interest		237.33	261.73
Total equity		42,161.92	34,558.75
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	-	1,073.66
Lease Liabilities	20	4,955.05	4,946.98
Provisions	21	119.76	92.39
Deferred tax liabilities (net)	22	955.42	808.79
Total non-current liabilities		6,030.23	6,921.82
Current liabilities			
Financial liabilities			
Borrowings	23	-	479.87
Lease Liabilities	24	569.56	491.52
Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	25	157.99	279.53
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	25	2,095.40	2,880.59
Other financial liabilities	26	1,163.14	1,157.28
Other current liabilities	27	189.68	154.51
Provisions	28	14.86	12.83
Income tax liabilities (net)	29	119.13	126.66
Total current liabilities		4,309.76	5,582.79
Total liabilities		10,339.99	12,504.61
Total equity and liabilities		52,501.91	47,063.36
Significant accounting policies	2		

The accompanying notes 1 to 57 form an integral part of the Consolidated financial statements.

As per our report of even date

Signatures to the Consolidated Balance Sheet and Notes to the financial statements

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

For and on behalf of the Board

Sai Venkata Ramana Damarla
Partner
Membership Number 107017
Place: Mumbai
Date: May 06, 2023

Bimal R. Thakkar
Chairman, Managing Director & C.E.O.
DIN: 00087404
Place: Paris

Shardul A. Doshi
Chief Financial Officer
Place: Mumbai

Shalaka Ovalekar
Company Secretary
Membership No: A15274
Place: Mumbai
Date: May 06, 2023

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

₹ Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	30	45,028.48	42,120.24
Other income	31	1,121.05	946.15
Total income		46,149.53	43,066.39
Expenses			
Cost of materials consumed	32(a)(b)	14,357.89	12,021.21
Purchase of stock-in-trade	32(c)	5,687.54	8,876.82
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	1,397.04	67.96
Employee benefits expense	34	2,969.10	2,355.45
Finance cost	35	265.29	180.93
Depreciation and amortisation expenses	36	1,373.58	908.16
Other expenses	37	12,552.85	12,142.30
Total expenses		38,603.29	36,552.83
Profit before Tax		7,546.24	6,513.56
Tax expense			
Current tax		2,123.24	1,567.03
Deferred tax		35.38	94.27
(Excess) provision of earlier years		(197.87)	-
Total tax expense		1,960.75	1,661.30
Profit for the year		5,585.49	4,852.26
Other comprehensive income			
A. Items that will not be reclassified subsequently to profit or loss			
Re-measurements of the defined benefit plans		(20.64)	5.09
Income tax on above item		5.20	(1.28)
		(15.44)	3.81
B. Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating the financial statements of foreign operation		353.54	103.96
Net gain/(loss) on cash flow hedges		(260.16)	69.29
Income tax on above item		65.48	(17.44)
		158.86	155.81
Net other comprehensive income for the year (net of tax) (A + B)		143.42	159.62
Total comprehensive income for the year		5,728.91	5,011.88
Profit / (Loss) for the year attributable to:			
Owners of the Company		5,609.89	4,809.81
Non-Controlling Interests		(24.40)	42.45
Total Other Comprehensive Income for the year attributable to:			
Owners of the Company		143.42	159.62
Non-Controlling Interests		-	-
Total Comprehensive Income for the year attributable to:			
Owners of the Company		5,753.31	4,969.43
Non-Controlling Interests		(24.40)	42.45
Earning per equity share [Nominal value per share ₹ 10/- each]	44		
Basic (Rs.)		25.62	23.97
Diluted (Rs.)		25.62	23.33

The accompanying notes 1 to 57 form an integral part of the Consolidated financial statements.

As per our report of even date

Signatures to the Consolidated Statement of Profit and Loss and Notes to the financial statements

For KALYANIWALLA & MISTRY LLP

For and on behalf of the Board

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla

Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place: Mumbai

Date: May 06, 2023

Consolidated Statement of Cash Flows for the year ended March 31, 2023

Particulars	₹ Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow from Operating Activities		
Profit before Taxation	7,546.24	6,513.56
Adjustment for:		
Depreciation and amortisation expense	1,373.58	908.16
Loss on sale / write off of Fixed Assets	20.06	49.21
Finance cost	265.29	180.93
Liabilities no longer required written back	(18.64)	(29.50)
Provision for doubtful debt and advances	96.62	8.91
Unrealised exchange (gain)/loss	(218.45)	(214.39)
Net (gain)/loss on sale of investments / fair valuation of investments	(340.72)	(88.33)
Unwinding of security deposit	(4.33)	(3.72)
Notional rent on security deposit	3.53	1.91
Rent Concession	-	(10.17)
Interest income	(86.21)	(133.00)
Operating Profit before working capital changes	8,636.97	7,183.57
Adjustment for:		
(Increase)/Decrease in Trade receivables	(2,311.93)	(598.62)
(Increase) / Decrease in Inventories	1,309.29	(327.00)
(Increase)/ Decrease in Non-Current Financial Assets	2.48	(39.94)
(Increase) / Decrease in Non-Current non Financial Assets	0.56	(4.91)
(Increase) / Decrease in Current Financial Assets	282.07	(923.95)
(Increase) / Decrease in Current Non - Financial Assets	159.54	(558.52)
Increase / (Decrease) in Trade Payable	(884.78)	(293.55)
Increase / (Decrease) in Non - Current Provisions	27.37	13.09
Increase / (Decrease) Current Financial Liabilities	(132.54)	438.93
Increase / (Decrease) Current Provisions	2.03	0.17
Increase / (Decrease) Current Non - Financial Liabilities	35.17	(43.33)
Cash generated from operating activities	7,126.23	4,845.94
Taxes Paid (Net of refunds)	(2,073.98)	(1,437.43)
Net Cash Flow from / (used in) Operating Activities (A)	5,052.25	3,408.51
B. Cash Flow from Investing Activities		
Purchase of Property, plant and equipments	(2,467.64)	(1,172.91)
Proceeds from sale of Property, plant and equipments	18.00	10.23
Proceeds from bank deposits	(30.33)	147.05
Investment in mutual funds	(11,983.67)	(15,651.37)
Proceeds from sale of mutual funds	8,252.00	13,475.27
Purchase of Goodwill	(205.41)	(2,285.44)
Interest received	130.16	98.54
Net Cash Flow (used in) Investing Activities (B)	(6,286.89)	(5,378.63)
C. Cash Flow from Financing Activities		

Consolidated Statement of Cash Flows for the year ended March 31, 2023

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(Repayment of) / proceeds from borrowings	(1,553.53)	1,553.53
Proceeds from Warrants	2,732.64	2,561.60
Liability towards Non-Controlling Interest	-	219.29
Finance cost	(94.11)	(93.41)
Payment of Lease rent	(687.87)	(340.81)
Dividend Paid	(878.91)	(600.68)
Net cash flow from / (used in) financing activities (C)	(481.78)	3,299.52
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(1,716.42)	1,329.40
CASH AND CASH EQUIVALENTS:		
AS AT THE BEGINNING OF THE YEAR	5,423.74	3,983.97
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	280.19	110.37
Cash and Cash Equivalents - Closing Balance	3,987.51	5,423.74
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,436.22)	1,439.77
Notes:		
1. Cash and Cash Equivalents:		
(a) Cash on Hand	3.16	4.68
(b) Balance with banks	3,984.35	5,419.06
Cash and Cash Equivalents	3,987.51	5,423.74

1. The consolidated cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on 'Cash Flow Statement' and presents cash flows by operating, investing and financing activities.

2. Movement of borrowings

₹ Lakhs

Particulars	March 31, 2022	Cash Flow	Non-cash changes	March 31, 2023
Long term borrowings	1,073.66	(1,073.66)	-	-
Short term borrowings	479.87	(479.87)	-	-
Total borrowings	1,553.53	(1,553.53)	-	-

₹ Lakhs

Particulars	March 31, 2021	Cash Flow	Non-cash changes	March 31, 2022
Long term borrowings	-	1,073.66	-	1,073.66
Short term borrowings	-	479.87	-	479.87
Total borrowings	-	1,553.53	-	1,553.53

3. Figures for the previous year have been regrouped/ restated wherever necessary to conform to current year's classification.

The accompanying notes 1 to 57 form an integral part of the Consolidated financial statements.

As per our report of even date

Signatures to the Consolidated statement of cash flows and Notes to the financial statements

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner
Membership Number 107017
Place: Mumbai
Date: May 06, 2023

Bimal R. Thakkar
Chairman, Managing Director & C.E.O.
DIN: 00087404
Place: Paris

Shardul A. Doshi
Chief Financial Officer
Place: Mumbai

Shalaka Ovalekar
Company Secretary
Membership No: A15274
Place: Mumbai
Date: May 06, 2023

Consolidated Statement of Changes in Equity For The Year Ended March 31, 2023

(a) Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Balance at beginning of the year	2,09,66,219	2,096.62	2,00,22,719	2,002.27
Changes in equity share capital during the year	10,06,500	100.65	9,43,500	94.35
Balance at end of the reporting year	2,19,72,719	2,197.27	2,09,66,219	2,096.62

(b) Other Equity

Particulars	Capital reserve	Capital redemption reserve	Securities premium (Refer Note 18 (c))	General reserve	Money received against share warrants (Refer Note 18 (e))	Foreign currency translation reserve	Cash flow hedge reserve	Retained earnings	Equity attributable to Owners of the Company	Non Controlling Interest	₹ Lakhs
											Total
Balance as at April 1, 2021	105.00	197.73	2,166.86	763.97	1,764.75	78.02	102.22	20,132.97	25,311.52	-	25,311.52
Addition during the year	-	-	-	-	2,561.60	-	-	-	2,561.60	219.28	2,780.88
Profit for the year	-	-	-	-	-	-	-	4,809.81	4,809.81	42.45	4,852.26
Other Comprehensive Income	-	-	-	-	-	-	51.86	3.83	55.69	-	55.69
Dividend paid	-	-	-	-	-	-	-	(600.68)	(600.68)	-	(600.68)
Issue of Equity Shares pursuant to conversion of preferential share warrants	-	-	3,321.12	-	(3,415.47)	-	-	-	(94.35)	-	(94.35)
Exchange difference in translating the financial statements of foreign operations.	-	-	-	-	-	118.98	-	-	118.98	-	118.98
Change in fair value of hedging instrument	-	-	-	-	-	-	-	-	-	-	-
Deferred tax on change in fair value of hedging instrument	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	105.00	197.73	5,487.98	763.97	910.88	197.00	154.08	24,345.93	32,162.57	261.73	32,424.30
Balance as at April 1, 2022	105.00	197.73	5,487.98	763.97	910.88	197.00	154.08	24,345.93	32,162.57	261.73	32,424.30
Addition during the year	-	-	-	-	2,732.64	-	-	-	2,732.64	-	2,732.64
Profit for the year	-	-	-	-	-	-	-	5,609.93	5,609.93	(24.40)	5,585.53
Other Comprehensive Income	-	-	-	-	-	-	(194.68)	(15.44)	(210.12)	-	(210.12)
Dividend paid	-	-	-	-	-	-	-	(878.91)	(878.91)	-	(878.91)
Issue of Equity Shares pursuant to conversion of preferential share warrants	-	-	3,542.89	-	(3,643.52)	-	-	-	(100.63)	-	(100.63)
Exchange difference in translating the financial statements of foreign operations.	-	-	-	-	-	374.04	-	-	374.04	-	374.04
Balance as at March 31, 2023	105.00	197.73	9,030.87	763.97	-	571.04	(40.60)	29,061.51	39,689.49	237.33	39,926.82

The accompanying notes 1 to 57 form an integral part of the Consolidated financial statements.

