

Ref-LTF/ SE/ 2023-24/

Date: September 06, 2023

To,

<b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers</b> <b>Dalal Street</b> <b>Mumbai- 400001</b>	<b>National Stock Exchange of India Ltd.</b> <b>Exchange Plaza, C-1, Block G,</b> <b>Bandra Kurla Complex,</b> <b>Bandra (E)</b> <b>Mumbai – 400 051</b>
--	--

Ref. Code: 532783. Scrip ID: DAAWAT

Sub: Notice of the 33<sup>rd</sup> Annual General Meeting and Annual Report for the financial year 2022-23

Dear Sir/ Madam,

In continuation of our earlier letter dated July 28, 2023 informing about the 33<sup>rd</sup> Annual General Meeting ('AGM') of LT Foods Limited (the 'Company') scheduled to be held on **Friday, September 29, 2023**, at **12:00 Noon** (IST) through Video Conference ('VC') / Other Audio Visual Means ('OAVM'), to transact the business as set forth in the Notice of the AGM. Pursuant to Regulation 34 and other provisions, as applicable, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Notice for the 33<sup>rd</sup> AGM and Annual Report for the financial year 2022-23, comprising Audited (Standalone and Consolidated) Financial Results of the Company for the financial year 2022-23 alongwith Auditor's Reports thereon, Director's Report, Business Responsibility and Sustainability Report and other reports required to be annexed thereto, is enclosed herewith.

The AGM Notice alongwith Annual Report for the financial year 2022-23 has also been uploaded on the Company's website viz. <http://www.ltgroup.in/index.html>.

In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act'), rules made thereunder, Listing Regulations and various circulars issued by the Ministry of Corporate Affairs and SEBI, the Notice convening the 33<sup>rd</sup> AGM alongwith Annual Report for the financial year 2022-23 is being sent only through emails to all those shareholders whose email addresses are registered with the Company/ Registrar & Share Transfer Agent / Depository Participant(s).

The Company has engaged the services of National Securities Depository Limited ("NSDL") to provide remote e-voting facility to its members. The remote e-voting period commences from **9:00 AM (IST) on Monday, September 25, 2023** and ends at **5:00 PM (IST) on Thursday, September 28, 2023**. The e-voting module shall be disabled by NSDL thereafter. Voting rights of the members shall be in



**LT FOODS LIMITED**  
**CORPORATE OFFICE**  
MVL - I Park, 4th Floor Sector -15, Gurugram-122001,  
Haryana, India. T. +91-124-3055100 F. +91-124-3055199  
CIN No. : L74899DL1990PLCo41790  
**Registered Office**  
Unit No. 134, 1st Floor, Rectangle-1, Saket District Center, Saket,  
New Delhi -110017, India. T. +91-11-29565344 F. +91-1129563099

proportion to the shares held by them in the paid-up equity share capital of the Company as on the Cut-off date i.e. **Friday, September 22, 2023.**

You are requested to take the above information and enclosed 33<sup>rd</sup> AGM Notice alongwith Annual Report for the financial year 2022-23, on your record.

Thanking you.  
Yours truly,

For **LT Foods Limited**

Monika Chawla Jaggia  
**Company Secretary**  
Membership No. F5150  
Encl:a/a

[www.ltgroup.in](http://www.ltgroup.in)



## LT Foods Limited

**Regd. Office:** Unit No. 134, 1<sup>st</sup> Floor, Rectangle-1, Saket District Centre, New Delhi-110017

**Corporate Office:** 4<sup>th</sup> Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001

**CIN:** L74899DL1990PLC041790, **Website:-** [www.ltgroup.in](http://www.ltgroup.in)

**Telefax:** +91-11-26859344, **Email:-** [ir@ltgroup.in](mailto:ir@ltgroup.in)

## Notice

Notice is hereby given that 33<sup>rd</sup> Annual General Meeting of the members of LT Foods Limited will be held on Friday, September 29, 2023 at 12 Noon through Audio Visual Mode, to transact the following businesses:

### ORDINARY BUSINESS

#### 1. To consider and adopt:

(a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, the reports of the Board of Directors and Auditors thereon; and

(b) the Audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and Auditors Report thereon.

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

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and Auditors thereon as circulated to shareholders of the Company, be and are hereby received, considered and adopted."

#### 2. To appoint a Director in place of Mr. Ashwani Kumar Arora (DIN:01574773), who retires by rotation at this Annual General Meeting and being eligible offered himself for re-appointment.

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Ashwani Kumar Arora (DIN:01574773) who retires by rotation at this Annual General Meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

#### 3. Declare final dividend of Rs. 0.50 (50%) per equity share of face value of Re. 1 each for the financial year ended March 31, 2023 and to confirm the interim dividend of Re. 0.50 (50%) per equity share, already paid during the financial year 2022-23.

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

**"RESOLVED THAT** the payment of final dividend at the rate of Rs. 0.50 (50%) per equity share of the face value of Re. 1 each of the Company, for the financial year 2022-23, as recommended by the Board of Directors, be and is hereby declared and the same be paid out of the profits of the Company.

**RESOLVED FURTHER THAT** the interim dividend at the rate of Re. 0.50 (50%) per equity share of the face value of Re. 1 each of the Company, paid during the financial year 2022-23, be and is hereby confirmed."

By Order of the Board  
For **LT Foods Limited**

Sd/-

**Monika Chawla Jaggia**

Company Secretary & Compliance Officer

Membership No. F 5150

Place: Gurugram

Date: July 28, 2023

Address: 4<sup>th</sup> Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001.

## Notes:

1. In view of the COVID-19 pandemic, social distancing is a norm to be followed the Ministry of corporate Affairs vide its circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, General Circular dated January 13, 2021, General Circular No. 2/2022 dated May 05, 2022 11/2022 dated September 28, 2022 and 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, Government of India ('MCA Circulars' has allowed to conduct Annual General Meeting due to be held on or before September 30, 2023, through Video Conferencing / Other Audio Visual Mode). **Hence, Members can attend and participate in the ensuing AGM through Video Conferencing / Other Audio Visual Mode ('VC/OAVM').**
2. In compliance with the provisions of the Companies Act, 2013 (the '**Act**'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**Listing Regulations**') and MCA Circulars, 33<sup>rd</sup> Annual General Meeting ('**AGM**') of the Company will be conducted through VC/OAVM.
3. Since, this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. **Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. Brief details of the Director, who are being appointed/ reappointed as per requirements of Regulation 36(3) of the Listing Regulations are annexed hereto.
5. The facility of joining the AGM through VC/OAVM will be opened 30 minutes before the scheduled start time of the AGM, i.e., from 11.30 A.M. and will be available for 1,000 members on a first come first served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
6. Institutional Investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.
7. To avoid fraudulent transactions, the identity/ signature of the members holding shares in electronic/ demat form is verified with the specimen signatures furnished by National Securities Depository Limited ('**NSDL**')/ Central Depository Services (India) Limited ('**CDSL**') and that of members holding shares in physical form is verified as per the records of the Registrar and share transfer agent of the Company. Members are requested to keep the same updated.
8. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the 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 or RTA.
9. In terms of Section-101 and 136 of the Act, read with the rules made thereunder, the Listed Companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular 2021 read with circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 date May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Notice of 33<sup>rd</sup> AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for the financial year 2022-23 will also be available on the Company's website [www.ltgroup.in](http://www.ltgroup.in) under "Investors Update" section and also on the website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice will also be available on the website of NSDL (agency for providing e-voting facility) i.e [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
10. However, the shareholders of the Company may request physical copy of the Notice and Annual Report from the Company by sending a request at [ir@ltgroup.in](mailto:ir@ltgroup.in), in case they wish to obtain the same.
11. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/ update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with RTA. Members are requested to register their email id and support the green initiative efforts of the Company.
12. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
13. With a view to enable the Company to serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.



14. The recorded transcript of the forthcoming AGM scheduled to be held on September 29, 2023 shall also be made available on the website of the Company under "Investor Updates" section as soon as possible after the meeting.
15. SEBI vide its notification dated June 08, 2018 as amended on November 30, 2018, has stipulated that w.e.f. April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in dematerialised form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form and requesting them to dematerialise their physical holdings.
16. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. The Company has been maintaining, *inter alia*, the statutory registers at its registered office. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
18. Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13. In respect of shares held in Electronic/Demat form, the members may please contact their respective Depository participant.
19. In terms of Section 124(5) of the Act, dividend amount for the financial year 2015-16 remaining unclaimed for a period of 7 years shall become due for transfer to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, in terms of Section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of 7 years, the corresponding shares shall be transferred to the IEPF demat account. Members who have not claimed dividends from the financial year 2015-16 onwards are requested to approach the Company/RTA for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account.
20. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
21. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, such person may obtain the user id and password from our RTA by sending an email at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com).
22. Only those members/shareholders, who will be present in the AGM through video conferencing facility and have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote through e-voting at the AGM. However, members who have voted through remote e-voting may attend the AGM.
23. Members attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
24. **Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.**
25. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**  
**INSTRUCTIONS FOR REMOTE E-VOTING**  
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:  
**Step 1: Access to NSDL e-Voting system**  
**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**  
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat accounts in order to access e-Voting facility.

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="523 1205 912 1438" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p>      </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E- Voting Menu. <b>The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</b></li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

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

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 125834 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
    - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
    - c) How to retrieve your 'initial password'?
      - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
  6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e- Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL e-Voting system.**
- How to cast your vote electronically on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is active.
  2. Select "EVEN" of the Company to cast your vote during the remote e-Voting period.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  5. Upon confirmation, the message "Vote cast successfully" will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [fcsdebasis@gmail.com](mailto:fcsdebasis@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).  
Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-Voting" tab in their login.
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct

password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). For any grievances connected with the facility for remote e-voting please contact: Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, A Wing, 4<sup>th</sup> floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 or email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on 022 - 4886 7000 and 022 - 2499 7000.

**Process for those shareholders whose Email IDs are not registered with the Depositories for procuring User ID and Password and Registration of E-mail IDs for e-voting for the resolutions set out in this notice:**

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

steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against the Company name – LT Foods Limited. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in this Notice to avoid last minute rush.

27. Members are encouraged to join the Meeting through Laptops for better experience.
28. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
29. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
30. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at: [ir@ltgroup.in](mailto:ir@ltgroup.in) by Friday, September 22, 2023. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
31. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [ir@ltgroup.in](mailto:ir@ltgroup.in) on or before Friday, September 22, 2023.

**Miscellaneous:**

32. Upon declaration by the Chairman about the commencement of e-voting at AGM, members shall click on the thumb sign on the left bottom corner of the video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.
33. Members to click on 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.
34. The Company has notified closure of Register of Members and Share Transfer Books from Friday, September 22, 2023 to Friday, September 29, 2023 (both days inclusive) for AGM and determining entitlement of the members of the final dividend (if declared at the AGM).



35. Kindly note that once you have cast your vote through e-voting process, you cannot modify or vote on poll during the AGM. However, you can attend the meeting and participate in the discussions, if any
36. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Shareholders(s) on the cut-off date, i.e. September 22, 2023.
37. The voting period commence on Monday, September 25, 2023 (09:00 AM) and ends on the close of Thursday, September 28, 2023 (05.00 PM). The e-voting module shall be disabled by NSDL for voting thereafter.
38. Mr. CS Debasis Dixit,, Company Secretary in Practice (Membership No. FCS 7218) has been appointed as the Scrutinizer to scrutinize the voting process for the AGM, in a fair and transparent manner.
39. The Scrutinizer will submit his report to the Managing Director or the Company Secretary of the Company after completion of the scrutiny of the e-voting and the results of the e-voting will be announced at both the registered office and Corporate office on or before October 04, 2023. The results of the e-voting will also be posted on the Company's website [www.ltgroup.in](http://www.ltgroup.in) and communicated to the stock exchanges where the Company's shares are listed.
40. As required by Rule 20(3)(V) and Rule 22(3) of the Companies (Management & Administration) Rules 2014, details of dispatch of AGM Notice to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in Delhi.
41. The Final Dividend for the financial year 2022-23, as recommended by the Board of Directors, if approved at the AGM, would be paid / credited to the shareholders or their mandates:
  - (a) whose names appear as Beneficial Owners as at the end of the business hours on Thursday, September 21, 2023, in the list of Beneficial Owners to be furnished by NSDL and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - (b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / RTA on or before Thursday, September 21, 2023.
42. Members holding shares in physical form are requested to intimate any change of address and/ or bank mandate to RTA of the Company by sending a request in Form ISR-1 to Bigshare Services Private Limited, Unit: LT Foods Limited, 302 Kusal Bazar, 32-

33 Nehru Place, New Delhi : 110019 or by email to [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com) from their registered email id.

In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of bank mandate, the Company shall dispatch the dividend warrant/ draft to such shareholder by post in due course.

#### **Tax on Dividend:**

43. Members may note that pursuant to the Finance Act, 2022, as amended, dividend income is taxable in the hands of the members with effect from April 01, 2022 and the Company is required to deduct tax at source ('TDS') from dividend paid to the members at the rates prescribed in the Income Tax Act, 1961. In order to enable the Company 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 and Rules thereto.
  - i. For Resident Members: Tax at source shall be deducted 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, subject to PAN details registered/updated by the member. If PAN is not registered/updated in the demat account/folio as on the cut-off date, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961. No tax at source is required to be deducted, if during the financial year, the aggregate dividend paid or likely to be paid to an individual member does not exceed Rs. 5,000 (Rupees Five Thousand Only). Further, in cases where the member provides Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an Individual who is of the age of 60 years and above), provided that the eligibility conditions are being met, no TDS shall be deducted. Notwithstanding the above, in case PAN of any member falls under the category of 'Specified Person', the Company shall deduct TDS @20% as per Section 206AB of the Income Tax Act 1961.
  - ii. For Non-Resident Members: Tax at source shall be deducted under Section 195 of the Income-tax Act, 1961 at the applicable rates. 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 non[1]resident members. As per Section 90 of the Income Tax Act, 1961, members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement ("DTAA"). To avail the Tax Treaty



benefits, the non[1]resident member will have to provide the following:

- a. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is a resident.
  - b. Self-declaration in Form 10F.
  - c. Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if any.
  - d. Self-declaration, certifying the following points:
    - Member remained a tax resident of the country of its residence during the financial year 2022-23;
    - Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
    - Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
    - Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
    - Member does not have a taxable presence or a permanent establishment in India during the financial year 2022-23.
44. Notwithstanding the above, in case PAN falls under the category of 'Specified Person', member is mandatorily required to submit a declaration providing status of Permanent Establishment in India for the financial year 2023-24. As per Section 206AB of the Income Tax Act 1961, if the said declaration is not furnished, the Company shall deduct tax at source at twice the applicable rate.
45. The Company shall not be 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 the Non-Resident member.
46. In order to enable the Company to determine the appropriate TDS/withholding tax rate applicable, members are requested to provide the aforesaid details and documents on or before Thursday, September 21, 2023 by sending over email to [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com) from your registered email ID. No communication on the tax determination/deduction shall be entertained post Thursday, September 21, 2023. Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an option available to the member to file the return of income and claim an appropriate refund, if eligible.
47. In accordance with the provisions of the Income Tax Act 1961, TDS certificates can be made available to the members at their registered e-mail ID after filing of the quarterly TDS Returns of the Company, post payment of the said dividend.
48. KYC updation for physical members: SEBI vide its circular number SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 mandated for updation of PAN, Contact Details (postal address with PIN, email and mobile number), bank account details, specimen signature and nomination by all the members holding shares in physical mode. Folios, where any of the above details shall not be available on or after October 01, 2023, shall be frozen by the RTA and such members, thereafter, shall not be eligible to lodge grievance or avail service from the RTA and receive dividend in physical mode, unless the aforesaid details are furnished. If such folios continue to remain frozen as on December 31, 2025, such frozen folios, thereafter, are required to be reported to administrative authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002. Therefore, members of the Company, holding shares in physical mode are requested to immediately update their aforesaid KYC details with the RTA of the Company to avoid any hardship /consequences as above.
49. As per Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact RTA to seek guidance in the demat procedure. Members may also visit website of the depositories, NSDL viz. <https://nsdl.co.in/faqs/faq.php> or CDSL viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.

**Information as per regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard -2 with respect to Mr. Ashwani Kumar Arora, is as follows-**

<b>Disclosure</b>	<b>Ashwani Kumar Arora</b>
<b>Age</b>	58
<b>Brief Resume</b>	An Alumni of Harvard Business School and a Commerce graduate, is the Managing Director and CEO of the Company. He is having more than 36 years of rich experience in running the Company's business which includes driving the strategy, business performance, operations, finance and marketing He is also responsible for business' strategy formulation exercise and cascade the same into operational plans for the business. He is also actively involved in strengthening internal controls and systems of the Company
<b>Nature of expertise in specific functional area</b>	Finance, Marketing and Business Management
<b>Relationship between Directors inter-se and KMP</b>	Brother of Mr. Vijay Kumar Arora, Chairman & Managing Director and Mr. Surinder Kumar Arora, Managing Director
<b>No of Board Meetings attended</b>	5
<b>Name of Listed Companies in which the person holds directorship and the membership of the committee of the board.</b>	None
<b>Shareholding of Executive and Non-Executive Director including Shareholding as beneficial owner</b>	2,29,86,920 shares
<b>Other Directorships</b>	LT Agri Services Private Limited Raghunath Agro Industries Private Limited Nature Bio Foods Limited Ecopure Specialities Limited Daawat Foods Limited Daawat Kameda(India) Private Limited Deva Singh Sham Singh Exports Limited Raghuvesh Holdings Private Limited ASV Holdings Private Limited GVA Holdings Private Limited GD Arora Family Enterprises Private Limited All India Basmati Rice Exporters Federation LT Foundation
<b>Details of Remuneration</b>	Remuneration details are given in Corporate Governance Report
<b>Remuneration last Drawn</b>	Rs. 2.15 Crore per Annum
<b>Date of First Appointment</b>	June 22, 2007
<b>Terms and Condition of appointment</b>	As per appointment letter

**For LT Foods Limited**

Sd/-

**Monika Chawla Jaggia**

Company Secretary & Compliance Officer

Membership No.-F-5150

Place: Gurugram  
Date: July 28, 2023

Address: 4<sup>th</sup> Floor, MVL i-Park, Sector-15, Gurgaon, Haryana-122 001





**Building Resilience**  
**Growing Sustainably**



# What's Inside

## 04

### Corporate Overview

4	About Us
8	Global Footprint
10	Product Portfolio
12	Leadership Message
16	Strategic Approach
18	Stakeholder Engagement
22	Business Model
24	Materiality Assessment
26	ESG Approach
30	Risks and Opportunities
36	Financial Capital
40	Manufactured Capital
52	Human Capital
60	Intellectual Capital
68	Social and Relationship Capital
84	Natural Capital
88	Profile of Board
90	Key Management Team
95	Corporate Information

## 96

### Statutory Reports

96	Management Discussion and Analysis
115	Directors' Report
146	Business Responsibility & Sustainability Report
205	Corporate Governance Report

## 237

### Financial Statements

237	Standalone Financial Statements
328	Consolidated Financial Statements

For more information, visit



[www.ltgroup.in](http://www.ltgroup.in)



or scan QR code



# Integrated Thinking and Approach

This report is **LT Foods' first Integrated Report** which complies with the reporting framework developed by the International Integrated Reporting Council (IIRC).

This is a comprehensive document that attempts to offer stakeholders a holistic view of our Company's value creation narrative. It integrates financial and non-financial data, as well as Environmental, Social and Governance (ESG) factors to provide a 360-degree overview of our Company's performance and impact.

The objective of this report is to give stakeholders a clear understanding of how the Company creates value and how it manages its risks and opportunities in the short, medium and long term. It also demonstrates the Company's commitment to sustainability and responsible business practices.



## Reporting Approach and Framework

This report has been prepared in accordance with several regulatory frameworks, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides guidelines for listed companies on disclosure and reporting requirements. Additionally, it abides by the Companies Act, 2013 which sets out the legal requirements for companies in India, and the accounting principles and practices to be followed in accordance with the norms of Indian Accounting Standards.

The report aims to ensure compliance with legal and regulatory requirements for transparency and accountability.

## Reporting Cycle

The information provided pertains to the period April 1, 2022 to March 31, 2023.

## Scope and Boundary

The report encompasses the business activities of LT Foods and its subsidiaries across all their operations.

## Forward-Looking Statements

This report may contain forward-looking statements which can be identified by specific terminology such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'should', 'could', 'will', or negative variations. These statements are subject to risks and opportunities beyond the Company's control, or the Company's current beliefs and assumptions about future events. The actual performance of the Company may differ from expected outcomes stated in this report. There is no guarantee that future results will be achieved as envisaged.

## Feedback

We understand that stakeholder-feedback is crucial to our sustainability efforts. It enables us to identify areas that require improvement so we can address them promptly. Hence, we appreciate all feedback, suggestions or concerns from our stakeholders. We consider stakeholder-engagement a collaborative process, and maintain open communication with all. Stakeholders may send their feedback to:

**Email:**  
ir@ltgroup.in

**Contact:**  
+91 124 3055100

## Our Six Capitals



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Social and Relationship Capital



Natural Capital

**ABOUT US**

# Trusted Globally for High Quality Food Brands

LT Foods is a leading India based global FMCG Company in the consumer food space. We are a Company of brands and people for over seventy years and serving millions of households with our specialty rice and rice-based food businesses globally. The Company is committed to nurturing the goodness of food for people, the communities it serves and the planet.

With nurturing goodness at the heart of everything it does, the Company delivers high-quality, delicious meal experiences in more than 60 countries: India, the U.S., Europe, the Middle East, the Far East and the rest of the world. The Company's flagship brands include 'Daawat', one of India's most loved and consumed global Basmati brands, 'Royal', North America's No. 1 Basmati brand and many more.

The Company is also expanding into the future food preferences of millennials by offering organic food and supplying organic food-ingredients to leading businesses in the global market.

With a vibrant portfolio that includes renowned power brands like Daawat, Royal, Ecolife, Devaaya, Heritage, Golden Star, Leev, Rozana, Gold Seal Indus Valley and 817 Elephant, we are at the forefront of ever-evolving food trends. Constantly pushing boundaries, we innovate across our value chain including food offerings and processes, to always stay ahead of the curve.

With a focused approach of 'Farm to Fork,' we resolutely strive to forge a resilient business. Our stellar performance over the years stems from our power brands, strong partnerships, a robust global distribution network and adherence to global quality standards in our state-of-the-art manufacturing facilities in India, the United States and Europe.

**Revenue From Operations**

₹ **6,979** cr

▲ 15.6% — 5 Year CAGR

**Profit After Tax**

₹ **423** cr

▲ 32.6% — 5 Year CAGR

**Net worth**

₹ **2,797** cr

▲ 18.2% — 5 Year CAGR

**Our Vision**

To be a leading food Company with a global presence in specialty rice, rice-based food, organic food and complementary categories that creates sustainable growth and has a positive impact on society; to be a Company that generates superior value for its internal and external stakeholders.



**Our Mission**



To maintain our leadership position in our flagship rice-based business while striving to deliver the finest, most consistent food experiences.



Diversify and innovate into complementary food categories based on emerging consumer habits.



Strive to give back to our community in the best way we can.



Contribute to the shared growth of our people and deliver more value to our stakeholders.





**Core Values**

**Consumer Centricity**

We exist to create delightful meal experiences for people while strengthening their social bonds. We strive to provide them the goodness of nature, through our nutritious, health-focused, organic and other high-quality food products.

**Continuous Innovation**

We believe continuous innovation elevates consumer experiences and caters to evolving consumer needs. We are on a journey of innovating at every level of our value chain, from farming, sustainability processes, packaging, and variety of products, to newer food experiences.

**Respect for People**

We treat our consumers, partners, team members and other stakeholders with trust and respect. We follow fair practices and nurture fulfilling, amicable relationships with all our stakeholders.

**Commitment to Excellence**

We are committed to doing our best and what is right. For us, excellence is a responsibility that translates into delightful and sustainable products, processes and overall organisation.

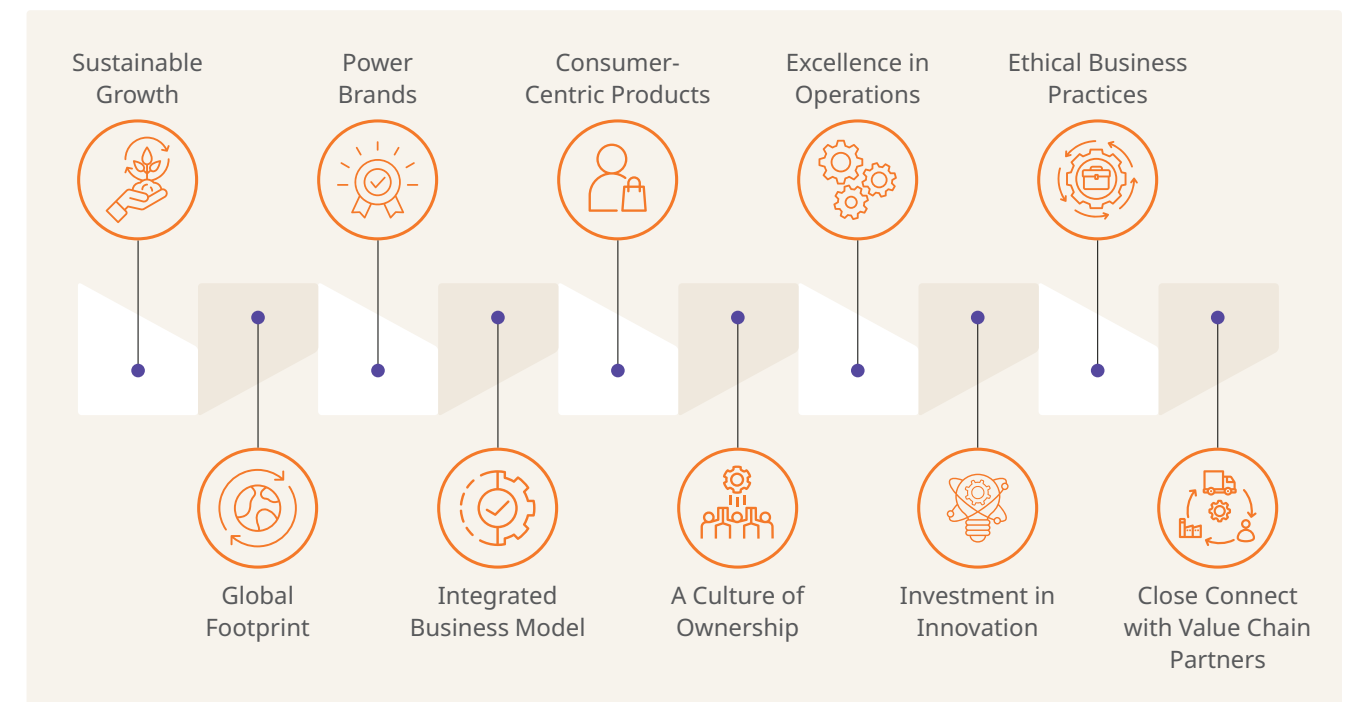
**Integrity**

We continuously strive to work towards trust and transparency. By honouring our commitments, we aim to embody our values when working with consumers, partners, team members and other stakeholders.

**Responsibility**

We are responsible for the betterment and growth of our stakeholders, and respond to consumer issues proactively. We constantly endeavour to ensure safety and sustainability in our systems to meet our ESG (Environmental, Social, Governance) goals.

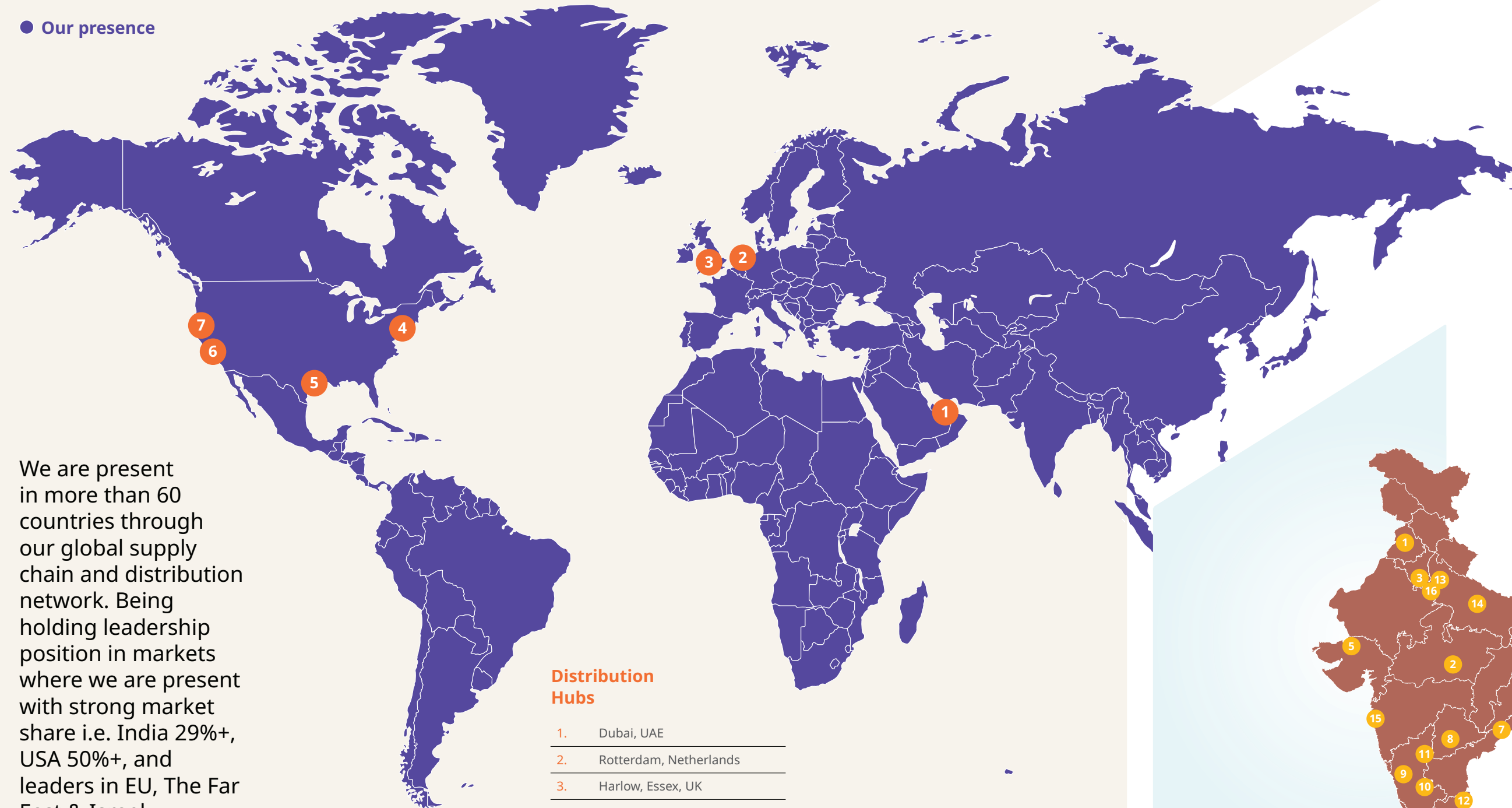
**What defines us**



GLOBAL FOOTPRINT

# Delivering Goodness across the World

● Our presence



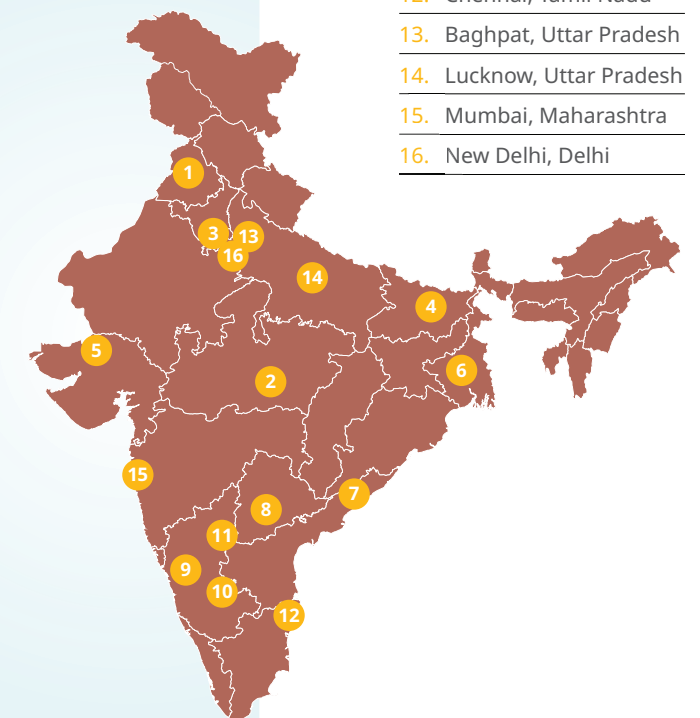
We are present in more than 60 countries through our global supply chain and distribution network. Being holding leadership position in markets where we are present with strong market share i.e. India 29%+, USA 50%+, and leaders in EU, The Far East & Israel.