As per our report of even date

Signatures to the Consolidated statement of changes in equity and Notes to the financial statements

For KALYANIWALLA & MISTRY LLP

For and on behalf of the Board

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla

Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place: Mumbai

Date: May 06, 2023

Notes forming part of the Consolidated Financial Statements

1 Group Overview

Description of Business

ADF Foods Limited (“the Holding Company”) including its subsidiaries collectively referred as (“the Group”) is a public company incorporated under the provisions of the Companies Act, 1956 and domiciled in India having registered office at 83/86 G.I.D.C Industrial Estate, Nadiad, Gujarat. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The group is engaged in the manufacture and selling of food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices etc. The group caters mainly to international markets and domestic market.

The Consolidated financial statements of the Group for the year ended March 31, 2023 are approved by the Board of Directors on May 06, 2023.

2. Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The group’s Financial Statements for the year ended March 31, 2023 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and the Notes to Financial Statements.

These Consolidated Financial Statements are presented in Indian rupees, which is the functional currency of the parent company.

Current versus non-current classification of all assets and liabilities have been classified as current or non-current as per the group’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non - current.

1.1 Basis of Measurement

The Ind AS Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Key Accounting Estimates and Judgements:

The preparation of Consolidated Financial Statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- (a) Measurement of defined benefit obligations –Note 43
- (b) Measurement and likelihood of occurrence of provisions and contingencies –Note 38
- (c) Recognition of deferred tax assets –Note 22
- (d) Impairment of Intangible asset –Note 36
- (e) Measurement of Lease liabilities and Right of Use of Assets – Note 4, 20 & 24
- (f) Fair value of financial instruments including derivative contracts (Note 26) and applicable discount rate

Measurement of fair values

The Group’s accounting policies and disclosures require financial instruments to be measured at fair values. The Group has an established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate

Notes forming part of the Consolidated Financial Statements

in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Principles of consolidation:

Subsidiaries are all entities (including structured entities) over which the group has control.

The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

2 Significant Accounting Policies

2.1 Property, Plant and Equipment

2.1.1 Initial Recognition

Property, Plant and Equipment are initially recognised at cost which comprises of purchase price including import duties, non-refundable taxes and any directly attributable cost of bringing the assets to its present condition and location for its intended use, including the cost of replacing parts only when future economic benefit associated to that cost will flow to the group and its cost can be reliably measured, borrowing costs for long term construction projects if the recognition criteria are met and present value of any expected cost for decommissioning, restoration and similar liability of an asset after its use is included in the cost of respective asset. On replacement of a component, its carrying amount is derecognised.

Further, in case the component was not depreciated separately, the cost of incoming component is used as an indication to determine the cost of the replaced part at the time of capitalising.

2.1.2 Subsequent Recognition

Subsequent recognition is at cost less accumulated depreciation and accumulated impairment losses, if any. Impairment testing is undertaken at the balance sheet date if there are indicators. .

Notes forming part of the Consolidated Financial Statements

2.1.3 Disposal or Retirement

The carrying value is eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.1.4 Component Accounting

The group identifies and determines cost of each component of an asset separately, if the component has a materially different useful life as compared to entire asset and its cost is significant of the total cost.

2.1.5 Depreciation

Depreciation is calculated on Straight Line Basis as per the useful lives specified in Schedule II to the Companies Act, 2013 on pro rata basis except for carboys and pallets where lower lives of 5 years is applied based on the technical advice obtained by the group.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Machinery and equipment	15 Years
Furniture and fixtures	10 Years
Automobiles	08 Years
Factory Building	30 Years
Office Building	60 Years
Computers	03 Years

Leasehold land under operating lease is depreciated over the leasehold period or its estimated useful life, whichever is shorter.

Freehold land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate

2.2 Capital Work In Progress

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset..

2.3 Intangible Assets

2.3.1 Initial Recognition

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

2.3.2 Subsequent Recognition

Intangible assets are carried at cost less accumulated amortisation and impairment loss, if any.

2.3.3 Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Goodwill - 10 years	Software - 3 Years
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Notes forming part of the Consolidated Financial Statements

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of brands. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not the change in useful life from indefinite to finite is made on a prospective basis.

2.3.4 *Derecognition*

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The group has assessed useful life of certain intangible assets (Brands) as indefinite and hence these assets are not amortised but tested for impairment annually.

2.4 Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of GST credits.

Raw materials, packing materials and stores: Costs includes cost of purchase net of discounts and other costs incurred in bringing each product to its present location and condition.

Finished goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition. Finished goods valuation also includes applicable duty. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

2.5 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management..

2.6 Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment. The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit

2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

Notes forming part of the Consolidated Financial Statements

2.7.1 Financial Assets

Financial assets are recognised when the group becomes a party to the contractual provisions of the instrument.

2.7.1.1 Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

2.7.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

2.7.1.2.1 Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

2.7.1.2.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

2.7.1.2.3 Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

2.7.1.2.4 Financial assets as Equity Investments

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

Notes forming part of the Consolidated Financial Statements

The Group makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss.

Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

2.7.1.3 *Derecognition*

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

The rights to receive cash flows from the asset have expired, or

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

2.7.1.4 *Impairment*

In accordance with Ind AS 109, the group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The group follows 'Simplified Approach' for recognition of impairment allowance. This approach doesn't require the group to track changes in credit risk. Rather, it recognises impairment allowances based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL 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 entity expects to receive, discounted at the original EIR. Lifetime ECL are expected credit losses resulting from all possible defaults over the expected life of a financial instrument. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

2.7.2 **Financial Liabilities**

(i) *Classification*

The group classifies all financial liabilities as subsequently measured at amortised cost..

(ii) *Initial recognition and measurement*

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

(iii) *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to loans and borrowings.

Notes forming part of the Consolidated Financial Statements

(iv) *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(v) *Offsetting of financial instruments*

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

2.7.3 **Share Capital**

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

2.7.4 **Derivative financial instruments and hedge accounting**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions. (Cash flow hedges).

The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

When forward contracts are used to hedge forecast transactions, gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within other equity.

The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Notes forming part of the Standalone Financial Statements

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

2.8 Government Subsidy/Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

2.9 Segment Reporting

The Chairman and Managing Director assesses performance of the Company as Chief Operating Decision Maker (“CODM”). The Company has identified reportable segments in a manner consistent with internal reporting provided to the Chief Operating Decision Maker.

2.10 Provisions

Provisions are 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 the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10.1 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where 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..

2.10.2 Contingent Assets

Contingent assets are not recognised in the financial statements. Contingent assets if any, are disclosed in the notes to the financial statements.

2.11 Revenue from Operation

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of

Notes forming part of the Standalone Financial Statements

variable consideration on account of various discounts and schemes offered by the group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

2.12 Other Non-Operating Income

2.12.1 Interest Income

Interest income is recognized using the Effective Interest Rate (EIR) method.

2.12.2 Dividend Income

Dividend income on investments is recognised when the right to receive dividend is established.

2.13 Employee Benefits

Liabilities in respect of employee benefits to employees are provided for as follows:

a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Long Term Employee Benefit Plan

The group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

c) Post Separation Employee Benefit Plan

i) Defined Benefit Plan

- Gratuity Liability on the basis of actuarial valuation as per IND AS-19. Liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

- Actuarial gain / loss pertaining to above and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

Notes forming part of the Consolidated Financial Statements

ii) Defined Contribution Plans:

Defined contribution plans are Employee Provident Fund scheme and Employee State Insurance scheme for eligible employees. The group's contribution to defined contribution plans is recognised as an expense in the Statement of Profit and Loss as they fall due.

2.14 Taxes

2.14.1 Current Taxes

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group and its branch operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.14.2 Deferred Taxes

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary timing differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and MAT credit entitlements only if it is probable that future taxable amounts will be available to utilise those temporary differences, losses and credit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.15 Foreign Currencies Transaction and Translation

The Group's functional currency is Indian Rupee (INR) and it is also the presentation currency for the Group.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Notes forming part of the Consolidated Financial Statements

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income.

2.16 Leases

The group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The group revises the lease term if there is a change in the non-cancellable period of a lease .

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The group's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the group recognises the lease payments as an operating expense on a straight line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.17 Borrowings costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

Notes forming part of the Consolidated Financial Statements

2.18 Dividend

The group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the group on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.19 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares outstanding during the period..