**Distribution Hubs**

1. Dubai, UAE
2. Rotterdam, Netherlands
3. Harlow, Essex, UK
4. New Jersey, US
5. Houston, US
6. California, US
- 7.

1. Varpal, Punjab
2. Mandideep, Madhya Pradesh
3. Bahalgarh, Haryana
4. Patna, Bihar
5. Ahmedabad, Gujarat
6. Kolkata, West Bengal
7. Visakhapatnam, Andhra Pradesh
8. Hyderabad, Telangana
9. Bengaluru, Karnataka
10. Tumkur, Karnataka
11. Raichur, Karnataka
12. Chennai, Tamil Nadu
13. Baghpat, Uttar Pradesh
14. Lucknow, Uttar Pradesh
15. Mumbai, Maharashtra
16. New Delhi, Delhi

**Our Depots**





## PRODUCT PORTFOLIO

### Basmati and Other Specialty Rice Segment



### Organic Food and Ingredient Segment



Convenience and Health Segment





Dear Shareholders,

The world economy weathered a number of challenges in the year gone by. Businesses and economies faced numerous problems as a result of the Russia-Ukraine war and the Covid pandemic. However, we are happy to announce that we have achieved robust revenue growth for yet another year, demonstrating the strength of our business model. The Farm to Fork approach, global supply

chain hubs, wide distribution network across geographies, and continued investments behind our brands has endowed our business with strength and resiliency to generate market beating growth and profits.

**Business performance**

Our segments – Basmati and Other Specialty Rice, Organic Food and Ingredients, Convenience and Health – have collectively contributed to an impressive 28% Y-o-Y growth wherein Basmati and other specialty segment saw a

growth of 31%, Organic segment grew 11% and convenience and health segment witnessed a growth of 36% i.e. ~2.5% of our revenue.

Our total revenue witnessed remarkable growth, reaching ₹ 6,979 Crore, reflecting a substantial 28% increase compared to the previous fiscal year. Our gross Profit was ₹ 2,401 Crore, an increase of 31% and EBITDA stood at ₹ 744 Crore, a 20% increase from the previous fiscal year. The PAT stood at ₹ 423 Crore and we achieved a remarkable growth of 37% over the previous financial year. Our earnings per share stood at ₹ 12.5 while our debt to equity ratio improved to 0.3.

In India, LT surpassed industry growth with a 14.4% overall growth rate, with specialty and mid-segment products growing at an even faster pace, delivering on our strategic goal of premiumisation. Our market share in India has experienced continued growth, reaching an impressive 29.6% in March 2023. This represents a significant increase of 230 basis points (bps), as reported by the AC Nielsen Retail Survey Audit. The number of households consuming products by LT Foods increased by 31.26% (compared to the category growth of 5.5%) to reach 45.38 Lakh households, as per household panel data. This is the result of a mix of targeted marketing campaigns across several platforms and an expanded distribution network, which has enabled us to reach and service a larger consumer base. Our retail reach also increased by 9.1% and stood at 176,741 outlets.

In our US business, we successfully maintained our market share of 50%+ with our flagship brand, Royal. To cater to the growing demand, we expanded our portfolio, resulting in a remarkable 37% sales growth for Royal RTH foods. Royal RTH became the fourth largest brand in the ready-to-heat rice segment in the US. Additionally, we made a strategic acquisition of the jasmine rice brand Golden Star, and efficiently integrated their operations into LT Foods America, meeting our expectations.

We have continued to build on our leading share in EU. Our Daawat business continues to gain market share in UK and in

the top consuming countries of the EU with expanded distribution network and marketing investments and business has overall increased by 23% during the financial year.

In The Middle East, our business has shown a good double digit growth resulting in strengthening our market share in the largest Basmati consuming region in the world. We also hold a leadership position in Israel and other countries as well.

During the fiscal year, we made a strategic deal with SALIC, the Saudi Sovereign Fund. Through a main and secondary investment of ₹ 455.5 Crore, SALIC now holds a 9.22% equity share in LT Foods. This accelerates LT Foods' organic and inorganic expansion plans across business segments. It will increase our growth ambitions, notably in The Middle East and Saudi Arabia region, and reinforce our leading position in the industry.

In The Far East, we have further strengthened our leadership position in markets like Australia and Singapore, building our total share in the Far East to a leading 16% market share.

It is heartening that despite the price increases impacting overall exports to this region, we have been able to mitigate the impact and maintain our position due to brand strengths. Our focus remains on continuing to build on brand, strengthening the distribution network and expanding product penetration across geographies and continents.

**Growing Responsibly and Sustainably**

Our commitment to giving back to society has always been an integral part of our ethos. As part of our responsible growth strategy, we are continually embracing the principles of Environment, Social and Governance (ESG). During the fiscal year, we advanced further towards our ESG goals.

Our priority is to make sustainability the cornerstone of all farm operations. We firmly believe that the well-being and prosperity of our farmers are intrinsically linked to the preservation of the environment. By prioritising sustainable practices, we are not only enhancing the economic viability of our farmers, but also upholding our collective responsibility to protect and conserve the planet's precious natural resources for future generations.

Therefore, we have set ambitious goals for training farmers in sustainable farming practices. By 2025, our aim is to train 50,000 farmers in sustainable farming methods. We are pleased that more than 16,000+ farmers have already been trained during the year under review.

Some other notable developments include our efforts towards bringing 2.5 Lakh acres of organic farmland under sustainable cultivation by 2030. Indeed, we have already done so with 1.64 Lakh acres of farmland, paving the way for healthier agricultural methods and a greener future.

In accordance with our commitment to the environment, we established ambitious plastic sustainability goals. Guided by the principles of Reduce, Reuse and Recycle (3Rs), we are diligently working to minimise our plastic footprint. We have achieved 100% plastic neutrality through Extended Producer Responsibility (EPR).

### Enhancing brand equity

During the fiscal year, we continued to strengthen our brand equity through well-crafted marketing campaigns designed to engage consumers globally. This has helped us gain more share across geographies. Daawat has attained more than 29%+ share in India and enjoys close to 50% share of Basmati in US, apart from leadership share in geographies like Australia, Israel and others in the Far East.

### Digitalisation

At LT Foods, we embrace technological advancements in an ever-evolving world. We have been leveraging the power of data-driven insights and integrating machine augmentation into our processes. A noteworthy achievement in our digitalisation efforts has been the comprehensive, end-to-end digitisation across our procurement process, ensuring seamless efficiency from paddy acquisition at the market yard to unloading; and likewise, in rice procurement from requirement generation to contract finalisation,



By prioritising sustainable practices, we are not only enhancing the economic viability of our farmers, but also upholding our collective responsibility to protect and conserve the planet's precious natural resources for future generations.

Therefore, we have set ambitious goals for training farmers in sustainable farming practices.

in our advanced SAP system. We remain dedicated to refining and optimising our operations through strategic deployment of cutting-edge technologies.

### Strategic objectives

We continue our work on our three core strategic pillars:

- **Growth:** We are pursuing a target 5-Year revenue CAGR of 10-12% we will also continue to

grow our core Basmati business by investing more on brands and expanding our distribution reach with Revised Route to Market and product portfolio expansion by leveraging the brand equity and the existing distribution network. In organic segment we will grow with expansion of portfolio as well as stock and sell model in different geographies.

We will also further solidify our presence in existing regions and expand our reach in new geographical areas. Further, we will focus on new products in the Ready-to-Eat, Ready-to-Cook and Rice-based snacks segments.

- **Margin expansion:** We aim to increase our 5-Year EBITDA margin by 140-150 basis points (bps). We will implement measures that lead to a change in product mix, optimise efficiencies across the value chain, and capitalise on economies of scale.
- **Strengthen financial metrics:** We will focus on further strengthening our balance sheet metrics and return ratios. Our aim is a Return on Capital Employed (ROCE) of 23% by FY 2024-25, and a Return on Equity (ROE) of 20% by FY 2024-25. These financial metrics will reflect our efficient use of capital and commitment to delivering value to our shareholders.



Daawat has attained more than 29%+ share in India and has enjoys close to 50% share of Basmati in US, apart from leadership share in geographies like Australia, Israel and others in the Far East.

### Looking ahead

We remain steadfast in our commitment to delivering exceptional value to our stakeholders through continuous growth in our business, our financial matrices and products that delight global consumers, while operating in a environmentally and socially responsible manner.

Our strategic focus on a robust supply chain, expanded global distribution networks, digitisation and sustainability enabled by investments in our global talent pool, will continue to strengthen our position as a global consumer food Company. We are confident that we can scale new heights, meet the evolving needs of our consumers and drive sustained growth in the years to come.

We thank our consumers, shareholders, business partners and key advisors for their continued trust in our Company. With the support of our shareholders, we look forward to nurturing goodness while maximising our shareholders' returns. We will create a fully integrated, global, sustainable, predictable, profitable and growing consumer business across all geographies, in line with our commitment to grow responsibly.

Thanks, and regards,

**Vijay Kumar Arora**  
Chairman & Managing Director

**Ashwani Kumar Arora**  
Managing Director &  
Chief Executive Officer



## STRATEGIC APPROACH

# Driving Growth Through Strategy

Ingrained within our organizational ethos is a strategic approach that guides every facet of our growth trajectory. Our commitment to 'Nurturing Goodness' is deeply ingrained in our approach.

Our overarching goal is to continuously innovate and venture into novel food segments that resonate with evolving consumer preferences and behaviours as well as further solidify our existing portfolio. Our strategy is a harmonious blend of value creation and sustainable practices. We recognize the intricate balance required between business growth and social and environmental stewardship. Central to our ethos is the cultivation of a sustainable business framework, one that not only enriches the lives of our internal and external stakeholders but also leaves a positive imprint on society.

The Company's strategy is in line with the strategic pillars of Growth, Margin Expansion and Strengthening of Financial Metrics to create a strong, progressive, sustainable, profitable and growing consumer business across all geographies, and create value for all its stakeholders.

Our long-term value creation model is based on efficient top-line and bottom-line growth as well as improved capital efficiency.

## Strengthening Leadership Globally through Organic Growth and Inorganic Strategies

Our objective is to nourish our flagship brands "Daawat" and "Royal" as well as our regional brands to drive sales growth via a combination of rapid innovation and solid leadership through organic and inorganic strategies. We will increase consumer penetration across segments to strengthen market share, widen our global distribution network and enhance the financial performance of the Company across business segments, such as Basmati and Other Specialty Rice, Organic Food and Ingredient business and the Convenience and Health segment.

The success of our Company is also built on maintaining a diversified portfolio, both in terms of geography and category and its expansion based on changing consumer trends. Our ability to adapt to a changing environment led to the expansion of our product portfolio in the Convenience and Health segment, where we also leveraged our strong brand presence and distribution.

In line with our strategies, we have been growing year on year and saw a growth of 28% in our overall revenue, aided by growth in our Basmati & Other Specialty business by 31%, Organic business by 11%

and Convenience and Health business by 36%. Additionally, we also reported a 3 Year CAGR revenue growth of 20.92% and PAT growth of 20.98%.

## Investing in Strategic Drivers

- ▶ **In** geographies that are politically stable and with high-growth potential for all our business categories through organic growth and inorganic routes
- ▶ **In** our core category of Basmati and Other Specialty Rice there is a huge opportunity for growth with increasing adoption of Basmati across all nationalities.
- ▶ **In** increasing the share of high margin premium products. During the year, our revenue from premium offerings grew by 28%
- ▶ **To** expand our consumer base through effective marketing-mix and Go-to-Market (GTM) strategies that focus on improving our distribution network across all channels – General Trade, Modern Trade and E-commerce.
- ▶ **Strengthening** our position in the Organic segment by expanding reach through our stock and sell model, diversified

portfolio and by venturing into new territories.

- ▶ **Investing** in emerging and large size consumer categories such as the Convenience and Health products.
- ▶ **Building** capacity by Investing in a highly mechanized/ automated infrastructure to meet the growing demand of our consumers

- ▶ **Leveraging** technology/digitalization across all our business segments to add more efficiencies / controls to monitor the performance of business more diligently

- ▶ **Investing** in People and creating a strong pool of talented resources
- ▶ **Strengthening** the Governance Framework of the Organization

## Judicious Capital Allocation and Improved Capital Efficiency

We have a well-defined Capital Allocation Framework in place with prudent financial policies wherein we aim to balance the objectives of ploughing back earnings to support sustained growth, debt reduction and reward to shareholders through dividend. Alongwith our operational success, this approach increased our Return on Capital Employed (ROCE) to 17.8% in the FY 2022-23, up from 15.6% in FY 2021-22.

We have generated a free cash flow of ₹258 Crore during the year and will allocate these resources discerningly. We will focus on projects with the highest potential to create profit i.e. for growth in the Core Basmati and Other Specialty Rice and Organic business segments, along with an impetus on new growth engines. We also keep evaluating opportunities to grow inorganically to enhance our Return on Capital Employed and sustain attractive financial returns on a long-term basis.

Though the majority of our debt is Working Capital debt, we have cautiously reduced our overall debt by ₹ 1061 Crore to ₹ 938 Crore. The Debt-Equity ratio improved from 0.5 to 0.3 and the Debt-EBITDA ratio also improved from 1.7 to 1.3. We strive to maintain a steady stream of dividends to reward our shareholders. We expect the dividend pay-out ratio in the medium term to be in the range of 20%-30% of Standalone profits.

## Enhancing operational efficiency for Margin Expansion

We aim to drive our agenda of margin expansion by cost management, benefits of scale, supply efficiencies and a better product mix across all geographies and business segments; and by adding efficiencies through digital interventions.

Our efforts are evident in strong revenue growth of 28%, gross profit growth of 31%, and PAT growth of 37%. Revenue from our premium offerings rose by 28% Y-o-Y. We have reduced interest cost rates leading to a lower average fund cost, contributing to Profit after Tax. Our strategic focus includes optimizing shareholder wealth through targeted and profitable growth initiatives.

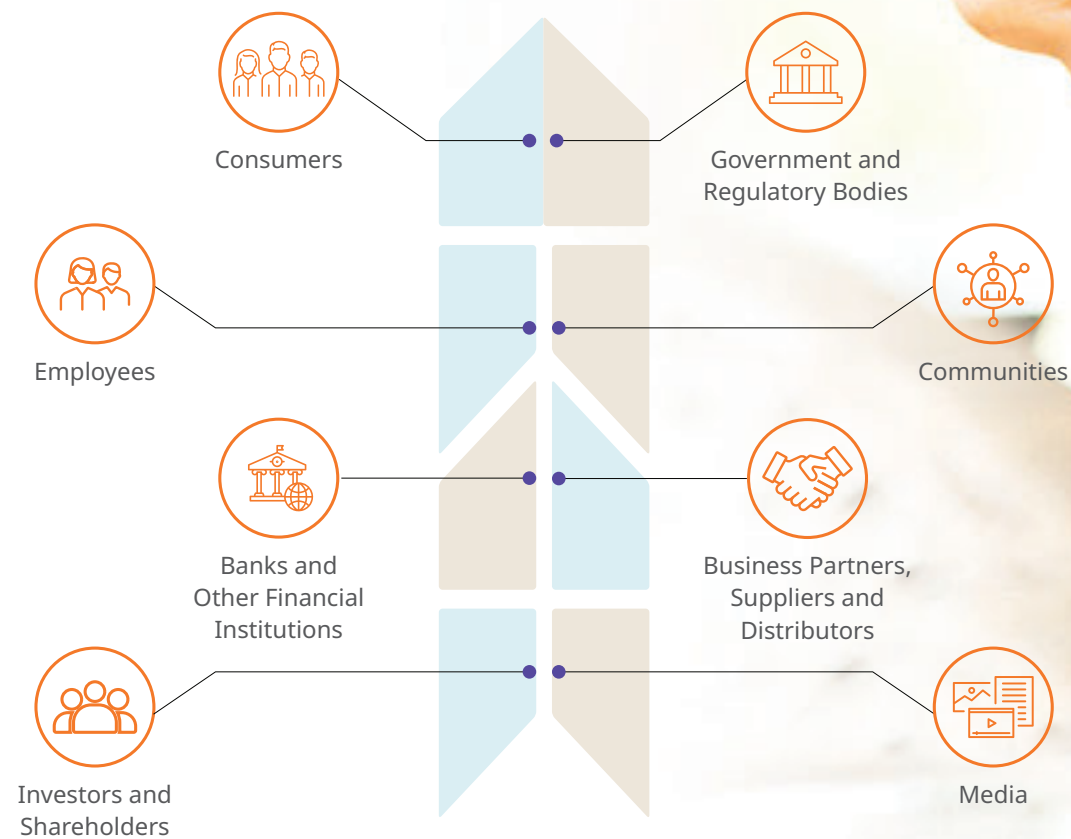




# Enhancing Resilience through Productive Dialogue

For LT Foods, engaging with stakeholders is a key component of its strategy in identifying and pursuing growth opportunities. We gain significant insights into our internal and external stakeholders by engaging with them on a continuous basis.