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3. Recent Pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Notes forming part of the Consolidated Financial Statements

4(a) Property, Plant and Equipment

₹ Lakhs

Particulars	Period		Land Leasehold	Right-of-use	Buildings	Leasehold improvement	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Office premises	Electrical installation	Laboratory equipment	Computers	Total
	Freehold	Leasehold													
Opening gross carrying amount as at	4.18	94.39	253.27	2,971.09	93.14	3,911.23	88.88	220.68	38.18	97.77	99.39	9.77	42.53	7,924.50	
Additions	-	-	5,644.77	157.43	61.94	837.70	8.32	-	30.35	-	10.60	1.79	50.28	6,803.18	
Deductions	-	-	-	-	-	(114.52)	(0.20)	-	(2.79)	-	-	(0.01)	(4.47)	(121.99)	
Other Adjustments	-	-	-	-	-	-	0.14	-	-	-	-	-	0.31	0.45	
Closing gross carrying amount as at	4.18	94.39	5,898.04	3,128.52	155.08	4,634.41	97.14	220.68	65.74	97.77	109.99	11.55	88.65	14,606.14	
Opening gross carrying amount as at	4.18	94.39	5,898.04	3,128.52	155.08	4,634.41	97.14	220.68	65.74	97.77	109.99	11.55	88.65	14,606.14	
Additions	-	1,193.34	156.08	44.57	-	543.73	25.49	-	14.82	-	3.64	0.42	39.94	2,022.03	
Deductions	-	-	-	-	-	(113.31)	-	-	-	-	-	-	-	(113.31)	
Other Adjustments	-	5.21	475.01	-	-	4.90	0.92	-	1.40	-	-	-	0.74	488.18	
Closing gross carrying amount as at	4.18	1,292.94	6,529.13	3,173.09	155.08	5,069.73	123.55	220.68	81.96	97.77	113.63	11.97	129.33	17,003.04	
Opening accumulated depreciation as at	-	5.05	198.62	536.17	44.59	1,295.24	55.65	91.09	20.13	8.42	45.79	4.73	30.39	2,335.86	
Charge for the year	-	1.01	258.53	119.89	20.87	303.43	6.91	21.24	7.69	1.69	10.51	0.80	13.71	766.28	
Deductions	-	-	-	-	-	(56.48)	(0.06)	-	(2.06)	-	-	-	(3.94)	(62.54)	
Other Adjustments	-	-	3.36	-	0.06	-	0.14	-	0.03	-	-	-	0.47	4.06	
Closing accumulated depreciation as at	-	6.06	460.51	656.06	65.52	1,542.18	62.64	112.33	25.79	10.11	56.30	5.53	40.63	3,043.66	
Opening accumulated depreciation as at	-	6.06	460.51	656.06	65.52	1,542.18	62.64	112.33	25.79	10.11	56.30	5.53	40.63	3,043.66	
Charge for the year	-	6.11	522.58	120.41	24.56	341.77	10.40	20.58	11.26	1.68	12.10	0.88	25.25	1,097.58	
Deductions	-	-	-	-	-	(75.26)	-	-	-	-	-	-	-	(75.26)	
Other Adjustments	-	-	29.13	-	0.41	0.58	0.41	-	0.11	-	-	-	0.87	31.51	
Closing accumulated depreciation as at	-	12.17	1,012.22	776.47	90.49	1,809.27	73.45	132.91	37.16	11.79	68.40	6.41	66.75	4,097.49	
Net carrying amount as at	4.18	88.33	5,437.53	2,472.46	89.56	3,092.23	34.50	108.35	39.95	87.66	53.69	6.02	48.02	11,562.48	
Net carrying amount as at	4.18	1,280.77	5,516.91	2,396.62	64.59	3,260.46	50.10	87.77	44.80	85.98	45.23	5.56	62.58	12,905.55	

1. Of the above the title deeds of immovable properties are held in the name of the Company.

2. Charge has been created over the part of Property, Plant and Equipment of the Company towards Working Capital facilities from banks.

Notes forming part of the Consolidated Financial Statements

4(b) Capital Work - in - Progress

₹ Lakhs

Particulars	Total
Opening as at April 1, 2021	34.68
Additions during the year	950.90
Capitalised during the year	(971.95)
Closing as at March 31, 2022	13.63
Opening as at April 1, 2022	13.63
Additions during the year	2,441.18
Capitalised during the year	(1,782.82)
Closing as at March 31, 2023	671.99

(i) CWIP ageing schedule

₹ Lakhs

CWIP as on March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	671.99	-	-	-	671.99
Total	671.99	-	-	-	671.99

₹ Lakhs

CWIP as on March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13.63	-	-	-	13.63
Total	13.63	-	-	-	13.63

4(c) Intangible assets

₹ Lakhs

Particulars	Period	Brands	Computer Software	Goodwill	Total
Opening gross carrying amount as at	April 1, 2021	3,516.08	16.55	-	3,532.63
Additions		-	4.56	2,375.59	2,380.15
Deductions			(0.75)		(0.75)
Other adjustments				87.51	87.51
Closing gross carrying amount as at	March 31, 2022	3,516.08	20.36	2,463.10	5,999.54
Opening gross carrying amount as at	April 1, 2022	3,516.08	20.36	2,463.10	5,999.54
Additions		-	7.85	205.41	213.26
Deductions		-	-		-
Other adjustments		-	-	207.27	207.27
Closing gross carrying amount as at	March 31, 2023	3,516.08	28.21	2,875.78	6,420.07
Opening accumulated amortisation and impairment as at	April 1, 2021	1,383.24	14.82	-	1,398.06
Amortisation during the year		-	0.85	143.68	144.53
Impairment Loss	-	-		-	-
Deductions			(0.32)		(0.32)
Other adjustments					-
Closing accumulated amortisation and impairment as at	March 31, 2022	1,383.24	15.35	143.68	1,542.27
Opening accumulated amortisation and impairment as at	April 1, 2022	1,383.24	15.35	143.68	1,542.27
Amortisation during the year		-	1.86	273.12	274.98
Deduction		-	-		-
Other adjustments		-	-	17.52	17.52
Closing accumulated amortisation as at	March 31, 2023	1,383.24	17.21	434.32	1,834.77
Net carrying amount as at	March 31, 2022	2,132.84	5.01	2,319.42	4,457.27
Net carrying amount as at	March 31, 2023	2,132.84	11.00	2,441.46	4,585.30

Notes forming part of the Consolidated Financial Statements

5 Non-current loans

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans and advances to Employees	8.82	6.34
Total	8.82	6.34

6 Other non-current financial assets

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Security deposits	220.95	221.57
Deposits held as Margin Money more than 12 months*	7.20	5.65
Total	228.15	227.22

* Above bank deposits are hypothecated as margin money.

7 Income tax assets (net)

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (net of Provision for Tax)	640.54	499.46
Total	640.54	499.46

8 Other non-current non-financial assets

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured Considered good		
Capital Advances (Refer note: 38(b))	5.87	70.41
Unsecured Considered Doubtful		
Capital Advances (Refer note: 38(b))	4.20	4.20
Provison for doubtful advances	(4.20)	(4.20)
Total Capital Advances	5.87	70.41
Prepayments	3.39	5.88
Deferred lease expenses	-	1.57
Other Assets	-	0.03
Total	9.26	77.89

9 Inventories

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realizable value)		
Raw materials	643.18	718.79
Packing materials	941.40	781.85
Work-in-progress	1,647.82	1,463.98
Finished goods	349.49	1,266.50
Traded goods	2,730.01	3,390.07
Total	6,311.90	7,621.19

Inventories hypothecated as collateral towards Working Capital facilities from banks.

Notes forming part of the Consolidated Financial Statements

10 Current Investments

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in Mutual Funds (Quoted) (Measured at FVTPL)		
Kotak Equity Arbitrage Reg -DM	326.15	309.69
HDFC Liquid - Growth	1,120.57	530.96
Aditya Birla Sl Arbitrage-Growth	107.14	102.13
Tata Arbitrage Fund - Growth	627.56	-
Mirae Asset Cash Management-G	461.07	150.38
SBI Liquid-G	939.61	552.40
Nippon India Liquid-G	1,092.09	578.41
Aditya Birla Sl Liquid-G	62.54	227.89
SBI Arbitrage Opportunity Fund	51.87	-
Kotak Luquid Fund-Growth	1,076.88	614.15
ICICI Pru Liquid Fund-Growth	1,292.53	551.16
Nippon India Arbitrage -G	840.72	309.91
Total	7,998.73	3,927.08
Aggregate amount of quoted investments at Cost	7,860.18	3,905.93
Aggregate amount of quoted investments at market value	7,998.73	3,927.08
Aggregate amount of impairment in value of investments	-	-

11 Trade receivables

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured Considered good		
Others	9,425.56	7,095.46
	9,425.56	7,095.46
Trade receivable which have significant increase in credit risk	100.28	9.82
Less: Allowance for credit impaired	(100.28)	(9.82)
Total	9,425.56	7,095.46

Trade Receivable hypothecated as collateral towards Working Capital facilities from banks.

(i) Trade Receivables Ageing Schedule

₹ Lakhs

Particulars (As at March 31, 2023)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,611.78	813.21	0.57	-	-	9,425.56
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	100.28	100.28
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(100.28)	(100.28)
Total	8,611.78	813.21	0.57	-	-	9,425.56

Notes forming part of the Consolidated Financial Statements

11 Trade receivables (Contd.)

Particulars (As at March 31, 2022)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	7,016.92	78.54	-	-	-	7,095.46
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	9.82	9.82
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(9.82)	(9.82)
Total	7,016.92	78.54	-	-	-	7,095.46

12 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	3.16	4.68
Balance with banks		
in Current accounts	2,670.12	3,858.31
in EEFC accounts	1,237.20	1,560.75
Bank deposits with original maturity of less than 3 months	77.03	-
Total	3,987.51	5,423.74

13 Bank balances other than Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
in Current accounts *	65.95	69.49
in Fixed deposit accounts **	2,164.31	2,033.84
in Margin deposit accounts***	131.08	232.77
Total	2,361.34	2,336.10

* Balance with banks in current account is on account of earmark balance for unclaimed dividend.

**Deposits with maturity of less than 12 months.

*** Margin deposits with maturity of less than 12 months.

14 Current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans to employees	14.43	15.17
Loans and advances to others	-	24.13
Total	14.43	39.30

Notes forming part of the Consolidated Financial Statements

15 Other current financial assets

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative foreign exchange forward contracts (Refer note : 42)	-	143.38
Security Deposits	168.00	140.69
Interest accrued on fixed deposits and others	56.36	76.07
Export incentive receivable	1,395.97	1,604.56
Other receivables	0.60	100.76
Total	1,620.93	2,065.46

16 Other current non-financial assets

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advance to suppliers for services	81.59	20.57
Advance to suppliers for goods	4.51	12.50
Balances with Government authority	890.14	546.65
Prepayments	296.10	849.06
Deferred lease expenses	1.57	3.53
Other assets	-	1.14
Total	1,273.91	1,433.45

17 Equity share capital

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized shares	2,500.00	2,500.00
2,50,00,000 (March 31, 2022: 2,50,00,000) equity shares of ₹ 10/- each		
Issued, subscribed and fully paid share capital	2,197.27	2,096.62
2,19,72,719 (March 31, 2022: 2,09,66,219) equity shares of ₹ 10/- each	2,197.27	2,096.62
Shares forfeited		
7,56,600 (March 31, 2022: 7,56,600) equity shares of ₹ 10/- each; amount originally paid up thereon @ ₹ 5 per share	37.83	37.83
Total	2,235.10	2,134.45

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	₹ Lakhs
Equity shares		
As at April 1, 2021	2,07,79,319	2,040.10
Issued during the year	9,43,500	94.35
As at March 31, 2022	2,17,22,819	2,134.45
Issued during the year	10,06,500	100.65
As at March 31, 2023	2,27,29,319	2,235.10

Notes forming part of the Consolidated Financial Statements

17 Equity share capital (Contd.)

- (i) Of the above 7,56,600 equity shares (₹ 37.83 lakhs) forfeited in earlier years are not cancelled by the Parent Company.
- (ii) During the year the Parent Company has issued 10,06,500 Equity Shares (2021-2022: 9,43,500 Equity Shares) pursuant to conversion of equivalent number of preferential share warrants

(b) Terms and rights attached to equity shares

The Parent Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of equity shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023	As at March 31, 2022
Mr. Bimal R. Thakkar		
No. of Shares	22,78,924	22,78,924
%	10.37	10.87
Mrs. Mahalaxmi R. Thakkar		
No. of Shares	19,33,000	19,53,000
%	8.80	9.31
Authum Investment and Infrastructure Limited		
No. of Shares	26,11,584	36,61,682
%	11.89	17.46
Infinity Holdings		
No. of Shares	20,00,000	20,00,000
%	9.10	9.54
Sixth Sense India Opportunities III		
No. of Shares	13,99,779	-
%	6.37	-
Total - Number of shares	1,02,23,287	98,93,606
Total - %	46.53	47.18

(d) Shares reserved for issue under options outstanding as at the end of the year on un-issued share capital:

There are no (March 31, 2022: 1,006,500) Equity Shares reserved for issue on subscription of Preferential Share Warrants (Refer Note 18 (e) for terms of Preferential Share Warrants)

(e) Equity shares movement during the five years preceding March 31, 2023

Financial Year	Aggregate no. of equity shares bought back
2017-18	-
2018-19	-
2019-20	11,78,742
2020-21	-
2021-22	-

There are no shares reserved for issue under option and contracts/commitments for the sale of shares / disinvestment, including the

Notes forming part of the Consolidated Financial Statements

17 Equity share capital (Contd.)

terms and amounts.

(f) Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bimal R. Thakkar*	22,78,924	10.37%	22,78,924	10.87%	-0.50%
Mrs. Mahalaxmi R. Thakkar	19,33,000	8.80%	19,53,000	9.31%	-0.52%
Bimal Thakkar HUF***	5,95,246	2.71%	5,95,246	2.84%	-0.13%
Parul Bimal Thakkar**	10,85,827	4.94%	7,10,827	3.39%	1.55%
Krish Bhavesh Thakkar	3,51,000	1.60%	3,51,000	1.67%	-0.08%
Shivaan Bimal Thakkar	5,78,901	2.63%	2,66,501	1.27%	1.36%
Sumer Bimal Thakkar	5,78,900	2.63%	2,66,300	1.27%	1.36%
H J Thakkar Property Investment Limited	6,18,915	2.82%	6,18,915	2.95%	-0.14%
	80,20,713	36.50%	70,40,713	33.58%	2.92%

* 4,25,000 shares are pledged as on March 31, 2023

** 4,00,000 shares are pledged as on March 31, 2023

*** 2,25,000 shares are pledged as on March 31, 2023

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bimal R. Thakkar*	22,78,924	10.87%	22,78,924	11.38%	-0.51%
Mrs. Mahalaxmi R. Thakkar	19,53,000	9.31%	19,53,000	9.75%	-0.44%
Bimal Thakkar HUF	5,95,246	2.84%	5,95,246	2.97%	-0.13%
Parul Bimal Thakkar	7,10,827	3.39%	4,10,827	2.05%	1.34%
Krish Bhavesh Thakkar	3,51,000	1.67%	3,51,000	1.75%	-0.08%
Shivaan Bimal Thakkar	2,66,501	1.27%	41,501	0.21%	1.06%
Sumer Bimal Thakkar	2,66,300	1.27%	41,300	0.21%	1.06%
H J Thakkar Property Investment Limited	6,18,915	2.95%	6,18,915	3.09%	-0.14%
	70,40,713	33.58%	1,25,81,426	31.42%	2.16%

* 8,00,000 shares are pledged as on March 31, 2022

18 Other equity

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Capital reserve (Refer Note: 18 (a))	105.00	105.00
Capital redemption reserve (Refer Note: 18 (b))	197.73	197.73
Securities premium (Refer Note: 18 (c))		
As per Last Balance Sheet	5,487.98	2,166.86
Issue of Equity Shares pursuant to conversion of preferential share warrants (Refer Note: 18 (e))	3,542.89	3,321.12
Closing balance	9,030.87	5,487.98
General reserve	763.97	763.97
Money received against share warrants (Refer Note: 18 (e))		
As per Last Balance Sheet	910.88	1,764.75
Addition during the year	2,732.64	2,561.60
Issue of Equity Shares pursuant to conversion of preferential share warrants	(3,643.52)	(3,415.47)
Closing balance	-	910.88

Notes forming part of the Consolidated Financial Statements

18 Other equity (Contd.)

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Retained earning		
As per Last Balance Sheet	24,345.93	20,132.97
Add: profit for the year	5,609.93	4,809.81
Re-measurement of defined benefit plans	(15.44)	3.83
Less: Dividend paid	(878.91)	(600.68)
Movement during the year	4,715.58	4,212.96
Closing balance	29,061.51	24,345.93
Foreign currency translation reserve		
As per last balance sheet	197.00	78.02
For the year	374.04	118.98
Add Less Adjustments	-	-
Closing balance	571.04	197.00
Cash flow hedge reserve (Refer Note: 18 (d))		
As per Last Balance sheet	154.08	102.22
Add: Change in fair value of hedging instrument	(260.16)	69.30
Less: Deferred tax	65.48	(17.44)
Closing balance	(40.60)	154.08
Total	39,689.49	32,162.57
Non Controlling Interest		
As per Last Balance Sheet	261.73	-
Add: Addition during the year	-	219.29
Add: profit for the year	(24.40)	42.45
Closing balance	237.33	261.73

Nature of Reserves

(a) Capital reserve

The Group recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when Group purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(c) Securities Premium

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

(d) Cash flow hedge reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Group uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

(e) Money received against Preferential Share Warrants

During the Financial Year 2020-21, the Parent Company had done Preferential Allotment of 19,50,000 warrants at an issue price of Rs 362 per warrant to certain promoters and non-promoters on receipt of 25% of the issue price.

On March 16, 2022, the first tranche of 9,43,500 warrants was converted into equivalent number of equity shares on receipt of balance

Notes forming part of the Consolidated Financial Statements

18 Other equity (Contd.)

75% of the subscription money and on April 29, 2022 the remaining 10,06,500 warrants were converted into equivalent number of equity shares on receipt of balance 75% of the subscription money.

The face value of each equity shares is Rs 10 and the premium is Rs 352. The aggregate subscription money received for full issue size is Rs 7,059 lakhs out of which Rs.2732 lakhs were received during FY 2022-23.

(f) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.

19 Non-current borrowings

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Term Loans		
From Banks - Unsecured (in Foreign Currency)	-	1,073.66
Total	-	1,073.66

INR nil (March 31, 2022 INR 1,073.66 lakhs) pertains to a step down subsidiary in USA. The term loan repayable in 48 Equal Installments. The interest rate is at a Floating - Prime Minus 75 bps, floor of 2.50%

20 Non - Current Lease Liabilities

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Non - Current Lease Liabilities	4,955.05	4,946.98
Total	4,955.05	4,946.98

21 Non-current provisions

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer Note: 43)		
For Privilege Leave Liability	102.88	78.54
For Sick Leave Liability	16.88	13.73
For Gratuity	-	0.12
Total	119.76	92.39

22 Income taxes

a) Tax expense recognised in profit and loss

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
Current tax expense for the year	2,123.24	1,567.03
(Excess) provision of earlier years	(197.87)	-
Net current tax expenses	1,925.37	1,567.03
Deferred Income tax liability / (asset), (net)		
Origination and reversal of temporary differences	35.38	94.27
Total	1,960.75	1,661.30

Notes forming part of the Consolidated Financial Statements

22 Income taxes (Contd.)

b) Tax expense recognised in other comprehensive income

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Items that will not be reclassified subsequently to profit or loss		
Re-measurements of the defined benefit plans	5.20	(1.28)
Items that will be reclassified subsequently to profit or loss		
Net gain / (loss) on cash flow hedges	65.48	(17.44)
Total	70.68	(18.72)

c) Reconciliation of effective tax rate

₹ Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax	7,546.24	6,513.56
Tax using the company's domestic tax rate	1,899.24	1,639.33
Tax rate %	25.17%	25.17%
Tax effect of:		
Expenses not deductible for tax purposes	23.73	27.84
Allowances under Income Tax Act	85.44	10.28
Tax Expenses in prior years	5.49	-
Differences in tax rate	18.62	(29.00)
Others	(71.75)	12.85
Total	1,960.75	1,661.30

d) Movement in deferred tax balances

March 31, 2023

₹ Lakhs

Particulars	Net Balance April 01, 2022	Recognised in profit or loss	Recognised in OCI	Recognised in Other equity	Net Balance Mar 31, 2023	Deferred tax assets	Deferred tax liabilities
Deferred tax assets / (liabilities)							
Property, plant and equipment	(1,002.62)	(74.57)	-	-	(1,077.19)	(129.68)	(947.51)
Cash flow hedge reserve	36.09	-	65.48	-	101.57	-	101.57
Employee benefits	49.00	7.39	5.20	-	61.59	(0.10)	61.69
Provision for doubtful advances	3.32	-	-	-	3.32	-	3.32
Unused tax credit	12.72	-	-	-	12.72	12.72	-
Intangibles	(40.52)	19.69	-	-	(20.83)	(20.83)	-
Net operating loss	363.14	221.56	-	-	584.70	584.70	-
Items allowable for tax purpose on Receipt	-	(203.36)	-	-	(203.36)	-	(203.36)
Lease Liability	0.25	0.08	-	-	0.33	-	0.33
Other	47.12	(6.17)	-	-	39.72	11.18	28.54
Net Deferred tax assets / (liabilities)	(531.50)	(35.38)	70.68	-	(497.43)	457.99	(955.42)

Notes forming part of the Consolidated Financial Statements

22 Income taxes (Contd.)

March 31, 2022							₹ Lakhs	
Particulars	Net Balance April 01, 2021	Recognised in profit or loss	Recognised in OCI	Recognised in Other equity	Net Balance Mar 31, 2022	Deferred tax assets	Deferred tax liabilities	
Deferred tax assets / (liabilities)								
Property, plant and equipment	(933.62)	(69.00)	-	-	(1,002.62)	(83.06)	(919.56)	
Cash flow hedge reserve	28.14	25.39	(17.44)	-	36.09	-	36.09	
Employee benefits	102.04	(51.76)	(1.28)	-	49.00	(0.05)	49.05	
Provision for doubtful advances	1.13	2.19	-	-	3.32	-	3.32	
Unused tax credit	12.72	-	-	-	12.72	12.72	-	
Intangibles	(50.58)	10.06	-	-	(40.52)	(40.52)	-	
Net operating loss	396.96	(33.82)	-	-	363.14	363.14	-	
Lease liability	(7.10)	7.35	-	-	0.25	-	0.25	
Other	31.80	15.32	-	-	47.12	25.06	22.06	
Net Deferred tax assets / (liabilities)	(418.51)	(94.27)	(18.72)	-	(531.50)	277.29	(808.79)	