This enables us to develop products that meet consumers' evolving requirements while creating value for all stakeholders. We emphasise building long-term relationships with our stakeholders which requires empathy, active listening, agility and a commitment to create value for all.



**STAKEHOLDER ENGAGEMENT**

Consumers		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>Their preferences directly impact demand and drive product development and innovation; it is important to understand their needs and expectations for long-term profit and sustainability of business</p>	<ul style="list-style-type: none"> <li>Consumer Satisfaction Surveys</li> <li>Consumer Research</li> <li>Organised and Spontaneous Feedback</li> <li>Social Media</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>

Employees		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>Essential foundation upon which our operations are built and run</p>	<ul style="list-style-type: none"> <li>Town Hall Meeting</li> <li>Internal Grievance Committees</li> <li>Internal Communication</li> <li>HR Team Meets</li> <li>Training and Development Activities</li> <li>Social Media</li> <li>Newsletters</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>

Banks and Other Financial Institutions		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>Provide us with necessary funds for running a successful business</p>	<ul style="list-style-type: none"> <li>Public Disclosures</li> <li>Regular File Updates</li> <li>Emails</li> <li>Consortium Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Need basis</li> </ul>

Investors and Shareholders		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>They provide us with funds required for advancing the business and play a crucial role in growth and expansion plans of the Company</p>	<ul style="list-style-type: none"> <li>Shareholder Meetings</li> <li>Investor Meetings and Events</li> <li>Emails</li> <li>Website</li> <li>Helpline Number</li> <li>Social Media</li> <li>Road Shows</li> <li>Investor Calls</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>Need basis</li> </ul>

Government and Regulatory Bodies		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>They provide rules and regulations to drive the business. They also ensure that operations run smoothly and efficiently, while also promoting fair and respectful resolution of disputes</p>	<ul style="list-style-type: none"> <li>Public Disclosures</li> <li>Newspapers</li> <li>Statutory Filings</li> <li>Email</li> <li>Social Media</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Need basis</li> </ul>

Communities		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>They create an improved socioeconomic environment for our operations. Also, they help us in identifying and addressing the key factors that impact our operating environment such as economic conditions and social issues</p>	<ul style="list-style-type: none"> <li>CSR Initiatives</li> <li>Farmer Training</li> <li>Satisfaction Survey</li> <li>Agri-extension Services</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>

Business Partners, Suppliers and Distributors		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>They enable business continuity and expansion while generating shared benefits</p>	<ul style="list-style-type: none"> <li>Supplier/vendor meets</li> <li>Contract Meetings</li> <li>Workshops</li> <li>Training Sessions</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>

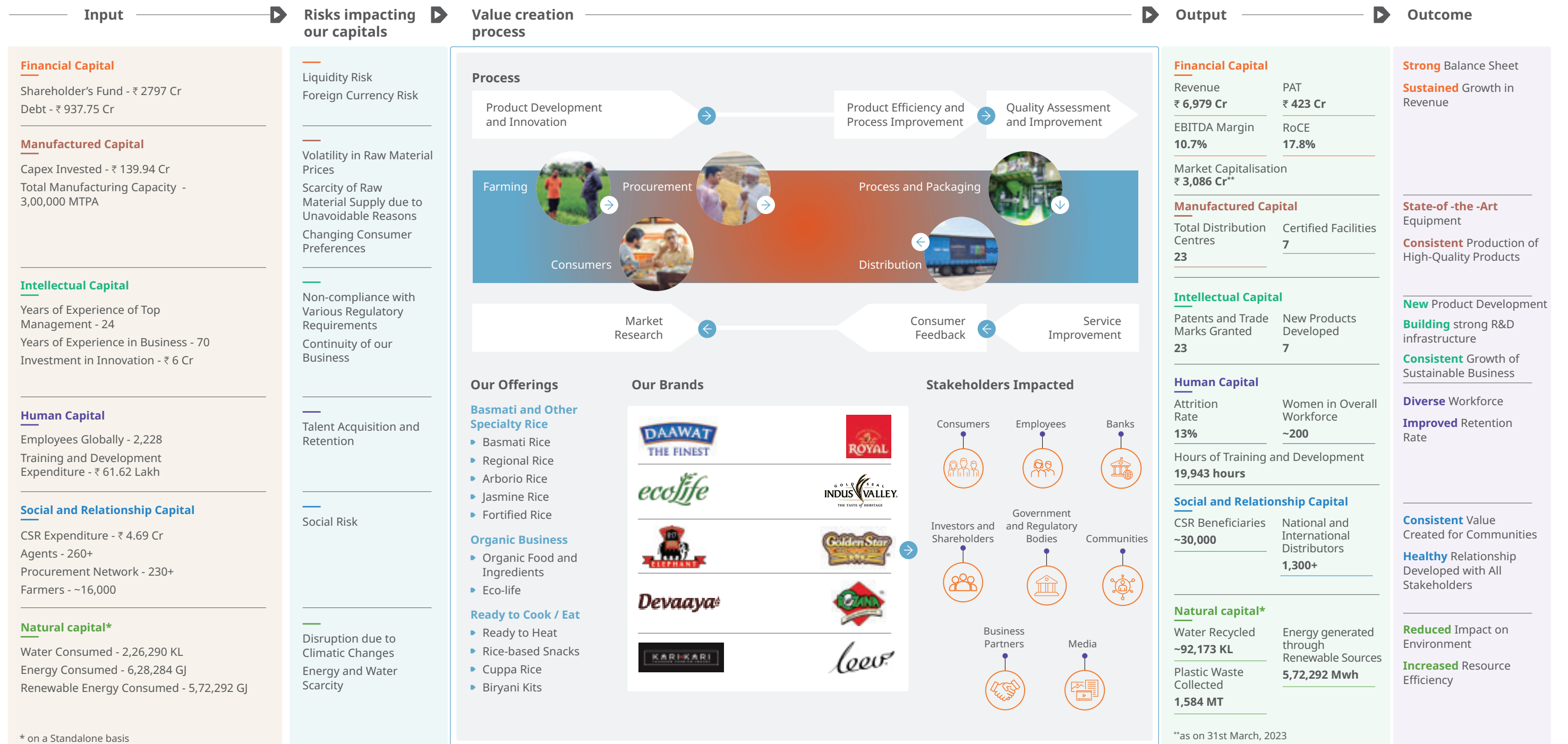
Media		
Why are They Important?	Mode of Engagement	Frequency of Engagement
<p>They help us in keeping our stakeholders informed of business developments, new products and services, and the impact of our operations on society at a large</p>	<ul style="list-style-type: none"> <li>Newspaper</li> <li>Brand Building and Marketing Initiatives</li> <li>Press Conference</li> <li>Quarterly/Annual Results</li> <li>Social Media</li> <li>Media Interactions</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> <li>Need basis</li> </ul>



**BUSINESS MODEL**

# Creating Value that is Sustainable and Holistic

By considering each of the following capitals in our business practices, we ensure that we are creating value that is sustainable. By incorporating these six capitals into our projects, we can cater to the changing preferences of our communities, develop products that fulfil the evolving needs of our consumers and create value for all our stakeholders.



## MATERIALITY ASSESSMENT

# Evaluating Issues Central to our Business

A Company's success is assessed not just by its financial performance, but by its influence on society and the environment. When looking at a global risk canvas, environmental and social risks head the list, both in the short and long term. Internal and external stakeholders that include employees, consumers, investors, distributors, bankers and local communities expect businesses to operate responsibly and sustainably.

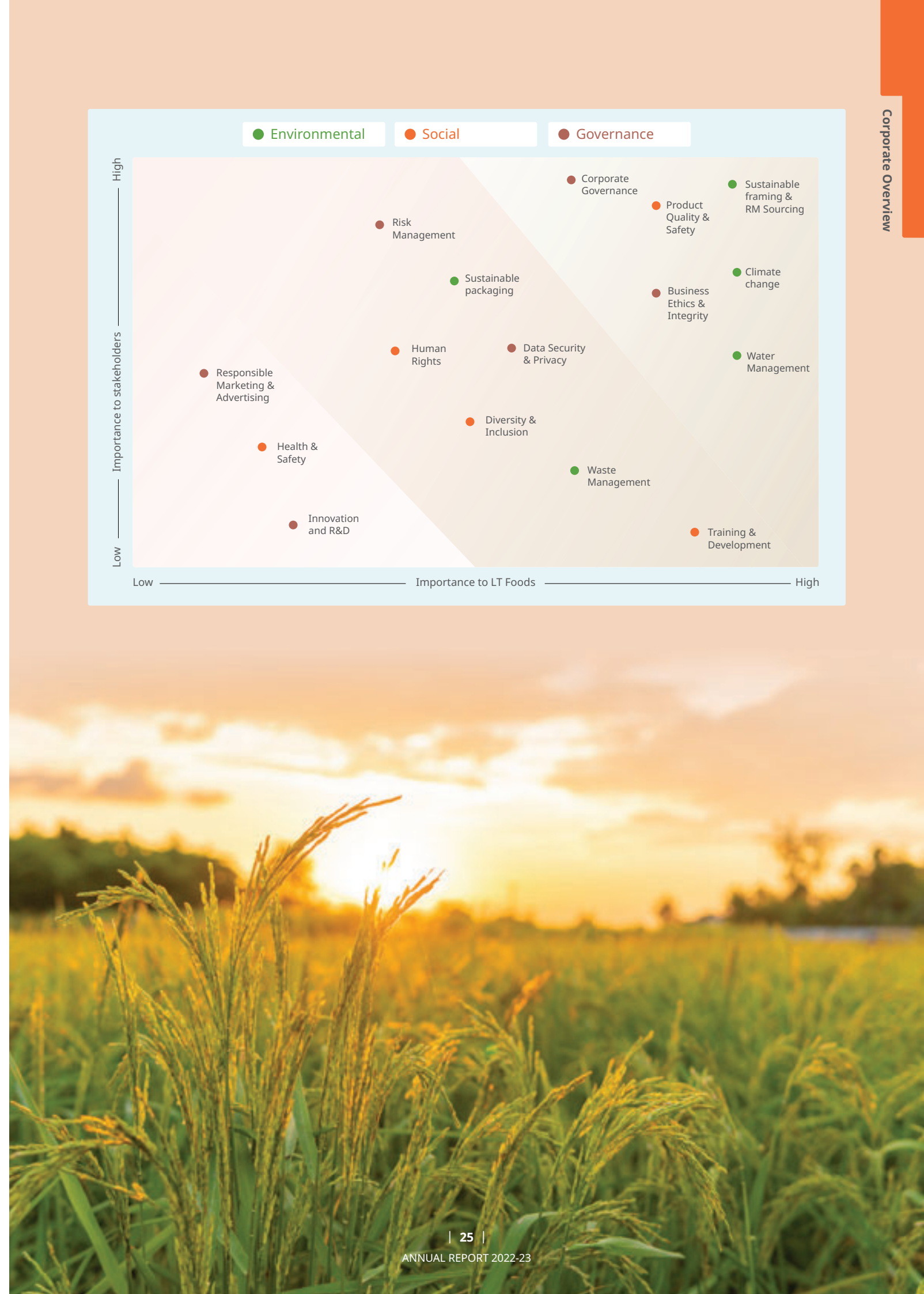
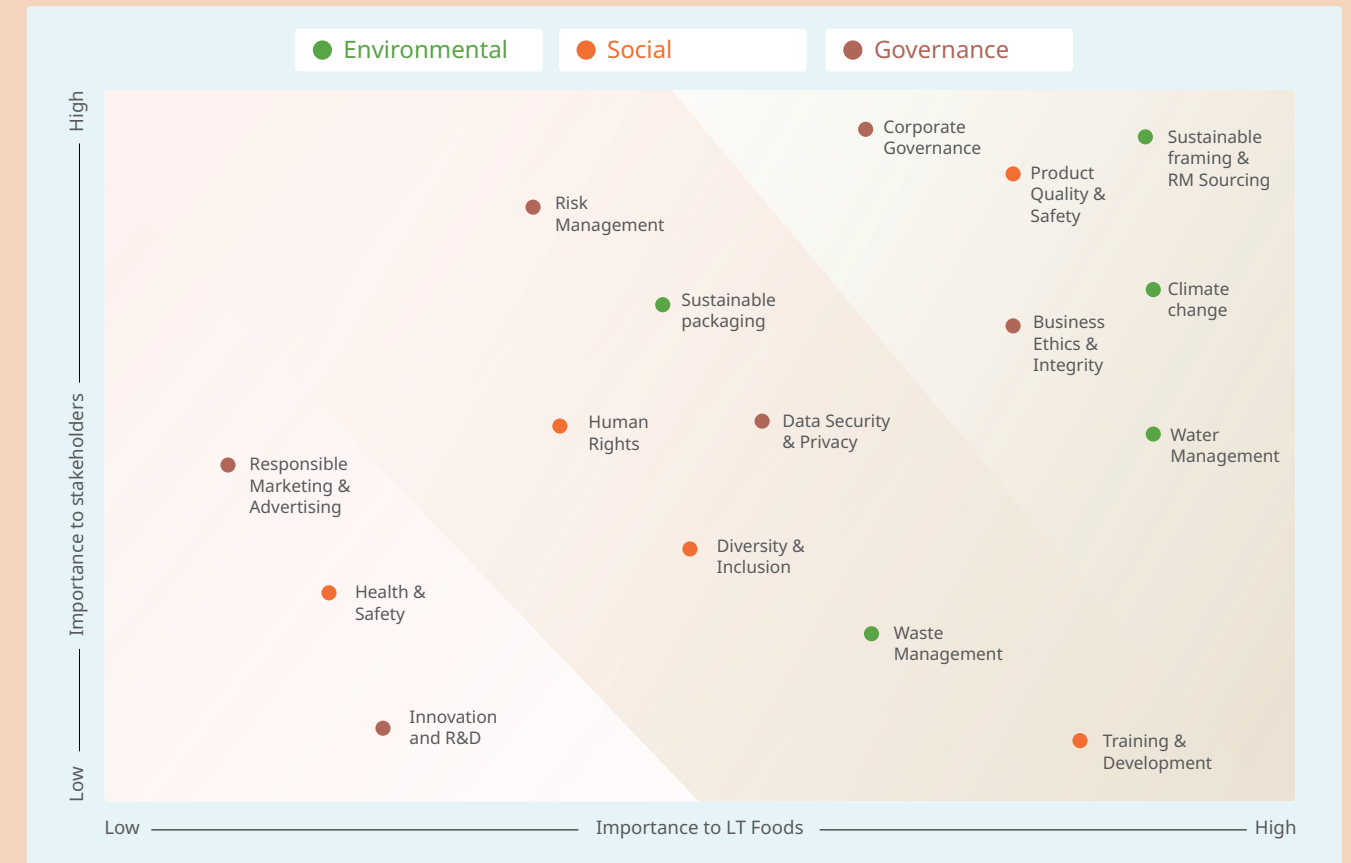
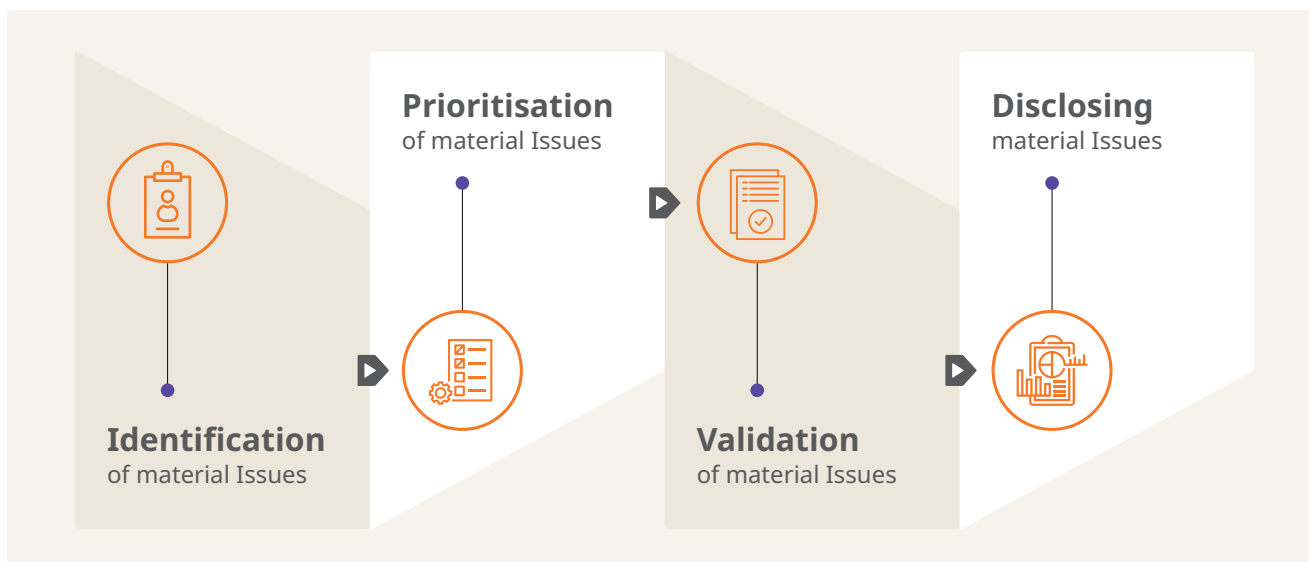
To meet these expectations, there is a need to identify and prioritise the issues that are most important to our stakeholders, as well as to the business itself. These issues, referred to as material issues, have a significant impact on our Company's ability to create value for its stakeholders. By recognising and focusing on these material issues, we can develop a strategy that not only addresses the concerns of our stakeholders, but also aligns with our Company's long-term goals.

We have undertaken an ESG Materiality Assessment to identify the material issues significant for the continuity of our business. Our approach is an interactive and data-driven exercise. We take insights from the best industry practices, as well as all our stakeholders, to identify and prioritise the issues, and arrive at a practical approach for our ESG strategy.

Our materiality matrix is designed to reflect the primary areas of focus across Environmental, Social and

Governance parameters based on two dimensions – importance to stakeholders and to LT Foods.

The critical aspects for stakeholders are reflected in our material issues identified through this process. We utilise these to guide our decisions, ensuring that they are incorporated into our ESG goal-setting. Therefore, we can create long-term value for our stakeholders while addressing the needs of society and the environment.





# Our ESG Roadmap to Resilience



Environment

E

**Sustainable Farming** ✔

Sustainable Harvesting of Paddy  
**Baseline: 13,000 farmers trained**

---

FY 2022-23:  
**16,525 farmers**  
 trained

50,000 farmers to be trained in Sustainable Farming Practices by 2025 (Public private partnership with ICAR\*)

---

Organic Farmland  
**Baseline: 1.4 Lakh acres**

---

FY 2022-23:  
**1.64 Lakh**  
 acres

2.5 Lakh acres of organic farmland by 2030

---

**Climate Change** ✔

Renewable Energy  
**Baseline: 46%**

---

FY 2022-23:  
**42%**

56% Renewable Electricity by 2025 (Solar + Husk + Wind)

---

Tree Plantation  
**Baseline: 1 Lakh**

---

FY 2022-23:  
**1.1 Lakh**

10 Lakh trees by 2030

**Water** ✔

Water Conservation  
**Baseline: 110 Bn litres**

---

FY 2022-23:  
**110 Bn litres**

140 billion litres of water saving through Land Laser Levelling / AWD# / SRI in 60,000 acres by 2030

---

Water Recharge  
**Baseline: 4 Ponds**

---

FY 2022-23:  
**7 Ponds**

Renovation and construction of 100 Ponds by 2030

---

**Sustainable Packaging** ✔

Plastic Neutrality  
**FY 2022-23:**  
**100%**  
 through EPR

100% Plastic Neutrality by 2025

---

Sustainable Packaging  
**Baseline: 74%**

---

FY 2022-23:  
**74%**

80% Recyclable Packaging by 2025

\*ICAR – Indian Council of Agricultural Research  
#AWD – Alternate Wetting and Drying

# Social

## Community Development

Infrastructure Development

**Baseline: 10 Villages**

FY 2022-23:

**40 Villages**

Infrastructure development for 150 villages by 2030

Safe and Clean Drinking water

**Baseline: 20,000 beneficiaries**

FY 2022-23:

**31,600 beneficiaries**

Cover 5,00,000 beneficiaries by 2030

## Employees

Training Hours

**Baseline: 20 hours per person**

FY 2022-23:

**23 hours per person**

36 hours per person / year by 2025

Zero Fatality

**Baseline: Nil**

FY 2022-23:

**Nil**

Maintain status of Zero Fatality

Quality Education

**Baseline: 19 Schools**

FY 2022-23:

**30 Schools**

Adopt 100 schools for infrastructure and quality education by 2030

Women Health

**Baseline: 5,000 beneficiaries**

FY 2022-23 :

**8,500 beneficiaries**

1 Lakh beneficiaries by 2030

Gender Diversity

**Baseline: 6 %**

FY 2022-23:

**7.7 %**

10% Gender Diversity (White Collar employees) by 2025

# Governance

## Governance

ESG Committee at Board

**ESG & CSR**

Committee Formed

ESG Goals and Target

**Finalised and declared except for Net-zero target**

Board Structure & Independence

**43%** Board Independence

**Role of Lead Independent Director**

Board Diversity

**29%** female directors

Independent Committee

**100%** independent audit committee and NRC committee



**RISKS AND OPPORTUNITIES**

# Seizing Opportunities through Prudent Risk Management



**Compliance Risk**


Stricter maximum residue levels (MRL) and FSSAI norms may impact sales growth		
Description	Mitigation Plan	Stakeholders Impacted
<p><b>Different MRL parameters in different countries can pose as a threat to the business performance of a Company</b></p>	<ul style="list-style-type: none"> <li>LT Foods worked extensively at the back end with farmers to give them a know-how on the use of pesticides so as to ensure residue compliant paddy to meet the global standards as well as ensuring the farmers income.</li> <li>The Company has trained 16,000+ farmers under the SRP (Sustainable Rice Production) program to grow residue compliant paddy</li> <li>The Company is a leading partner of Sustainable Rice Platform (SRP), a UN Environment and International Rice Research Institute initiative and has become the first Company globally to be certified with highest level of verification – L3, by UN-backed Sustainable Rice Platform (SRP) ecolabel. The L3 SRP certification is the highest level of verification for sustainable cultivation of rice</li> </ul>	<ul style="list-style-type: none"> <li> Consumers</li> <li> Shareholders</li> <li> Value Chain Partners</li> </ul>

Compliance with various Regulatory requirements		
Description	Mitigation Plan	Stakeholders Impacted
<p><b>Compliance issue on any account can expose the Company to legal consequences thereby causing financial loss and penalty. The same can also adversely impact the reputation of the Company</b></p>	<ul style="list-style-type: none"> <li>LT Foods has invested in an extensive IT enabled global compliance tool that has all the requisite compliances mapped across geographies and are monitored on regular basis with a two-step authentication for each completed compliance.</li> <li>Regular workshops are held across all offices and production facilities to emphasize on the importance of the compliance framework and how non-compliance can severely impact the reputation of the organization.</li> <li>Regular workshops are also conducted to keep the team members and the Management abreast with the changing laws of the land. The Company communicates periodically to reiterate the importance of compliances</li> </ul>	<ul style="list-style-type: none"> <li> Government Body</li> <li> Members</li> </ul>





## Strategic Risk



### Monitoring of social media activities and negative news

Description	Mitigation Plan	Stakeholders Impacted
<p><b>The convenience and health segment of the Company is expected to grow from ₹ 300 Crore to ₹ 860 Crore in next 5 years and as per companies studies this segment will be driven by Millennials and GenZ who are more active on social media platforms.</b></p> <p><b>This can be critical regarding the overall success of the business - in a study conducted by Trustpilot, 90% of consumers reported not frequenting a business with a bad reputation.</b></p>	<ul style="list-style-type: none"> <li>LT Foods recruited a new digital agency for social media monitoring and management.</li> <li>Formulated process or committee to address accidental imagery risk.</li> <li>Company is ramping up marketing spend from 12 Crore to 80 Crore for this segment and dedicated focus can be on social media.</li> </ul>	 Members   Shareholders

### Digitization plans not comprehensively defined and non-alignment between geographies

Description	Mitigation Plan	Stakeholders Impacted
<p><b>Company has invested and plans to invest significantly on digital transformation journey to bring in efficiency, scalability of business operations, cost optimization and fuel the growth forecasted.</b></p>	<ul style="list-style-type: none"> <li>LT Foods constituted digitalization steering committee (representatives from each geography) meets every 15 days to monitor and discuss progress and take decisions accordingly.</li> <li>Project roadmap (definitive) has been defined for next 2 years (i.e. FY 2023-24 and FY 2024-25) with phase wise implementation plans.</li> </ul>	 Members   Shareholders




### Intellectual property rights and confidentiality of product recipes

Description	Mitigation Plan	Stakeholders Impacted
<p><b>Intellectual property protection (IPRs) can safeguard many things right from the foremost step of manufacturing, i.e., production of ingredients, creation of recipes, to the last steps such as labelling, marketing, and branding of the final product. IP protection in the food industry includes Trademarks, Copyright, Industrial Designs, Patents, and Trade Secrets. Further, Company has plans to make yearly R&amp;D spend of ~ 80 Crore for new product development, thus it is more important to have the recipes, trade secrets, processing technique protected through IPRs and establish adequate controls within the Company to safeguard such confidential data.</b></p>	<ul style="list-style-type: none"> <li>The Company has established adequate internal controls on confidentiality of trade secrets or recipes.</li> <li>IPRs to be reviewed geographically and accordingly actions to be taken basis strategic goal and cost benefit analysis.</li> <li>For Convenience &amp; Health segment, we have third party contractual arrangement wherein there are adequate safeguards and only one aspect of overall finished goods lies with them.</li> </ul>	 Consumers   Shareholders



## Operational Risk

Prevention/ respond to cyber security incidence in timely manner

Description	Mitigation Plan	Stakeholders Impacted
<p><b>Cybercrime costs the global economy about \$ 1 trillion and is more than 1% of the global GDP where LT Foods also being exposed the to cyber attacks and other security issues.</b></p>	<ul style="list-style-type: none"> <li>LT Foods changed it's IT landscape and reviewing IT architecture from cyber security and resilience perspective and making it more comprehensive and elaborative.</li> <li>SAP rise project is live now which is providing comprehensive security and safeguard to the SAP networks.</li> </ul>	 Consumers  Shareholders  Value Chain Partners



## Financial Risk

Impact on margins and product quality due to various reasons (climatic change, government policies, farmer shift to alternate profitable crops, etc.)

Description	Mitigation Plan	Stakeholders Impacted
<p><b>Major factors which impacts the availability of quality material and prices volatility which may impact on operations, revenue and profit margins are – pre and post harvesting climatic conditions. local unorganized players drives prices basis market sentiments government policies on incentivizing farmers to adopt alternate crops such as Millet due to rice being water intensive crop.</b></p>	<ul style="list-style-type: none"> <li>Sustainable farming goals are focused on –               <ul style="list-style-type: none"> <li>- building direct connect with farmers</li> <li>- Increase the farmer's income by increasing productivity at farm, reducing chemical consumption, reduction in other costs, better soil health amongst others.</li> <li>- reduction in water consumption</li> </ul> </li> <li>Strong network of 260+ agents having access to 230 + government approved mandis to secure commodity at right quality and price.</li> <li>Crop survey is done to understand the pattern of crop availability, improved variety, climate impact, etc.</li> </ul>	 Community  Consumers  Shareholders

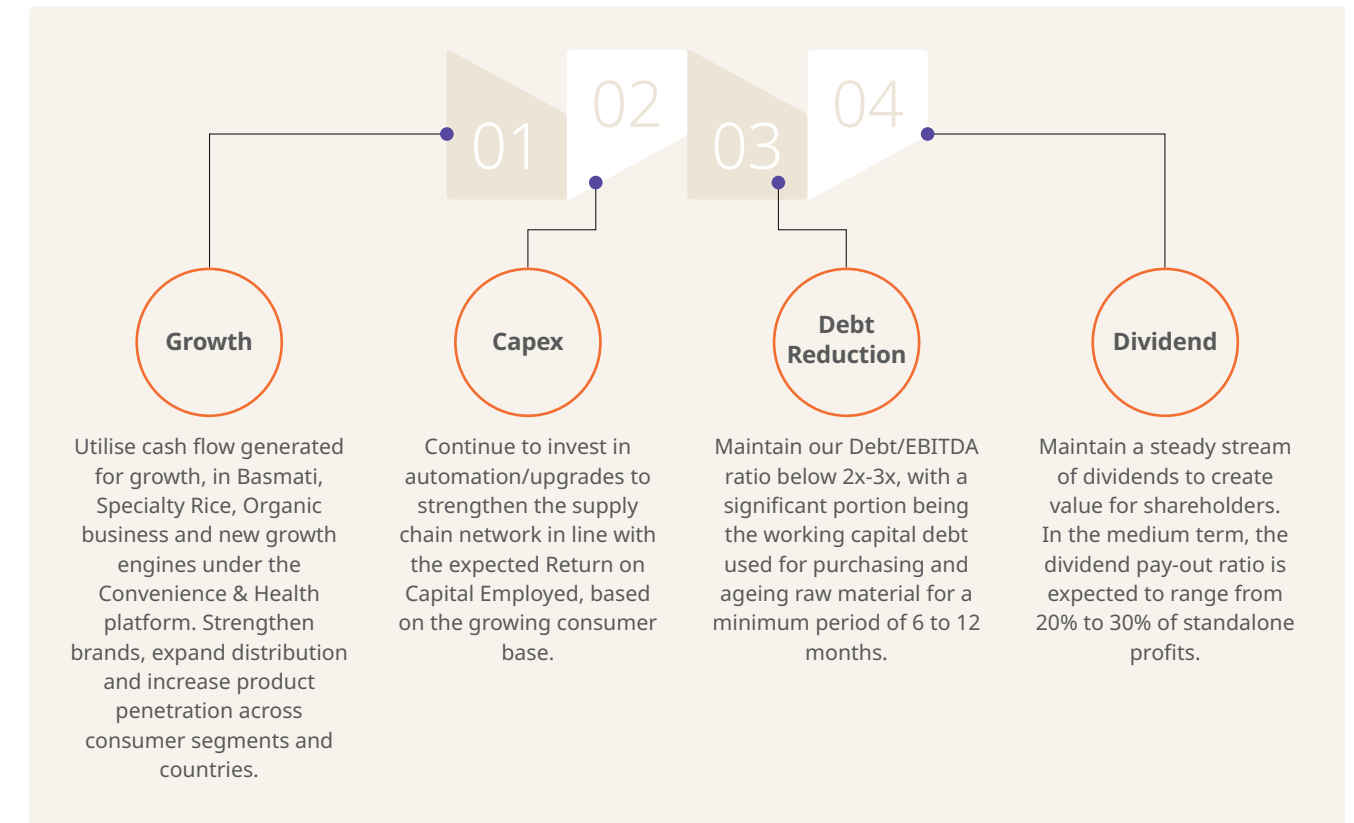
# Strengthening Business through Optimum Capital Allocation

One of our key strengths is our ability to generate free cash flow. This has enabled us to make strategic investments in our business while also reducing our debt burden. By optimising our capital allocation, we have been able to maintain a healthy balance sheet, helping us contend with economic uncertainties and emerge stronger.