23 Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured Loan		
From Banks - Unsecured (in Foreign Currency)	-	479.87
Total	-	479.87

₹ nil (March 31, 2022 ₹479.87 lakhs) pertains to a step down subsidiary in USA. The term loan repayable in 48 Equal Installments. The interest rate is at a Floating - Prime Minus 75 bps, floor of 2.50%

24 Current Lease Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease Liability	569.56	491.52
Total	569.56	491.52

25 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to micro and small enterprises	157.99	279.53
Others	2,095.40	2,880.59
Total	2,253.39	3,160.12

(i) Trade Payables Ageing

Particulars (As at March 31, 2023)	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	157.99	-	-	-	157.99
(ii) Others	2,006.85	70.79	-	17.76	2,095.40
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	2,164.84	70.79	-	17.76	2,253.39

Notes forming part of the Consolidated Financial Statements

25 Trade payables (Contd.)

Particulars (As at March 31, 2022)	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	279.53	-	-	-	279.53
(ii) Others	2,832.39	2.90	1.20	44.10	2,880.59
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	3,111.92	2.90	1.20	44.10	3,160.12

₹ Lakhs

26 Other Current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative Foreign exchange forward contracts	116.78	-
Employees related payables	138.01	130.30
Unclaimed dividend	65.95	69.49
Payable for capital goods	45.59	128.02
Gratuity Payable (Refer note: 43)	52.89	40.81
Other liabilities	743.92	788.66
Total	1,163.14	1,157.28

₹ Lakhs

27 Other current non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	56.63	47.52
Statutory dues and other dues payable	126.65	102.68
Other liabilities	6.40	4.31
Total	189.68	154.51

₹ Lakhs

28 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer note : 43)		
For Privilege Leave Liability	12.23	10.76
For Sick Leave Liability	2.63	2.07
Total	14.86	12.83

₹ Lakhs

29 Income tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation	119.13	126.67
Total	119.13	126.67

₹ Lakhs

Notes forming part of the Consolidated Financial Statements

30 Revenue from operations

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	44,414.36	40,480.90
Other Operating Revenue	15.80	98.71
Export Incentive*	598.32	1,540.63
Total	45,028.48	42,120.24

The Chief Operating Decision Maker (CODM) evaluates the performance of the Group based on revenue and operating income in two segments i.e. “Processed food and Distribution business”. Accordingly, as per Ind AS-108 (Operating Segment), the required details are disclosed in note 45.

* Products Link Incentive (PLI) was announced in May 2021, starting with the base year as FY 2021-22 and valid upto FY 2025-26. Subsequently, MOFPI (Ministry of Foods Processing Industries) revised the period starting with base year as FY22-23 & valid upto FY 2026-27. PLI Income of Rs.754.95 Lakh for F.Y. 2021-2022 has been derecognized during Current Year and recognised income of Rs 808 Lakh for FY 2022-2023, Net Impact of Income in Statement of profit and loss is of Rs 53.05 Lakh

31 Other income

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from		
Bank deposits	77.38	126.92
Others	8.83	6.08
Unwinding of discount on security deposit	4.33	3.72
Foreign exchange gain (net)	463.69	488.24
Liabilities no longer required written back	18.64	29.50
Profit on Sale & Fair value of mutual funds	340.72	88.33
Miscellaneous income	207.46	203.36
Total	1,121.05	946.15

32 Cost of materials consumed

(a) Raw materials consumed

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year	718.79	322.17
Add: Purchases (net)	10,287.92	9,291.23
	11,006.71	9,613.40
Less: Inventories at the end of the year	643.18	718.79
Total	10,363.53	8,894.61

(b) Packing materials consumed

₹ Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year	781.85	804.63
Add: Purchases (net)	4,153.91	3,103.82
	4,935.76	3,908.45
Less: Inventories at the end of the year	941.40	781.85
Total	3,994.36	3,126.60
Total cost of materials consumed	14,357.89	12,021.21

Notes forming part of the Consolidated Financial Statements

32 Cost of materials consumed (Contd.)

		₹ Lakhs	
(c) Purchase of stock-in-trade			
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Purchases	5,687.54	8,876.82	
Total	5,687.54	8,876.82	

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

		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Inventories at the beginning of the year			
Work-in progress	1,463.98	948.10	
Finished goods	1,266.50	857.72	
Stock in trade	3,368.95	4,361.57	
	6,099.44	6,167.39	
Less: Inventories at the end of the year			
Work-in progress	1,647.82	1,463.98	
Finished goods	349.49	1,266.50	
Stock in trade	2,705.08	3,368.95	
	4,702.39	6,099.43	
Total	1,397.04	67.96	

34 Employee benefits expense

		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Salaries and wages	2,680.37	2,139.84	
Contribution to provident fund and other funds	204.96	154.21	
Staff welfare expenses	83.77	61.39	
Total	2,969.10	2,355.44	

35 Finance costs

		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Interest expense on			
Borrowing from banks	39.61	51.16	
Lease	171.17	87.52	
Others	54.51	42.25	
Total	265.29	180.93	

36 Depreciation and amortisation expenses

		₹ Lakhs	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Tangible assets	1,098.60	766.27	
Intangible assets	274.98	141.89	
Total	1,373.58	908.16	

Notes forming part of the Consolidated Financial Statements

37 Other expenses

Particulars	₹ Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Freezing and preservation charges	104.49	97.42
Power & fuel	992.21	675.50
Electricity	75.27	39.19
Water charges	38.59	25.88
Rent including lease rent	501.75	384.92
Repairs and maintenance to building	99.01	40.43
Repairs and maintenance to machinery	210.79	148.87
Repairs and maintenance to others	88.37	69.76
Insurance	183.93	157.94
Rates and taxes	82.66	59.61
Communication expenses	62.79	43.03
Travelling and conveyance expenses	364.39	334.57
Motor car expenses	34.17	34.42
Printing and stationery expenses	14.58	12.65
Freight and forwarding expenses	5,431.95	6,238.21
Advertisement	874.06	1,179.52
Sales Promotion/Commission/Claims and marketing expenses	1,339.91	1,277.26
Legal and professional fees	1,066.76	627.01
Payment to auditor	38.67	33.92
CSR expenses	95.31	89.45
Registration and filling fees	3.75	7.66
Directors' sitting fees	40.78	37.42
Loss on sale of fixed assets / assets scrapped	20.06	49.21
Provision for Doubtful Advances	-	4.20
Research & Development Expenses	-	0.72
Written back / provision for doubtful trade receivables	96.62	4.71
Dividend paid	-	-
Subscription	11.99	16.72
Warehouse Expenses	81.88	35.43
Miscellaneous expenses	598.11	416.67
Total	12,552.85	12,142.30

38. Contingent Liabilities and Commitments

a. Contingent Liabilities

		₹ Lakhs	
Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
1.	Claims against the company not acknowledged as debts:		
a.	Income Tax Matters	409.83	289.04
b.	Service Tax Matters	463.53	463.53
c.	Legal Cases	13.19	18.24
2.	Guarantees:		
a.	Guarantees given on behalf of subsidiaries (net of margin money)	80.83	124.31

On March 31, 2023, Ascot Valley Foods, Ltd. ("Complainant") filed a civil complaint against subsidiary, ADF Foods (USA) Ltd., in the Southern District Court of New York claiming compensatory, direct, and consequential and punitive damages plus pre-

Notes forming part of the Consolidated Financial Statements

38. Contingent Liabilities and Commitments (Contd.)

judgement and post-judgement interest. The Complainant alleges that the ADF Foods (USA) Ltd. failed to purchase minimum quantities as set forth in the co-packing agreement and is also required to pay the Complainant for repurchase of custom materials and packaging and past due invoices. ADF Foods USA Ltd. shall file its defence statement and counterclaim for unauthorised usage of product recipe. The first set of interrogatories and Request for Documents has been exchanged between both the parties. ADF has filed its response and objections to the same. The Judge has commenced mediation calls between the lawyers of both the parties to explore the possibility of amicable settlement..

Notes:

- a. It is not practicable for the group to estimate the timing of cash outflows, if any, in respect of above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities..
- b. The group does not expect any reimbursements in respect of the above contingent liabilities..

b. Capital commitments

Particulars	Rs. Lakhs	
	As at March 31, 2023	As at March 31, 2022
Capital commitments (net of advances) – for purchase of property, plant and equipment	2.85	1,108.89

39. Disclosures made in terms of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Deposits paid to related parties

Interest free security deposit of ₹ 8.00 lakhs (2021-22: ₹ 8.50 lakhs), paid for guest house taken on lease from a Related party.

40. Disclosures in respect of Ind AS 116 - Lease

The group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The group has treated the leases with remaining lease term of less than 12 months as if they were “short term leases”

The group has not applied the requirements of Ind AS 116 for leases of low value assets.

Movement of right-of-use assets and depreciation is given in Note no. 4(a) and Interest on account of Ind AS 116 is given in Note no. 35

The group has entered into operating leases on its land, office building, warehouse, plant & machinery and guest house. These leases have terms of between 3 and 99 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Future minimum contractual rentals payable under non-cancellable operating leases as at March 31, 2023 are, as follows:

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
i) Not later than one year	729.76	647.18
ii) Later than one year and not later than five years	3,246.74	2,830.44
iii) Later than five years	3,451.18	2,775.26

Total cash outflow is ₹ 1,189.12 Lakhs, which includes short term lease payment recognised in the Statement of Profit and Loss of Rs.501.25 lakhs and ₹ 687.87 Lakhs related to lease premises on which IND AS 116 is applied.

The Company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019, which is 8.85% for measuring the lease liability.