## Financial CAPITAL



## Capital Allocation Plan



## Profit and Loss Metrics

### Revenue from Operations (₹ in Crore)

FY 19	3,915
FY 20	4,173
FY 21	4,773
FY 22	5,451
FY 23	6,979

**15.6%**  
5-year CAGR

### EBITDA (₹ in Crore)

FY 19	421
FY 20	509
FY 21	598
FY 22	620
FY 23	744

**15.3%**  
5-year CAGR

### Profit After Tax (₹ in Crore)

FY 19	137
FY 20	199
FY 21	289
FY 22	309
FY 23	423

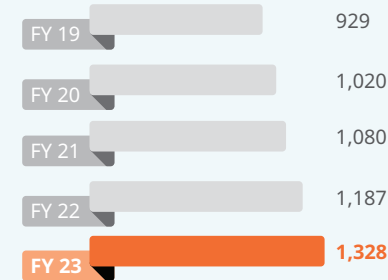
**32.6%**  
5-year CAGR



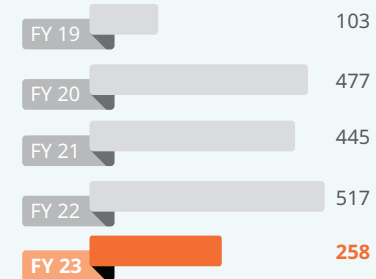


Balance Sheet Metrics

Tangible - Gross Block  
(₹ in Crore)

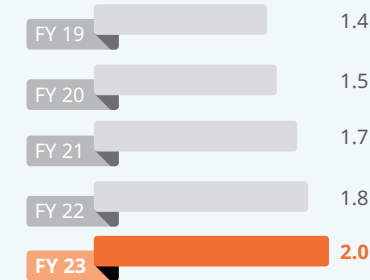


Cash Flow from Operations  
(₹ in Crore)

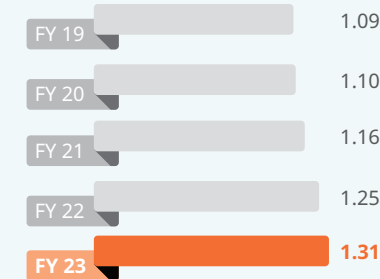


Key Financial Ratios

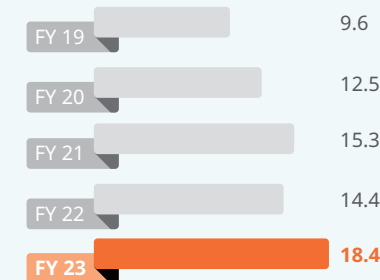
Current Ratio  
(in times)



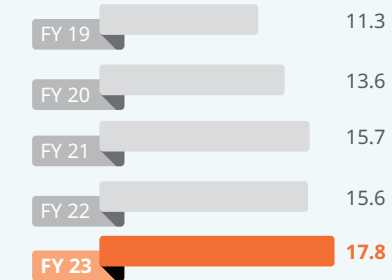
Asset Turnover Ratio  
(in times)



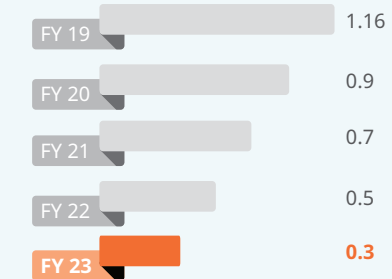
Return on Net Worth  
(in %)



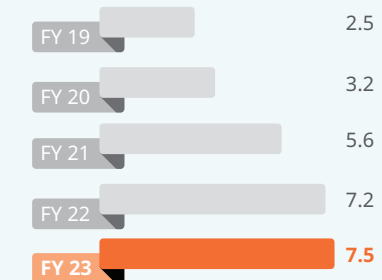
Return on Capital Employed  
(in %)



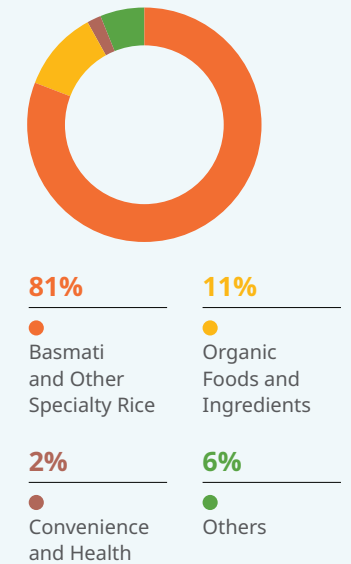
Debt Equity Ratio  
(in times)



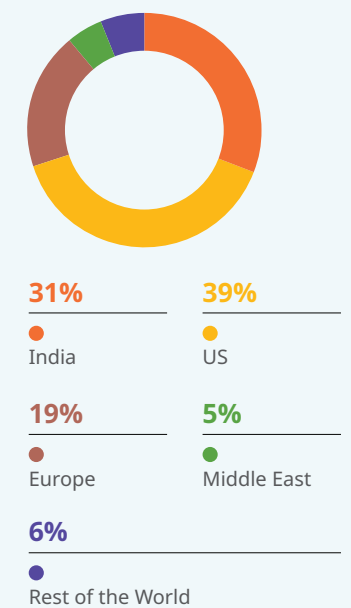
Interest Coverage Ratio  
(in times)



Revenue by Business Segment (%)



Revenue by Geography (%)





# Driving Operational Excellence for Resilience and Growth

At LT Foods, operational excellence through resource optimisation and efficiency across the value chain is a fundamental component of sustained growth. To transform raw input resources into high-quality products, we deploy our manufacturing assets and infrastructural capacities across different geographical locations. We consistently focus on expanding our capacities through adept strategies that define the growth of our business.

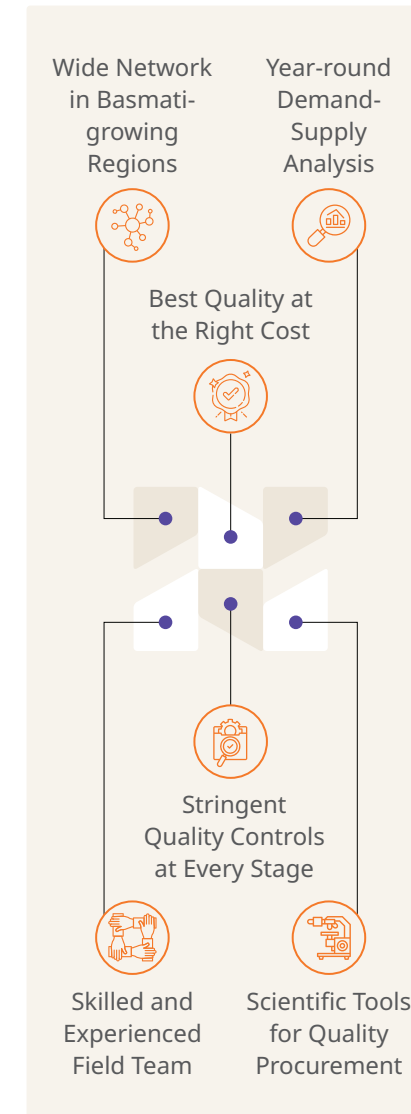
## Manufactured CAPITAL



## Procurement

Our procurement team diligently conducts comprehensive surveys and does meticulous analysis of projected paddy production for the upcoming crop-cycle (September to December). The objective is to implement highly effective procurement strategies. Our aim is to source the finest quality paddy from regions known for their quality output at competitive prices.

### Procurement Approach



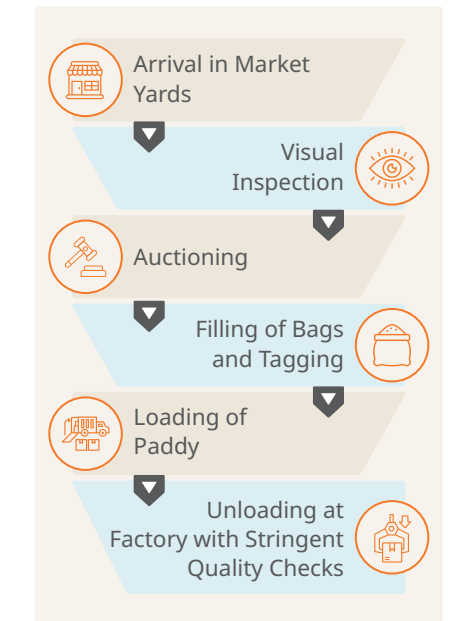
Our collaborative approach involves close coordination with our valued farmers, commission agents and other stakeholders. They play a pivotal role in upholding the same unwavering standards of quality that we strive to maintain. By fostering strong partnerships, we ensure that our products meet and exceed our consumers' expectations.

To achieve optimal procurement outcomes, we place utmost importance on quality assurance, cost-effectiveness and strategic timing of purchases from our strategically located facilities in Basmati-growing areas. These key factors enable us to establish efficient procurement processes and buy the right quality at the right price.

**260+**

Number of Agents

## Market Yard Procurement Process



**230+**

Procurement Network







### Quality Excellence

Being in the consumer food business, we recognise the importance of maintaining high quality standards. We have implemented a Quality Management System that encompasses both quality assurance and quality control.

Our approach to Quality Assurance entails ensuring standardisation of processes, the creation of Standard Operating Procedures (SOPs), as well as certification and compliance with industry regulations. It includes meticulous complaint handling, continuous risk monitoring and extensive internal auditing. These measures are crucial to maintaining consistency and reliability in our production processes, and for guaranteeing food safety and the satisfaction of our valued consumers.

In addition, our Quality Control measures are equally stringent. We conduct in-process quality control checks throughout the production cycle, beginning with the issuance of raw materials and extending all the way to the delivery of the final product. We also maintain a meticulous incoming quality control programme which involves thorough checks of both raw and packaged materials. This ensures that our products meet the highest standards of quality and offer a consistent experience to our consumers.

### Quality Certifications

#### Food Safety Certification

- ▶ British Retail Consortium Global Standard for Food Safety (BRCGS), Issue 8
- ▶ International Featured Standards (IFS), Version 7
- ▶ Food Safety System Certification (FSSC) 22000, Version 5.1
- ▶ Food Safety Modernization Act (FSMA)
- ▶ International Organization for Standardization (ISO) 9001:2015 for Quality Management System
- ▶ Hazard Analysis and Critical Control Points (HACCP)
- ▶ Compliant to different regulations and programmes related to food safety and quality, such as the Food Safety Modernization Act (FSMA), Third-Party Certification Programs (TTP), Foreign Supplier Verification Programs (FSVP) and Qualified Individual Certification (QIC)
- ▶ Compliant to additional requirements related to food safety and supply chain security that are imposed by Costco for its suppliers

#### Product Certification

- ▶ Halal certified
- ▶ Safe Quality Food (SQF)
- ▶ Kosher and Kosher Passover certified

#### Social Compliances

- ▶ Social Accountability (SA) 8000
- ▶ Supplier Ethical Data Exchange (SEDEX)

#### EHS Standards

- ▶ ISO 14001:2015 (Environmental Management System)
- ▶ ISO 45001:2018 (Occupational Health and Safety Management System)

#### Regulatory Standards

- ▶ United States Food and Drug Administration (USFDA) Facility Registered
- ▶ Site is Approved for In-Process Quality Control by Export Inspection Council
- ▶ Food Safety and Standards Authority of India (FSSAI)
- ▶ Registration of Rice Mill for export to USA and China

#### Organic Certifications

- ▶ National Programme for Organic Production (NPOP), India
- ▶ National Organic Programme (NOP) technical standards (USA)
- ▶ Organic EU
- ▶ Demeter Organic Certification
- ▶ Naturland Organic Certification
- ▶ Fairtrade Certification

#### Other Certifications

- ▶ Sustainable Rice Platform (SRP)
- ▶ Customs-Trade Partnership Against Terrorism (C-TPAT): Bahalgarh Facility
- ▶ Manufacturing Assessment and Recognition System (MARS): Bahalgarh Facility
- ▶ Costco Code of Conduct (COSTCO COC)
- ▶ Walmart certified
- ▶ Amazon certified: Bahalgarh Facility
- ▶ Woolworth certified: Bahalgarh Facility
- ▶ Authorized Economic Operator (AEO)
- ▶ Bureau of Indian Standards (BIS)





**MANUFACTURED CAPITAL**

**Pre-Cultivation Stage**

The composition of soil, water and straw from the preceding crop is thoroughly analysed to determine the fertility and condition of the land where the next crop will be sown. The agricultural team works hard to prepare the nursery, ensuring that only the best grade and type of paddy seed is distributed to carefully selected farmers.

Upon the maturation of the crop, comprehensive testing is conducted on the pre-harvested crop. Methodical analysis identifies the most sustainable zones for maximum yield of paddy. This results in a high-quality and sustainable crop yield.



**Cultivation and Procurement Stage**

Farmers associated with the project and sustainable farming initiatives are equipped with a comprehensive package of the best practices. This package includes education on the usage of appropriate pesticides quantities as well as knowledge of how to effectively apply them in order to safeguard themselves and improve the quality of the crop. Innovative organic

bio-inoculants are integrated to promote plant and soil health in a sustainable manner.

As part of the project's commitment to sustainable agriculture, the use of banned pesticides is actively discouraged. Instead, farmers are encouraged to use safe alternatives to protect their crops, mitigate environmental risks, and safeguard the long-term

health of soil and plants. This approach ensures the well-being of farmers and their communities.

Majority of our procurement is through an auction process. Farmers during the season i.e. end of September till January, bring their crop to mandis and through the auction process, we buy 60-70% of our yearly requirement during this time.



**Pre-Processing Stage**

We enforce stringent food safety practices at the farm level, and maintain well-defined processes for raw material storage and testing. This ensures rigorous identification and traceability across our entire supply chain.

A comprehensive sampling process is employed, with each bag of paddy received from various auction centres being subjected to two rounds of sampling. The samples are then thoroughly mixed for accurate testing of various physical parameters, including the presence of pesticides, heavy metals and mycotoxins.

**Meeting Global Market Standards**

Only the stacks of paddy that meet rigorous parameters are considered compliant, and they are allowed to proceed to the processing line. Once the samples are analysed, a meticulous filtration process is applied to screen out materials, to meet the regulations of markets such as India, the United States, the European Union, other regions such as Canada, Australia, the Middle East and the Gulf countries.

**Processing, Packing and Shipping Stage**

Our state-of-the-art manufacturing facilities are fully automated and equipped with cutting-edge processing aids, including pre-cleaners, cleaners, de-stoners, de-huskers, whiteners, NIR-based colour sorters, X-ray and polishers. These advanced technologies ensure that there are no errors in our processing.

We utilise pneumatic suctions to effectively remove bran and other foreign particles. Before starting any new product batch, a stringent procedure of line clearance is followed to maintain the highest level of quality control. Magnets are installed at various points to minimise the possibility of any ferrous-metal contaminants entering the product, and metal detectors are installed at the final cleaning section to further strengthen our food safety protocols and deliver a consistent experience to consumer.

**Prioritising Quality and Safety in Dispatch Operations**

Food safety is our top priority and we uphold strict inspection procedures for each and every container that is loaded/unloaded and stocked at our yard. Our Quality team conducts thorough Pre-Dispatch Inspections (PDI) to verify the consignment before it is loaded for dispatch.

In a conventional dispatch, during both pre- and post-stuffing of bags, the container is subjected to fumigation in compliance with the relevant laws of the destination country to ensure the highest levels of quality and safety.

In accordance with continuous improvement, we have recently incorporated the use of liquid nitrogen to increase the shelf-life of our products to an impressive 18 months. This exemplifies our forward-thinking approach and dedication to provide safe, high-quality products to our consumers.







### Manufacturing Excellence

At LT Foods, our primary objective is to enhance productivity, minimise waste and optimise operating costs. We strive to achieve these objectives through a steadfast commitment to quality, safety standards and innovation.

We deeply value a culture of continuous improvement and creativity, as we foster innovative technologies that enhance our operational efficiency.

We have spent years dedicatedly strengthening our manufacturing excellence. This has resulted in sustainable improvements that meets the highest standards within our industry.



### Expanding Manufacturing Capabilities

We have made significant investments in our manufacturing capabilities across geographies, to cater to increasing demand from our consumers. Over the last five years, we also installed a state-of-the-art processing line at our Bahalgarh, Haryana facility in India. This is dedicated to parboiled rice production, boasting an impressive annual capacity of 80,000 metric tons. Moreover, we established six distinct packaging areas within the Bahalgarh premises, solely designated for rice, with a combined capacity to pack a remarkable 300,000 metric tons per year. With diversification as a goal, we have a dedicated manufacturing area for Kari Kari. These initiatives highlight our efforts to enhance production capacity and meet the growing demands of our consumers.

### Optimum Capacity Utilisation

In recent years, we focused on the automation of our plant processes for optimising capacity utilisation. We successfully implemented cutting-edge paddy and rice silos, designed to maximise space utilisation and eliminate the need for labour-intensive operations.

We have progressed from traditional storage methods involving 50 kg bags to more efficient 1 metric tonne tote bags, reducing our dependence on manual labour. Internal transfers within the plant are now seamlessly executed through electrically-running forklifts and pallets, ensuring swift and efficient movement of goods.

Moreover, our inventory management now has robust racking infrastructure which facilitates uninterrupted plant processes.

We have also embraced digitalisation with cutting-edge technology to optimise resource utilisation. Therefore, we can harness the full potential of our existing resources.

Leveraging predictive analytics and condition-based maintenance, LT Foods Americas has transitioned to proactive upkeep, utilizing real-time insights, sensors, and data analytics to monitor, detect anomalies, and predict equipment failures before they occur.

**80%**

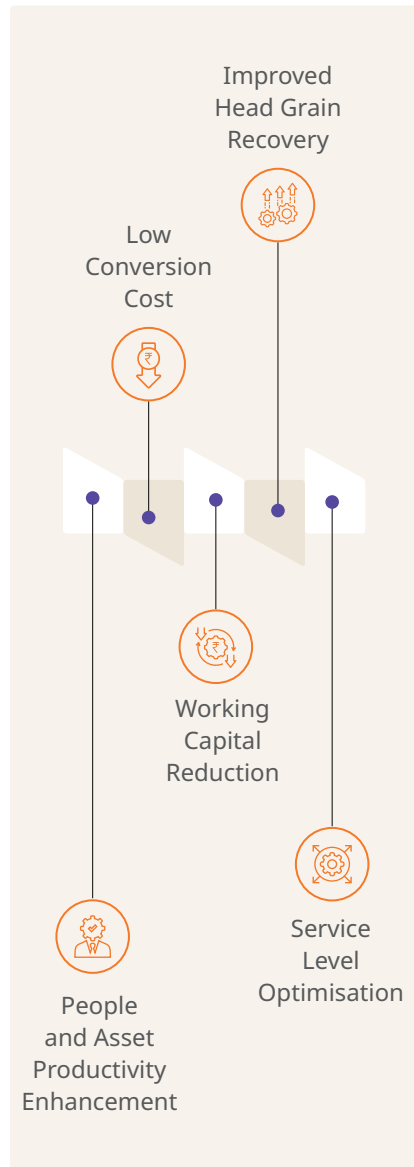
**Operational Capacity Utilisation**





**MANUFACTURED CAPITAL**

**Measures Undertaken to Reduce Manufacturing Costs**



**Low Conversion Cost**

By diligent tracking and monitoring on a daily and monthly basis, we are able to closely scrutinise key metrics including conversion cost, packing cost and total cost. This allows us to identify areas that require improvement. This approach has enabled us to proactively address operational inefficiencies and streamline processes for increased productivity.

**Improved Head Grain Recovery**

We have embarked on optimising head grain recovery through implementation of standardised operating procedures (SOPs) for our drying and milling processes. Rigorous controls assure the highest precision in our drying process, along with lot-by-lot tracking to compare lab data. In select areas, advanced predictive analysis techniques accurately forecast yield during crop processing, enabling us to make informed decisions for optimal outcomes.

**People and Asset Productivity Enhancement**

As a responsible organisation, we utilise our existing resources to their full potential and cater to the ever-increasing demands of our consumers. We conduct scenario planning on a monthly basis, to evaluate efficient work-shift and labour requirements. By doing so, we are prepared to handle any contingency, which helps ensure improved productivity. Additionally, this enables us to execute preventive maintenance activities well in advance, resulting in reduced downtime and overall operational efficiency.

**Working Capital Optimisation**

Our efforts have been directed towards optimising our working capital by implementing a centralised approach to sourcing and procurement. Through regular monthly reviews, we assess deficits and liquidate any excess stocks. Additionally, we have transitioned to norm-based planning and aligning our inventory levels with established benchmarks. This has not only resulted in lower inventory carrying costs, but also ensured availability of readily usable stocks, bolstering our operational efficiency.

Process optimization minimizes waste, boosts productivity, and enhances responsiveness to consumer needs, yielding cost savings and elevating competitive positioning. In the U.S., stringent annual efficiency targets have resulted in zero stockouts in the past year and improved On-Time-In-Full (OTIF) performance.

**Service Level Optimisation**

We have transformed our entire value chain to a digital mode of operation. We now have sophisticated tool-based planning processes for production and delivery operations.

Our cutting-edge production planning tool has revolutionised our daily operations, allowing us to prioritise requirements effectively. The 'concept of range' availability lets us adhere to norm-based, replenishment planning, thereby elevating our agile supply chain process.

**We understand the significance of utilising our existing resources to their full potential to cater to the ever-increasing demands of our valuable consumers.**





**MANUFACTURED CAPITAL**



**Expansive Distribution Network**

Our products are available through a vast network of retail outlets spread across the world. Our distributors are proficient in servicing general trade, modern trade and food service channels. Our flagship brands Daawat and Royal, as well as our regional brands Heritage, Devaaya, Rozana, Gold Seal Indus Valley, 817 Elephant, Golden Star, Leev, Kari Kari and EcoLife, have established us as leaders in these channels. We

offer a range of pack sizes to meet diverse preferences of consumers. Our leadership position extends beyond India, encompassing Reunion Island, Israel, the Far East and other regions, further expanding our global footprint.

**1.76+ Lakh**

**Outlets in India**

**60+ Countries**

**in which we are present**

**1300+**

**Distributors across the Globe**



**Consumer Touch Point Visibility**

A holistic Consumer Touch Point Visibility programme encompasses all our channels, including general and modern trade, and HORECA in India. The introduction of Royal Sona Masoori to 200 points of distribution at Sam's Club in the US, is further expanding our market reach and availability.

In the Middle East, various initiatives address range gaps.

To expand our reach in countries where our brands are not currently represented such as Oman and Bahrain, we have appointed new distributors.

We have effective visibility solutions to connect with consumers and achieve category management outcomes. Through our consumer engagement initiatives, we have introduced trials of our products

in India utilising both mass and digital media, fostering a deeper connection with our target audience. As a result, we have successfully executed visibility solutions at strategic locations across India and globally, ensuring our brand is visible and impactful in the market.

**Distributor Business Process Re-Engineering (BPR)**

Our commitment to excellence drives us to adopt best-in-class practices and technologies. We have recently implemented Distributor Business Process Re-Engineering (BPR), setting new standards for the entire food distribution ecosystem. This new process has allowed us to streamline our distributor operations, identify inefficiencies, and implement effective measures to overcome them.



**Real-Time Stock Monitoring**

A key area for BPR is in the Distributor Stock Flow. Through digital intervention, we have established brand/SKU stock norms at distributor points, to track stock levels in real-time and automatically replenish inventory through integration with our supply chain. This has resulted in improved visibility, reduced stockouts, and better inventory management, leading to a positive impact on our ROI.



**Enhancing Credit Management**

In addition to stock flow, we have also integrated BPR into our distributor finance processes. We have an ordering mechanism that is managed through a digital platform and is integrated with channel financing. This has reduced our credit exposure.



**Digital Integration for Efficiency**

We have achieved 100% implementation of a Distributor Management System (DMS) which has completely digitised our distributor's operations. This includes automated order processing, inventory management, invoicing and reporting, thereby leading to increased efficiency, accuracy and transparency in our distributor's operations.



# Resilience with an Empowered Talent Pool

We are empowering every individual to unlock their full potential by 'Nurturing Goodness' and creating a culture conducive to growth and overall well-being. We foster a culture where everyone's contributions are valued, enabling our teams to work cohesively towards shared goals.

**Human  
CAPITAL**



We aspire to the 'GOOD' model which is based on respect, equal opportunity, and integrity.

# G

## Growing with Purpose

We believe that success should not be measured just in monetary gains, but also by the positive impact we make on the world. We are committed to creating a world that is sustainable and inspires a better tomorrow.

# O

## Opportunities and Accountability

We are committed to providing our employees with opportunities and skills to help in their professional development. We provide a supportive and encouraging work environment to enable our employees to upskill, take risks, learn from their mistakes and grow professionally and personally.

We promote the culture of "Accountability" wherein each of our employee is empowered but at the same time accountable to achieve the organisational objectives and to deliver delightful and sustainable products to our consumers.

# O

## Open and Inclusive Culture

We foster an open, inclusive culture where everyone is treated with respect and dignity. This leads to higher motivation, better collaboration and improved problem-solving abilities.

We pride ourselves on being an Equal Opportunity Employer, embracing diversity and inclusivity – believing that it is critical to our success. We strive to create a welcoming and respectful environment for all.

# D

## Delight in Doing

By fostering a strong sense of belonging, we strive towards a workplace culture that is about more than just work; rather it's a community where all employees feel connected and invested in each other's success, leading to increased job satisfaction, motivation and long-term engagement with the organisation.

Being certified as a 'Great Place to Work' for three consecutive years is a humbling validation of our effort in this direction and we will continue to deliver on it for all our employees.



**HUMAN CAPITAL**

**Building a Learning Foundation**

Our objective is to establish a robust learning ecosystem, a platform for **multidimensional employee development**. We cultivate an internal pool of future leaders and foster a culture for **continuous learning, development and growth**.

**23**

Person-hours of training imparted per employee

**19,943**

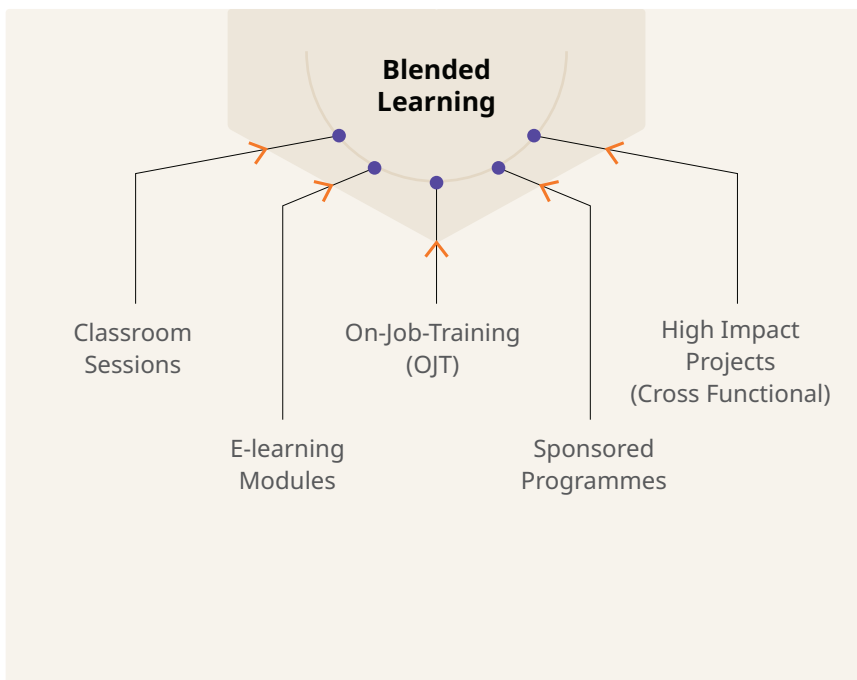
Training Person-hours



**Building Self, Building Teams, Building Organisation**

We assess different learning needs and reinforce comprehensive learning and development programmes. Through principles of 'Blended Learning,' we address individual, functional and organisational needs. This framework integrates elements of Talent Management, Succession Planning, and Leadership Development, ensuring holistic growth of talent and organisational advancement. We continuously measure and refine our programmes to optimise outcomes and drive continuous improvement.

A comprehensive Learning and Development framework under the LT University executes a strategic approach to help employees stay updated in their field of work.



**LT University**

Calibrating the Compass    Leadership Academy    Sales Academy    Skill Enhancement Academy    Team-based Programmes



**HUMAN CAPITAL**

**Calibrating the Compass**

The competency framework at LT Foods serves to cultivate, select and nurture talent. It allows us to align organisational and employee goals, by emphasising crucial behaviour patterns for collective success. 'Calibrating the Compass' training programme empowers our employees to understand their competencies and proficiency levels. This initiative gives managers the tools to guide their team members according to the organisational framework.

**Leadership Academy**

As part of our Leadership Academy, a Leadership Development Programme known as the LTLDP caters to managers at different corporate levels. The programme meets the needs of first-time managers, mid-level managers and senior leaders. It is divided into three segments— Essentials, Advanced and Sponsored, for new, mid-level managers and senior leadership, respectively. Our objective is to foster a group of visionary leaders who possess acumen and prowess to steer the Company towards success.

**Sales Academy**

Our Sales Academy specifically provides comprehensive training that encompasses knowledge, skills and the right attitude for success. Through self-paced learning programmes, we encourage our participants to embark on a transformative journey of professional development. We also have tailored programmes to further equip our sales workforce. By customising these modules, we define our sales procedure and set up a unifying structure for all operations.

**Skill Enhancement Academy**

We organise several programmes for skill enhancement of our employees. These sessions involve functional and system skills. The functional skill sessions include training on handling consumer complaints, inventory and warehouse management, statistical process control, enhancing efficiencies, Six Sigma, 5S, Kaizen, TPM, negotiation skills, communication skills and finance for non-finance professionals.

On the other hand, the system skill sessions provide training on basic and advanced Microsoft Office skills and Power BI. These sessions equip our employees with requisite knowledge to fulfil their responsibilities efficiently.

**Team-based Programmes**

Our Outbound Training (OBT) programmes enhance collaboration, trust and teamwork within functional and cross-functional teams. Our Talent team works closely with functional leaders to customise interventions that address specific needs and foster a culture of learning. Through experiential activities, simulations and immersive experiences, team members gain insights, build stronger bonds and improve overall effectiveness. Our OBT programmes are catalysts for growth - promoting continuous learning and creating an environment conducive to collaboration and teamwork.

**HIPO Programme**

We have implemented a robust High-Potential (HIPO) programme to identify individuals within the organisation who demonstrate exceptional potential for advancement. We provide them accelerated development opportunities. By aligning employees' aspirations with organisational objectives, we create Individual Development Plans (IDPs) for personalised progress. These IDPs serve as roadmaps, guiding employees from their current positions to where they aspire to be.

HIPO's key objectives are:

- 01** Identification of high-performing individuals
- 02** Focused learning and growth
- 03** Retention and rewards
- 04** High-performance culture

**Cultivating a Resilient Talent Ecosystem**

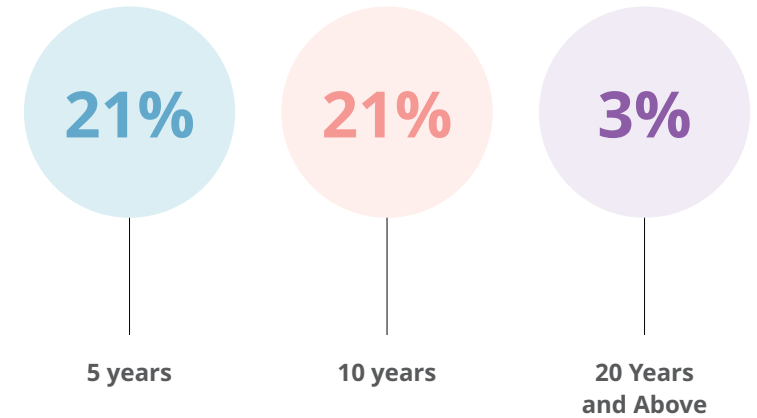
We recognise the importance of hiring future-ready talent to drive Company growth. We offer gainful career opportunities in a dynamic and rewarding environment. To induct fresh talent, we have recruited from leading management institutes, and selected graduates who bring new perspectives and innovative thinking to our organisation.

**Talent Mobility**

We truly believe in promoting and developing our internal talent. By our talent mobility program(s), we create an ecosystem wherein we provide various opportunities to our employees grow and develop globally and cross functionally.

**Recruitment Selection Programme**

We have a proficient recruitment programme in place. This includes customised assessing tools based on specific competencies, enabling us to evaluate candidates based on their abilities. By hiring the right talent through rigorous assessments, we bring in individuals with skills and potential to contribute significantly to our organisation.



**2,200+**  
Employees Worldwide

**37 Years**  
Average Employee Age

**400+**  
New Recruits





**HUMAN CAPITAL**

**Empowering All Voices in the Workplace**

Diversity and inclusion are deeply ingrained in the fabric of LT Foods. We promote diversity at all levels, ensuring access to opportunities and fostering a sense of belonging for every employee. We create an inclusive space where every individual feels valued, respected and empowered to contribute their unique ideas and talents.

As an equal-opportunity employer, all employees are extended the same rights, opportunities and privileges, regardless of their background or identity. Our Prevention of Sexual Harassment (POSH) policy emphasises nurturing a workplace culture that promotes dignity. This policy establishes clear guidelines to address any instances of sexual harassment, ensuring that all employees are aware of their rights and avenues for reporting concerns.

**Fostering a People-Centric Workplace**

Our workspace prioritises trust, transparency, engagement and support. Recognising the importance of work-life balance, we offer flexible working arrangements to promote employee well-being. We implement various strategies that encourage active participation, feedback and recognition.

**29%**

Women on the Board



**Rewards and Recognition**

We emboldens and encourages our employees for their innovative and astounding accomplishment(s) and for walking the extra mile towards organizational success. Last Year, we further strengthened our **'Reward & Recognition'** program intending to appreciate and reward employees for their notable achievements and many employees were recognised for their commitment and hard work.