Notes forming part of the Consolidated Financial Statements

41. Related party disclosures

List of related parties as required by Ind AS – 24, “Related Party Disclosure” are given below:

Sr. No:	Related party relationship	Name of the Related Parties
1	Key managerial personnel	Mr. Bimal R. Thakkar – Chairman, Managing Director and Chief Executive Officer
		Mr. Devang Gandhi – Chief Operating Officer
		Mr. Shardul Doshi – Chief Financial Officer
2	Relative of key managerial personnel	Mrs. Mahalaxmi R. Thakkar (Relative of Director)
		Mrs. Parul Bimal Thakkar (Relative of Director)
		Mr. Shivaan B. Thakkar (Relative of Director) Sr. Manager Business & Strategy
		Mr. Sumer B. Thakkar (Relative of Director) Sr. Manager Business & Strategy
3	Key managerial personnel – Non Executive	Ms. Deepa Harris
		Mr. Jay M. Mehta
		Mr. Ravindra Kumar Jain
		Mr. Viren A. Merchant
4	Entity in which Director has significant Beneficial Ownership	Mr. Chandir Gidwani
		Mr. Chandir Gidwani
		Mr. Chandir Gidwani
		Mr. Chandir Gidwani
4	Entity in which Director has significant Beneficial Ownership	Centrum Capital Limited

The following transactions were carried out with related parties in ordinary course of business:

₹ Lakhs

Particulars	Financial Year	Key Managerial Personnel	Key Managerial Personnel – Non Executive	Relatives of Key managerial personnel	Entity in which Director has significant Beneficial Ownership	Total
Managerial Remuneration	2022-23	376.70	-	-	-	376.70
	2021-22	338.14	-	-	-	338.14
Salary	2022-23	214.58	-	34.90	-	249.48
	2021-22	192.11	-	42.61	-	234.72
Sales Commission	2022-23	-	-	15.00	-	15.00
	2021-22	-	-	-	-	-
Independent Director’s Sitting fees	2022-23	29.50	-	-	-	29.50
	2021-22	27.00	-	-	-	27.00
Rent	2022-23	-	-	0.50	-	0.50
	2021-22	-	-	0.50	-	0.50
Expenses charged by/ reimbursed to other companies	2022-23	-	-	-	10.00	10.00
	2021-22	-	-	-	-	-
Subscription in Equity Shares	2022-23	-	23.53	3,620.00	-	3,643.53
	2021-22	152.04	338.47	2,715.00	-	3,205.51

Notes forming part of the Consolidated Financial Statements

41. Related party disclosures (Contd.)

Balances outstanding at the end of the year:

Particulars	Financial Year	Key Managerial Personnel	Key Managerial Personnel – Non Executive	Relatives of Key managerial Personnel	Entity in which Director has significant Beneficial Ownership	₹ Lakhs
						Total
Non-Current loans (Security Deposit)	2022-23	-	-	8.00	-	8.00
	2021-22	-	-	8.50	-	8.50
Other Payables	2022-23	49.95	-	15.00	10.80	75.75
	2021-22	-	-	-	-	-

Material related party transactions as under:

Particulars	Name of the related parties	₹ Lakhs	
		As at March 31, 2023	As at March 31, 2022
Managerial Remuneration	Mr. Bimal R. Thakkar	376.70	338.14
Salary	Mr. Shivaan R. Thakkar	10.77	23.26
	Mr. Sumer B. Thakkar	24.13	19.35
	Mr. Devang Gandhi	111.63	99.82
Sales Commission	Mr. Shardul Doshi	102.96	92.29
	Mr. Sumer B. Thakkar	15.00	-
Non-Executive Directors Sitting Fees	Ms. Deepa Harris	6.00	4.50
	Mr. Jay M. Mehta	4.20	3.00
	Mr. Ravindra Kumar Jain	7.00	6.50
Rent	Mr. Viren A. Merchant	4.80	6.50
	Mr. Chandir Gidwani	7.50	6.50
Subscription in Equity Shares Refer Note 19 (e)	Mrs. Mahalaxmi R. Thakkar	0.50	0.50
	Mr. Devang Gandhi	-	86.88
	Mr. Shardul Doshi	-	65.16
	Mr. Shivaan B. Thakkar	1,130.88	814.50
	Mr. Sumer B. Thakkar	1,131.61	814.50
	Mrs. Parul Bimal Thakkar	1,357.50	1,086.00
	Ms. Deepa Harris	-	90.50
Expenses charged by/ reimbursed to other companies	Mr. Jay M. Mehta	23.53	66.97
	Mr. Ravindra Kumar Jain	-	90.50
	Mr. Chandir Gidwani	-	90.50
	Centrum Capital Limited	10.00	-
Balances outstanding at the end of the year:	Mrs. Mahalaxmi R. Thakkar	8.00	8.50
	Mr. Bimal R. Thakkar	49.95	-
	Mr. Sumer B Thakkar	15.00	-
	Centrum Capital Limited	10.80	-

Notes forming part of the Consolidated Financial Statements

41. Related party disclosures (Contd.)

Compensation to Key Managerial Personnel is as follows:

Particulars	Rs. Lakhs	
	As at March 31, 2023	As at March 31, 2022
Short term employee benefits	5.78	5.71
Post-retirement benefits	5.44	3.26
Share based payment transactions	-	-

42. Financial and derivative instruments – Hedge Accounting

i) Impact of hedging activities

a. Disclosure of effects of hedge accounting on financial position:

March 31, 2023

₹ Lakhs

Types of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge foreign exchange risk foreign exchange forward contracts	13,669.35	-	-	116.78	April 2023 to March 2024	01:01	(260.16)	260.16

Disclosure of effects of hedge accounting on financial position:

March 31, 2022

₹ Lakhs

Types of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge foreign exchange risk foreign exchange forward contracts	11,709.50	-	143.38	-	April 2022 to March 2023	1: 1	69.29	(69.29)

* The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1

b. Disclosure of effects of hedge accounting on financial performance

March 31, 2023

₹ Lakhs

Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or (loss)	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge foreign exchange risk	(260.16)	-	-	-

Notes forming part of the Consolidated Financial Statements

42. Financial and derivative instruments – Hedge Accounting (Contd.)

March 31, 2022				₹ Lakhs
Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or (loss)	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge foreign exchange risk	69.29	-	-	-

The group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedge instrument.

Refer Note -18 for the details related to movement in cash flow hedge reserve..

43. Employee Benefits

a. Defined contribution plans

Amount of ₹ 93.81 lakhs (2021-22: ₹ 82.95 lakhs) representing contribution to provident fund is recognised as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

Amount of ₹ 8.27 lakhs (2021-22: ₹ 7.69 lakhs) representing contribution to Employee State Insurance scheme is recognised as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss..

b. Defined benefit plan

Compensated absence

Provision for compensated absences is made for outstanding leave balance at the year end at basic salary cost which can be utilized in future and are en-cashable. Amount of Rs 115.11 lakhs (2021-22: ₹ 89.31 lakhs) has been recognised in balance sheet of which Rs 102.88 lakhs (2021-22: ₹ 78.54 lakhs) shown under long term provision and balance ₹ 12.23 lakhs (2021-22: ₹ 10.76 lakhs) is shown under short term provision as given in the Actuarial report as on March 31, 2023. .

Expenses of Rs.40.71 lakhs (2021-22: ₹ 29.08 lakhs) are recognised in the Statement of Profit and Loss..

Compensated sick leave

Provision for compensated absences is made for outstanding sick leave balance at the year end at gross salary which can be utilized in future and are non en-cashable. Amount of ₹ 19.51 lakhs (2021-22: Rs.15.81 lakhs) has been recognised in balance sheet of which ₹ 16.88 lakhs (2021-22: ₹ 13.73 lakhs) shown under long term provision and balance ₹ 2.63 lakhs (2021-22: ₹ 2.07 lakhs) is shown under short term provision as given in the Actuarial report as on March 31, 2023. .

Expenses of ₹ 3.71 lakhs (2021-22: ₹ 1.73 lakhs) are recognised in the Statement of Profit and Loss..

Notes forming part of the Consolidated Financial Statements

43. Employee Benefits (Contd.)

Gratuity

Funded

The group has offered its employees defined benefit plan in the form of Group Gratuity Scheme. Gratuity Scheme covers all qualifying employees as statutorily required under the Payment of Gratuity Act, 1972. The group has made irrevocable contribution of funds to LIC of India..

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Unfunded

Amount of Rs. 0.00 Lakhs (2021-22: Rs. 0.12 Lakhs) has been recognised in balance sheet of which Rs. 0.00 Lakhs (2021-22: Rs. 0.12 Lakhs) shown under long term provision and balance Rs.0.00 lakhs (2021-22: Rs. 0.00 Lakhs*) is shown under short term provision as given in the Actuarial report as on March 31, 2023.

*figures Indicates less then Rs 1,000/-.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date..

Particulars	₹ Lakhs	
	Gratuity (funded and unfunded)	
	2022-23	2021-22
I Present value of obligation		
Liability at the beginning of the year	248.69	234.53
Interest cost	17.98	15.95
Current service cost	28.06	24.05
Liabilities Transferred in/Acquisition	-	-
(Liability Transferred Out/ Divestments)	-	-
Benefit paid	(16.81)	(20.11)
Benefit payable by the Company	-	-
Actuarial (gain) / loss on obligations - Due to change in Demographic assumptions	-	(0.06)
Actuarial (gain) / loss on obligations - Due to change in financial assumptions	(6.59)	(8.68)
Actuarial (gain) / loss on obligations - Due to experience adjustment	24.45	3.11
Liability at the end of the year	295.79	248.81
II Change in Plan Assets		
Fair value of plan assets at the beginning of the year	207.88	165.33
Interest Income	15.03	11.24
Actual return on plan assets	-	-
Employer's Contributions	39.57	51.91
Benefit paid	(16.81)	(20.11)
Re-measurement - return on assets	(2.78)	(0.50)
Fair value of plan assets at the end of the year	242.90	207.88
III Amount recognised in the balance sheet		
Liability at the end of the year	295.79	248.81
Fair value of plan assets at the end of the year	242.90	207.88
Net (Liability)/Asset Recognized in the Balance Sheet	52.89	40.93
IV Expenses recognised in the Statement of Profit and Loss		
Current service cost	28.06	24.05
Interest cost	2.95	4.71
Actual return on plan assets	-	-

Notes forming part of the Consolidated Financial Statements

43. Employee Benefits (Contd.)

Particulars	₹ Lakhs	
	Gratuity (funded and unfunded)	
	2022-23	2021-22
Net actuarial (gain) / loss to be recognized	-	-
Expense recognised in Statement of Profit and Loss	31.01	28.76
V Amount recognized in Other Comprehensive Income		
Actuarial (Gains)/Losses on Obligation For the Period	17.86	(5.62)
Return on Plan Assets, Excluding Interest Income	2.78	0.50
Net (Income)/Expense For the Period Recognized in OCI	20.64	(5.12)
VI Actuarial assumptions :		
Discount rate	7.52%	7.23%
Rate of return on plan assets	7.52%	7.23%
Salary escalation	6.00%	6.00%
Mortality	Indian Assured lives Mortality(2012-14) Ultimate	

Particulars	₹ Lakhs	
	2022-23	2021-22
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	18.23	19.20
2nd Following Year	17.78	9.01
3rd Following Year	18.64	16.27
4th Following Year	29.63	16.34
5th Following Year	23.64	25.90
Sum of Years 6 to 10	173.85	144.39
Sum of Years 11 and above	314.76	267.16

Particulars	₹ Lakhs	
	2022-23	2021-22
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	295.79	248.61
Delta effect on + 1% Change in Rate of Discounting	(20.98)	(18.41)
Delta effect on - 1% Change in Rate of Discounting	23.82	20.96
Delta effect on + 1% Change in Rate of Salary Increase	23.94	21.01
Delta effect on - 1% Change in Rate of Salary Increase	(21.46)	(18.78)
Delta effect on + 1% Change in Rate of Employee Turnover	1.48	1.06
Delta effect on - 1% Change in Rate of Employee Turnover	(1.73)	(1.23)

44. Computation of earnings per share

Particulars	₹ Lakhs	
	2022-23	2021-22
Profit after tax	5,609.89	4,809.81
Weighted average number of equity shares for basic EPS	2,18,95,508	2,00,64,078
Weighted average number of equity shares for diluted EPS	2,18,95,508	2,06,17,299
Earnings per share		
Basic	25.62	23.97
Diluted	25.62	23.33
Nominal value of shares	10.00	10.00

Notes forming part of the Consolidated Financial Statements

45. Segment Reporting

Operating segments:

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment.

Exceptional items and other expenses which are not attributable or allocable to segments are separately disclosed. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities. The Company has identified following 2 reportable segments, in a manner consistent with internal reporting provided to the Chief Operating Decision Maker:

- Process and Preserved food
- Distribution Business

Primary Segment Disclosure – Business segment for the year ended March 31, 2023

					₹ Lakhs
	Particulars	Financial Year	Process and Preserved foods	Distribution Business	Total
A	Segment Revenue from operations				
	External Revenue	2022-23	36,215.04	8,813.44	45,028.48
		2021-22	33,527.41	8,592.83	42,120.24
	Less: Intersegment Revenue	2022-23	-	-	-
		2021-22	-	-	-
	Total segment revenue	2022-23	36,215.04	8,813.44	45,028.48
		2021-22	33,527.41	8,592.83	42,120.24
B	Segment results	2022-23	8,124.88	996.02	9,120.90
		2021-22	6,796.64	1002.35	7,798.99
	Add/(Less):				
	Finance Cost	2022-23	-	-	(265.29)
		2021-22	-	-	(180.93)
	Other Unallocable income /(expenditure)	2022-23	-	-	(1,309.35)
		2021-22	-	-	(1,104.50)
	Profit before Exceptional Items and Tax	2022-23	-	-	7,546.26
		2021-22	-	-	6,513.56
	Exceptional Items	2022-23	-	-	-
C	Profit before tax for the year	2022-23	-	-	-
		2021-22	-	-	6,513.56
D	Segment Assets	2022-23	26,152.83	14,245.95	
		2021-22	24,164.35	15,404.04	39,568.39
	Add: Unallocable corporate assets	2022-23	-	-	12,103.13

Notes forming part of the Consolidated Financial Statements

45. Segment Reporting (Contd.)

					₹ Lakhs
	Particulars	Financial Year	Process and Preserved foods	Distribution Business	Total
		2021-22	-	-	7,494.97
	Total Assets	2022-23	-	-	52,501.91
		2021-22	-	-	47,063.36
E	Segment Liabilities	2022-23	1,169.45	7,452.91	8,622.36
		2021-22	2,269.87	8,940.17	11,210.04
	Add: Unallocable corporate liabilities	2022-23	-	-	1,717.63
		2021-22	-	-	1,294.57
	Total Liabilities	2022-23			10,339.99
		2021-22	-	-	12,504.61
F	Capital Employed (Assets – Liabilities)	2022-23	24,983.38	6,793.04	31,776.42
		2021-22	21,894.48	6,463.87	28,358.35
	Add: Unallocable Capital Employed	2022-23	-	-	10,385.50
		2021-22	-	-	6,200.40
	Total Capital Employed	2022-23			42,161.92
		2021-22	-	-	34,558.75

46. The Holding Company held majority shareholding in Power Brands (Foods) Private Limited ('PBFPL'). It presently holds 2,08,85,992 fully paid Equity Shares of ₹ 10/- each (including 20,75,992 Equity shares acquired at ₹ 330.08 lakhs in Financial Year 2012-13). PBFPL is presently under voluntary liquidation process.

Pursuant to a special resolution passed on November 5, 2012 by its members, PBFPL went into the members' voluntary liquidation. In the course of liquidation process, the voluntary liquidator, with the prior approval of the members vide their special resolution dated March 8, 2013, distributed PBFPL's intangible asset - Ashoka brand and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other fixed and current assets to meet its contingent and other liabilities.

By virtue of the above distribution, the group received Ashoka brand in the financial year 2012-13 (valued at ₹ 2,935.99 lakhs by an independent valuer) in lieu of its investment in PBFPL's equity shares of ₹ 2,211.08 lakhs. Accordingly, the group capitalised the said brand in its books at ₹ 2,935.99 lakhs in the said financial year after adjusting the same against the investment value of ₹ 2,211.08 lakhs and carried the balance of ₹ 724.91 lakhs to the credit of the Statement of Profit and Loss as an exceptional item in that year.

During the Financial Year 2012-13, the voluntary liquidator, with the prior approval of the members vide their special resolution dated 10th November 2014, distributed PBFPL's immovable property situated at Sewree, Mumbai and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other current assets to meet with its contingent and other liabilities. The excess value of assets so received over the investment value in Equity Shares of PBFPL was accounted for in the group's Statement of Profit & Loss under the head exceptional item.

Consequently, the investment in Equity Shares of PBFPL stand fully realised. However, pending completion of liquidation process, the group has not surrendered the said shares to the Voluntary liquidator and they have been shown under the head "Investment" at nil value.

Notes forming part of the Consolidated Financial Statements

47. Financial instruments – Fair values and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2023	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Non-Current								
Loans	-	-	8.82	8.82	-	-	-	-
Other financial assets	173.94	-	54.21	228.15	-	173.94	-	173.94
Current								
Investments	7,998.73	-	-	7,998.73	7,998.73	-	-	7,998.73
Trade Receivables	-	-	9,425.56	9,425.56	-	-	-	-
Cash and cash equivalents	-	-	3,987.51	3,987.51	-	-	-	-
Bank balance other than Cash and cash equivalents	-	-	2,361.34	2,361.34	-	-	-	-
Loans	14.43	-	-	14.43	-	-	-	-
Other financial assets	-	-	1,620.93	1,620.93	-	-	-	-
Total	8,187.10	-	17,458.37	25,645.47	7,998.73	173.94	-	8,172.67
Financial Liabilities								
Non-Current								
Lease liabilities	-	-	4,955.05	4,955.05	-	-	-	-
Current								
Lease liabilities	-	-	569.56	569.56	-	-	-	-
Trade Payables	-	-	2,253.39	2,253.39	-	-	-	-
Other Current Financial Liabilities	-	116.78	1,046.36	1,163.14	-	116.78	-	116.78
Total	-	116.78	8,824.36	8,941.14	-	116.78	-	116.78

₹ Lakhs

March 31, 2022	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Non-Current								
Loans	-	-	6.34	6.34	-	-	-	-
Other financial assets	157.35	-	69.87	227.22	-	157.35	-	157.35
Current								
Investments	3,927.08	-	-	3,927.08	3,927.08	-	-	3,927.08

Notes forming part of the Consolidated Financial Statements

47. Financial instruments – Fair values and risk management (Contd.)

March 31, 2022	Carrying amount				₹ Lakhs			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Fair value Total
Trade Receivables	-	-	7,095.45	7,095.46	-	-	-	-
Cash and cash equivalents	-	-	5,423.74	5,423.74	-	-	-	-
Bank balance other than Cash and cash equivalents	-	-	2,336.10	2,336.10	-	-	-	-
Loans	24.13	-	15.17	39.30	-	-	24.13	24.13
Other financial assets	30.69	143.38	1,891.39	2,065.46	-	174.07	-	174.07
Total	4,139.25	143.38	16,838.06	21,120.70	3,927.08	331.42	24.13	4,282.63
Financial Liabilities								
Non-Current								
Lease liabilities	-	-	4,946.98	4,946.98	-	-	-	-
Current								
Lease liabilities	-	-	491.52	491.52	-	-	-	-
Trade Payables	-	-	3,160.12	3,160.12	-	-	-	-
Other Current	-	-	1,157.28	1,157.28	-	-	-	-
Financial Liabilities								
Total			9,755.90	9,755.90				

Fair Value Hierarchy

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: 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.

Calculation of Fair Values

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. Methods and assumptions used to estimate the fair values are consistent with prior years.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
3. Loans – Security Deposits have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes forming part of the Consolidated Financial Statements

48. Financial Risk Management

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the group is foreign exchange risk. The group uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The group's exposure to credit risk, excluding receivables from related parties, is influenced mainly by the individual characteristic of each customer

(i) Credit Risk

Credit risk arises from trade receivables, cash and cash equivalents and deposits with banks and financial institutions.

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Group's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognised in the statement of financial position.

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- a. Historical trend default in case of applicable financial asset
- b. actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligations
- c. Other applicable macroeconomic information such as regulatory changes

A default on a financial asset is when the counter party fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 9,425.56 lakhs (March 31, 2022 – ₹ 7,095.46 lakhs) shown as current as at reporting date. Trade receivables are typically unsecured. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The group expects that estimate of expected credit loss for impairment is immaterial based on historical trend and the nature of business. No provision is considered necessary as at reporting date other than disclosed in Note 11 and Management continuously assesses the requirement for provision on ongoing basis. During the period, the group made no write-offs of trade receivables except for those disclosed in Note 37.

(ii) Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The Management regularly monitors rolling forecasts of the group's liquidity position on the basis of expected cash flows to ensure it has sufficient cash to meet ongoing operational fund requirements

Notes forming part of the Consolidated Financial Statements

48. Financial Risk Management (Contd.)

₹ Lakhs

March 31, 2023	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	-	-	-	-	-	-
Lease liabilities	4,955.05	4,955.05	-	607.97	2,034.12	2,312.96
Current						
Borrowings	-	-	-	-	-	-
Lease liabilities	569.56	569.56	569.56	-	-	-
Trade payables :-						
a) Total outstanding dues of Micro Enterprises and Small Enterprises	157.99	157.99	157.99	-	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,095.40	2,095.40	2,095.40	-	-	-
Other Financial Liabilities	1,163.14	1,163.14	1,163.14	-	-	-
Total	8,941.14	8,941.14	3,986.09	607.97	2,034.12	2,312.96

₹ Lakhs

March 31, 2022	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	1,073.66	1,073.66	-	-	-	1,073.66
Lease liabilities	4,946.98	4,946.98	-	569.56	2,034.12	2,343.30
Current						
Borrowings	479.87	479.87	479.87			
Lease liabilities	491.52	491.52	491.52			
Trade payables :-						
a) Total outstanding dues of Micro Enterprises and Small Enterprises	279.53	279.53	279.53	-	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,880.59	2,880.59	2,880.59	-	-	-
Other Financial Liabilities	1,157.28	1,157.28	1,157.28	-	-	-
Total	11,309.43	11,309.43	5,288.79	569.56	2,034.12	3,416.96

(iii) Currency Risk

The group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD & GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the group's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions. .

Notes forming part of the Consolidated Financial Statements

48. Financial instruments – Fair values and risk management (Contd.)

The group's risk management policy is to hedge 100% of forecasted net exposures for period of 1 to 3 months of export sales and 70% of forecasted net exposures for 4 to 12 months of export sales for hedge purpose under hedge program.

In accordance with its risk management policies and procedures, the group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered into for the purpose of being a hedge, the group negotiates the terms of those derivatives to match the terms of the hedge exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship..

The carrying amount of the group's exposure to foreign currency at the end of the reporting period expressed in INR, are as follows:

		As at March 31, 2023		As at March 31, 2022	
		Amount (in original currency)	Amount	Amount (in original currency)	Amount
₹ Lakhs					
a) Trade and other receivables					
Foreign currency					
USD		101.09	8,305.86	91.04	6,899.42
GBP		11.71	1,189.84	9.81	975.87
₹ Lakhs					
b) Trade payable					
Foreign currency					
USD		6.92	568.58	33.46	2,525.13
GBP		1.90	193.32	1.44	143.67
CAD		0.17	10.32	0.19	11.23
EURO		-	-	0.10	8.67
₹ Lakhs					
c) EEFC balance					
Foreign currency					
USD		14.42	1,185.11	11.77	892.32
GBP		0.51	52.19	6.72	668.61

The following significant exchange rates have been applied during the year:

Foreign currency	Year- end spot rate as at	
	March 31, 2023	March 31, 2022
USD / INR	82.1650	75.7875
GBP / INR	101.6100	99.4800
CAD/ INR	60.6600	60.5100
EURO/INR	89.4300	84.2000

Sensitivity for above exposures

A fluctuation in the exchange rates of 5% with other conditions remaining unchanged would have the following effect on Company's

Notes forming part of the Consolidated Financial Statements

48. Financial instruments – Fair values and risk management (Contd.)

profit or loss after taxes as at March 31, 2023 and March 31, 2022:

Particulars	Impact on profit after tax	
	Year ended	Year ended
	March 31, 2023	March 31, 2022
USD / INR increase by 5%	289.49	219.08
USD / INR decrease by 5%	(289.49)	(219.08)
GBP / INR increase by 5%	37.28	31.14
GBP / INR decrease by 5%	(37.28)	(31.14)
CAD / INR increase by 5%	(0.39)	(0.42)
CAD / INR decrease by 5%	0.39	0.42
EURO / INR increase by 5%	-	(0.32)
EURO / INR decrease by 5%	-	0.32

49. Disclosures of additional information pertaining to the parent company and subsidiaries, as required under schedule III to the Companies Act, 2013

March 31, 2023

₹ Lakhs

Name of the Company	Net Assets (Total assets minus Total liabilities)		Share in Profit / (Loss) account		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Net Assets	As % of Consolidated profits	Profit/ (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Parent Company								
ADF Foods Limited	100.96	42,565.38	107.43	6,000.66	(146.50)	(210.11)	101.08	5,790.55
Indian Subsidiary								
ADF Foods (India) Limited	0.05	23.17	(0.10)	(5.61)	-	-	(0.10)	(5.61)
Telluric Foods (India) limited	(0.24)	(101.67)	(3.61)	(201.67)		-	(3.52)	(201.67)
Foreign Subsidiaries								
Direct Subsidiary								
ADF Foods UK Limited	21.70	9,148.99	3.60	201.30	9.28	13.31	3.75	214.61
Step down Subsidiary								
ADF Holdings (USA) Limited	19.06	8,035.56	(7.21)	(402.52)	237.22	340.22	(1.09)	(62.29)
Elimination	(41.53)	(17,509.51)	(0.11)	(6.64)		-	(0.12)	(6.64)
Total	100.00	42,161.92	100.00	5,585.49	100.00	143.42	100.00	5,728.91

Notes forming part of the Consolidated Financial Statements

49. Disclosures of additional information pertaining to the parent company and subsidiaries, as required under schedule III to the Companies Act, 2013 (Contd.)

March 31, 2022 ₹ Lakhs

Name of the Company	Net Assets (Total assets minus Total liabilities)		Share in Profit / (Loss) account		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Net Assets	As % of Consolidated profits	Profit/ (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Parent Company								
ADF Foods Limited	101.05	34,921.11	85.51	4,149.47	34.88	55.67	83.95	4,205.14
Indian Subsidiary								
ADF Foods (India) Limited	0.08	28.78	(0.01)	(0.35)	(0.01)	(0.01)	(0.01)	(0.34)
Telluric Foods (India) limited	-	-	-	-	-	-	-	-
Foreign Subsidiaries								
Direct Subsidiary								
ADF Foods UK Limited	25.85	8,934.43	2.65	128.48	(1.18)	(1.89)	2.52	126.59
Step down Subsidiary								
ADF Holdings (USA) Limited	23.43	8,097.89	12.67	614.59	66.31	105.85	14.33	720.86
Elimination	(50.41)	(17,423.46)	(0.82)	(39.93)	-	-	(0.79)	(40.37)
Total	100.00	34,558.75	100.00	4,852.68	100.00	159.62	100.00	5,011.88

50. Details of subsidiaries

The companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	% of holding held by the group As at		% of holding Non-controlling Interest (NCI) As at	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ADF Foods (India) Limited	India	100%	100%	0%	0%
Telluric Foods (India) Limited and its subsidiaries	India	100%	-	0%	0%
ADF Foods UK Limited	UK	100%	100%	0%	0%
ADF Holdings (USA) Limited and its subsidiaries	USA	100%	100%	0%	0%
Power Brands (Foods) Private Limited *	India	99.99%	99.99%	0.01%	0.01%

* Under member's voluntary liquidation vide special resolution passed by the members on November 5, 2012.

Notes forming part of the Consolidated Financial Statements

- 51.** The Board has recommended final dividend @ 50% i.e ₹ 5/- per equity share of face value ₹ 10/- each for the financial year ended March 31, 2023. The record date for the final Dividend is fixed as August 03, 2023 to ascertain the number of Shareholders of the Company entitled for the payment of Dividend.
- 52.** In the Board meeting held on 06th May, 2023, the approval was granted for sub-division of 1 (One) fully paid-up Ordinary (equity) Share of the Company having face value of ₹10/- (Rupees Ten) each, into 5 (Five) fully paid-up Ordinary (equity) Shares having face value of ₹2/- (Rupee Two) each. The same will be subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.
- 53.** The Company has availed the facility of packing credit and as on march 31, 2023, there is no overdrawn amount.
The borrowings obtained by the Company from Banks have been applied for which such Packing Credit Facility were taken.
The Quarterly returns filed by the Company with Banks are in agreement with Books of Accounts.
- 54.** Information's required as per schedule III (amended by MCA notification dated March 23, 2021) and as per Ind-AS has been disclosed in the financial statements to the extent applicable.
- 55.** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the code will come into effect has not been notified. The Company will assess the impact and will record any related impact in the period once the code becomes effective.
- 56.** The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other source of funds) to other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or like on or behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall either directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 57.** Previous year's figures have been regrouped / restated wherever necessary to conform to current year's classification. All figures have been rounded off to the nearest lakhs.

For and on behalf of the Board of Directors

Bimal R. Thakkar
Chairman, Managing Director & C.E.O.
DIN: 00087404
Place: Paris

Shardul A. Doshi
Chief Financial Officer
Place: Mumbai

Shalaka Ovalekar
Company Secretary
Membership No: A15274
Place : Mumbai
Date : May 06, 2023

FORM AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

Sr. No.	Name of subsidiary	ADF Foods (India) Limited - Wholly owned subsidiary	Telluric Foods (India) Limited and its subsidiary	ADF Foods UK Limited - Wholly owned subsidiary	ADF Holdings (USA) Limited and its subsidiary - step down subsidiary
1	The date since when subsidiary was acquired	7th December 2009	8th July 2022	6th September 2002	22nd September 2010
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023	1st April 2022 to 31st March 2023
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	Rupees	Rupees	£ = INR	\$ = INR
		Rs. / lakhs	Rs. / lakhs	Rs. / lakhs	Rs. / lakhs
4	Share Capital	55.00	100.00	92,23,022.01	1,34,15,133.30
5	Reserves & Surplus	(31.83)	(201.67)	3,99,972.97	(33,66,101.93)
6	Total assets	81.37	64.56	1,01,91,491.15	1,90,86,177.26
7	Total liabilities	58.20	166.23	5,68,496.17	90,37,145.88
8	Investments	-	-	-	-
9	Turnover	85.85	69.73	20,51,882.33	1,46,27,462.52
10	Profit before taxation	(5.48)	(201.66)	2,55,348.76	(10,68,447.84)
11	Provision for tax	0.13	-	48,371.76	(1,90,350.00)
12	Profit after tax	(5.61)	(201.66)	2,06,977.00	(8,78,097.84)
13	Proposed dividend	-	-	(62.83)	-
14	% of share holding	100%	100%	100%	100%

Power Brands (Foods) Pvt. Ltd. (PBFPL), 99.99% subsidiary of Company, has gone for voluntary liquidation vide Special Resolution passed by its' Members' on 5th November, 2012.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166

Sai Venkata Ramana Damarla
Partner

Membership Number 107017

Place: Mumbai

Date: May 06, 2023

For and on behalf of the Board of Directors

Bimal R. Thakkar

Chairman, Managing Director & C.E.O.

DIN: 00087404

Place: Paris

Shardul A. Doshi

Chief Financial Officer

Place: Mumbai

Shalaka Ovalekar

Company Secretary

Membership No: A15274

Place : Mumbai

Date : May 06, 2023