**Employee Engagement Survey**

In order to enhance trust and transparency within our organisation, we conducted a global survey to understand employee perceptions. Based on the results, we identified areas for improvement such as communication training, accountability measures and trust-building. We also made architectural changes to promote open communication in the workspace.

**Amber – AI Chatbot**

An AI-powered chatbot tool called 'Amber' engages with our employees. Amber engages in periodic conversations with our employees, facilitating seamless communication, interaction and the exchange of experiences. This innovative communication platform not only encourages open dialogue but also nurtures a sense of camaraderie within our organisation.

An AI-powered chatbot tool called 'Amber' is in place to engage with employees.

**Town Hall Meetings**

We organise regular town hall meetings as a platform for employees at all levels to come together, share ideas, discuss updates and address their concerns.

Town hall meetings are inclusive and participatory, giving every employee a chance to be heard. In our town hall meetings, we champion family connect programs as a cornerstone of our approach. These initiatives foster a sense of unity and belonging, emphasizing the importance of familial bonds within our organizational fabric.

**Family Connect Programme**

We also host various family connect program designed to engage our employees beyond the boundaries of work. Every year we invited kids and spouses of the staff and engages them in various activities like art & craft, dance, drawings etc.





# Strengthening Innovation with Resilience

Innovation is critical for profitability and overall success. We are persistently building on our digital and automation capabilities by fostering innovation. Digitalisation of our ecosystem has differentiated us from our competition and strengthened our brand equity. We intend to refine our operations through continued deployment of cutting-edge technologies. This approach ensures that we stay at the forefront of product innovation, delivering exceptional offerings to meet the evolving needs of our consumers.

## Intellectual CAPITAL



## Strengthening Brand Equity

We recognise that food is more than just sustenance; it is a way of expressing emotion and bringing people together. Our products add warmth and joy to everyday family meals and social gatherings, creating memorable experiences that strengthen the bonds between people. Through thematic consumer-based seasonal strategies, festive promotions and conversational marketing, we have successfully strengthened our brand equity across geographies.

With our thematic consumer-based strategies, we have set our sights on captivating the hearts and taste buds of our consumers during key festive occasions such as Eid, Rakhi and Diwali.

We also engage in conversational marketing such as our annual 'Biryani Day' campaign. This extensive 360-degree, multi-country, digital initiative is complemented by television, digital and radio campaigns, as well as outdoor and influencer marketing at both

national and regional levels. 'Daawat World Biryani Day' is a distinct celebration by Daawat Basmati Rice for global Biryani enthusiasts. This event honours the universally beloved Indian dish Biryani, uniting diverse people on the first Sunday of July. Biryani holds a revered global culinary status, connecting people of all ages. Its unique ability to create cherished memories through taste is unparalleled. This special day venerates Biryani's universal charm, inviting all to partake in its celebration. Our 2nd World Biryani Day celebrations included organising the largest biryani tasting session, which resulted into a Guinness World Record. The aim is to offer Biryani a platform, ensuring its ongoing celebration in myriad forms. Our second World Biryani Day became a trending topic on social media, with food enthusiasts who shared their love for our biryani offerings.

Our culinary expertise, attention to detail and emotional connection with consumers elevates our

brand to new heights. We have 50%+ market share in the US and a significant 29%+ in India, further consolidating our position as a trusted and beloved choice for culinary delights, synonymous with celebrations and cherished memories.

Our 2<sup>nd</sup> World Biryani Day celebrations included organising the largest biryani tasting session, which resulted in a Guinness World Record





## INTELLECTUAL CAPITAL

### New Product Development

Innovation plays a pivotal role in accelerating our growth, profitability and overall success, particularly in terms of addressing key factors such as changing consumer demands and sustainability.

### Keeping Up with Dynamic Consumer Preferences

Consumer demand is a constantly shifting landscape, especially in the dynamic food industry. Consumers are always on the lookout for novel, intriguing and convenient products that meet their evolving preferences. By leveraging innovation, we continually develop and introduce new offerings that capture consumer interest and keep them engaged, fostering brand loyalty and driving sales.

Consumers are increasingly prioritising health. We have responded by offering products that prioritise food safety, consistent quality and natural ingredients. Our brands are trusted and relied upon by consumers for their health and wellness elements.

Convenience is another key trend as more women enter the workforce. We have developed a range of easy-to-prepare, yet delicious and fresh meals, perfect for anytime-hunger. Our instant food products have been well-received and contribute to our continued growth.

We have tapped into the consumer's growing desire for gastronomic adventures by exploring trending cuisines. Our recipes are carefully curated to create unique experiences on special occasions, further solidifying our position in the industry.

### Sustainable Products and Processes

As consumers increasingly prioritise sustainability in their purchasing decisions, it has become imperative to address this primary concern. Through innovative approaches, we develop environment-friendly, sustainable products. We use production processes aligned with our consumers' increasing emphasis on ethical and eco-conscious choices. This not only demonstrates our commitment to sustainability but also positions us as a responsible and forward-thinking brand, appealing to conscious consumers.

### Unlocking Opportunities with Innovation

Efficiency is a critical factor in the competitive food industry. Innovation can lead to breakthroughs in production and distribution processes, optimising operations and reducing costs. Enhanced efficiency translates into higher profits, enabling businesses to invest in growth strategies, expand their market presence and achieve long-term success.

By embracing innovation, we unlock opportunities to offer consumers unique and captivating product experiences, foster brand loyalty, boost sales, and establish ourselves as leaders in our industry.



### Expanding our Product Portfolio with new offerings

Our focus on product innovation and consumer satisfaction translates into compelling value for all our stakeholders. With our cutting-edge product offerings, we are poised to create new growth avenues that ensure higher returns.



#### Devaaya Weight Watchers

A breakthrough in our health-conscious segment, Devaaya Weight Watchers Brown Rice, is set to captivate the market. This crafted rice boasts unrivalled flavour and aroma to meet the demands of discerning consumers. Its unparalleled nutrition profile can make it the preferred choice of health-conscious individuals.



#### Black Rice

Positioned as an e-commerce exclusive offering, our Black Rice is a true superfood. Packed with protein, potent antioxidants, essential minerals, and low in fat, this whole grain represents a paradigm shift in health-conscious dining. Its unique nutritional benefits, including heart-healthy anthocyanins and eye-supporting carotenoids, set it apart as a game-changer in the market.



#### Devaaya Sona Masoori Brown

Devaaya Sona Masoori Brown Rice is a prime example of our food innovation. Enriched with fibre, vitamins and minerals, this premium rice variety promises a superior culinary experience. Its rich aroma, delicate flavours and exceptional nutritional profile are poised to captivate discerning palates.



INTELLECTUAL CAPITAL



**Royal® Queso Jalapeno Basmati**

This exclusive e-commerce offering combines the finest quality basmati rice with the bold flavours of jalapeno and the creamy richness of queso. With a quick and convenient preparation time of just 90 seconds in the microwave, this product offers a delightful meal that caters to busy lifestyles. This addition is expected to meet the growing demand for convenient yet delectable options.



**Royal® South Indian Rice Range**

We have successfully developed and commercialised our Royal® South Indian Rice range, specifically featuring the Idly and Ponnirisi varieties. With their distinctive textures, aromatic profiles and impeccable quality, products from our South Indian Rice range offer the rich culinary heritage of South India. This expansion further strengthens our portfolio and caters to a broader audience.



**Royal® Instant Rice Cups**

These portioned cups merge the taste and quality of our premium rice with the convenience of on-the-go consumption. The launch strategy has resulted in securing buyer interest and establishing on-shelf presence. Whether in a professional setting, at home or during outdoor activities, our Instant Rice Cups provide a delicious, hassle-free option to satisfy cravings for authentic, flavourful rice dishes.

**Amplifying our Product Offerings**

One of our recent developments has been the remarkable growth of our Ready-to-heat and Ready-to-eat range which has experienced a substantial increase in sales in the Americas, Europe, Middle East and in India. We also plan to introduce this range to the UK and other Commonwealth countries, further expanding our global footprint.

We have launched our meal kit and recipe solutions in the UK and Australia. These innovative products have already become a resounding success in modern retail and e-commerce platforms, and we are

working towards introducing them in other countries and channels. The Biryani Kit is performing well in India and has grown by 91% during the fiscal year.



Our Daawat Cuppa Rice has also been a significant contributor to our success, generating an impressive growth of more than 60%. The encouraging results from our trial markets have incentivised us to enhance production and continue improving this product.



The launch of Kari Kari has shown promising results. We are working towards scaling up its production and making it available to consumers around the world.

The launch of Daawat Jasmine Rice in Israel has been a success, quickly gaining market share with its exceptional quality and distinct aroma. We look forward to further expanding our brand in the region.

We have completed the Ready-to-Heat (RTH) commercialisation process, marked by a highly successful line trial. Our dedicated team of experts have developed and refined our RTH offerings to ensure exceptional taste, convenience and quality.



**INTELLECTUAL CAPITAL**

**Digital Transformation**

At LT Foods, we stay at the forefront of technological advancements as the world rapidly evolves. We initiated a digital transformation this fiscal year, and implemented comprehensive end-to-end digitisation across our procurement process. We ensure seamless efficiency from paddy acquisition at the market yard to unloading. We have done the same for rice procurement, from requirement generation to contract finalisation through our advanced SAP system.

Our digitisation initiatives encompass four key areas:

**Business as Usual (BAU)**

Ensuring uninterrupted business operations while embracing digital enhancements.

**Business Transformation**

Integrating control, optimisation and automation into existing processes to enhance efficiency and effectiveness.

**New Initiative Implementation**

Identifying and implementing innovative projects to further enhance our digital capabilities.

**Data Visualisation and Analytics**

Utilising real-time data visualisation and analytics to enable informed decision-making.

**Outcomes of Digitalisation**

**Enhanced**  
security with reduced downtime

**Integrated**  
inventory management

**Integrated**  
systems with consumers for automatic order creation

**Integrated**  
supplier invoice management

**Digitised**  
distributor and retail sales processes

**Enabled**  
faster and informed decisions

**Digital Platforms**

In the last financial year, we have done comprehensive end-to-end digitisation across our paddy procurement process, ensuring seamless efficiency from paddy acquisition at the market yard to unloading, and likewise for rice procurement, from requirement generation to contract finalisation in our advanced SAP system.



**E-Buying through Web-Portal**

We have streamlined our seasonal procurement process by leveraging our web portal. This platform serves as a seamless, two-way communication mechanism, facilitating exchange of crucial data with our commission agents. Through this digital solution, we are able to access real-time information from various market yards across each state. This enables us to make informed decisions and execute precise buying strategies for optimal procurement.



**UD Application**

We utilise this application to manage our operations, from procuring paddy at the market yard to stacking it at our factory premises. This remarkable tool automates all tasks, rendering manual labour unnecessary. With its aid, we can accurately identify unloading locations and keep track of inventory levels for each variety of paddy. The system operates with unparalleled precision, ensuring optimal performance during the unloading process.



**BI Tools**

We leverage a diverse array of Business Intelligence (BI) tools to streamline our daily analytical workflow. These tools encompass comprehensive lab report analyses for each of our locations, so we can discern the most lucrative market yard for procuring top-tier materials at the most competitive prices. We employ strategic planning tools that provide insights into our overall requirements. Moreover, our arsenal of tools includes other innovative solutions that facilitate analysis at multiple levels, improving our ability for informed decision-making.



**Scientific Tool for Procurement**

Our procurement decisions are driven by invaluable insights gleaned from this sophisticated tool which empowers us to make informed, strategic choices. This tool facilitates us in efficient, competitive purchasing from various traders, ensuring that we secure the best possible prices while maintaining the highest standards of quality.



**Oryza Application**

Our mobile application streamlines the rice buying process. With its state-of-the-art technology, Oryza automates every aspect of the buying cycle, from sample receipt to final deal confirmation, most efficiently.

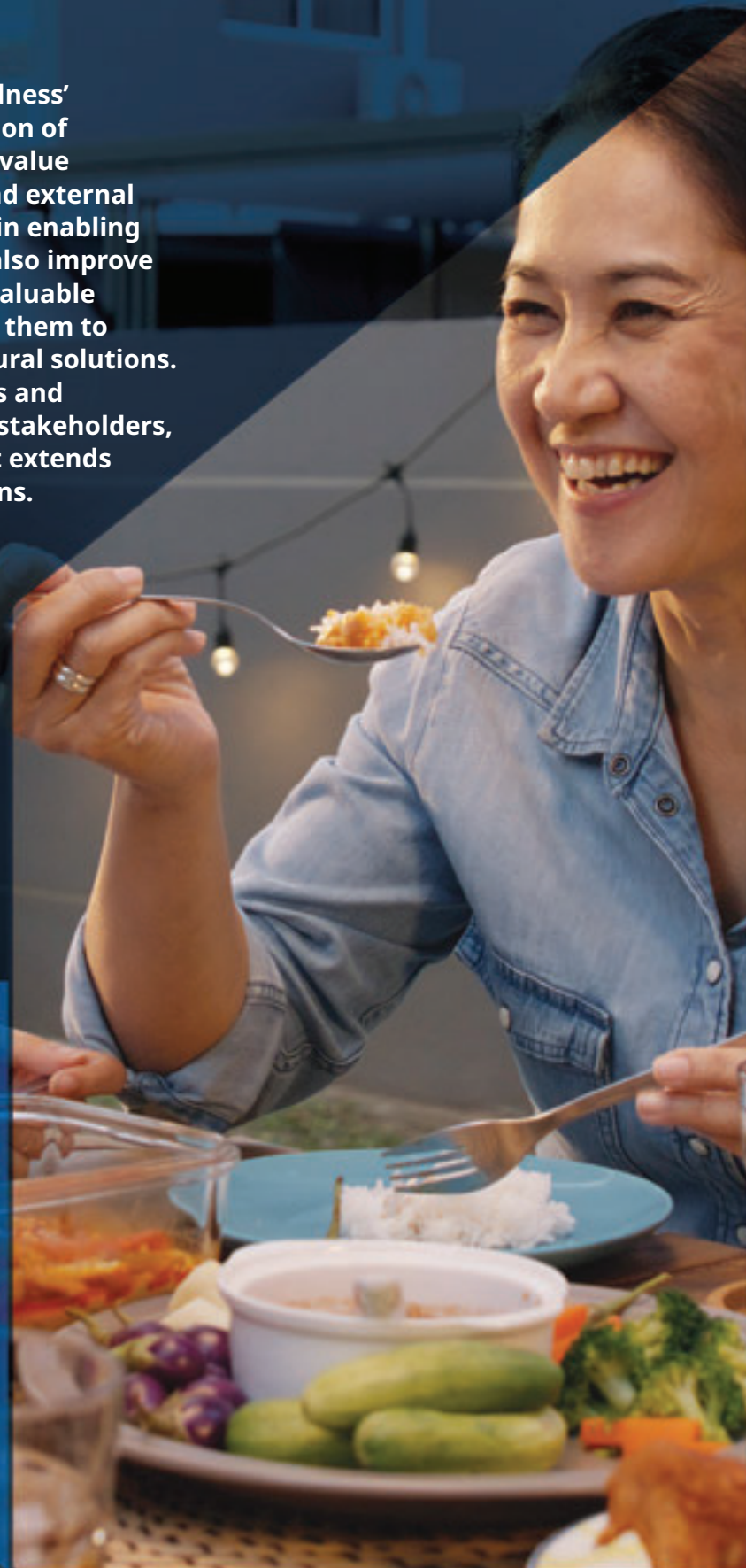




# Fostering Resilient Relationships

We believe we can 'nurture goodness' through the collective cooperation of all stakeholders involved in our value creation process. All internal and external stakeholders play a crucial role in enabling our value creation process. We also improve the lives of our country's most valuable asset, the farmers, empowering them to implement sustainable agricultural solutions. By fostering strong partnerships and collaboration with our external stakeholders, we create a positive impact that extends beyond our immediate operations.

## Social and Relationship CAPITAL



## Sustainable Rice Platform (SRP)

SRP is a multi-stakeholder alliance with over 100 institutional members from public, private and research organisations, civil society and the financial sector. This pioneering initiative was originally co-convened by the renowned International Rice Research Institute (IRRI), the United Nations Environment Programme (UNEP), and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

The SRP collaborates with partners in a concerted effort under SRP Assurance scheme to revolutionise the global rice sector by enhancing the livelihoods of small-holder farmers; mitigating adverse social, environmental and climate impacts of rice production; and providing the global rice market with a reliable supply of sustainably produced rice. The scheme is diligently managed by the Global Good Agricultural Practices (G.A.P.) which oversees the approval of qualified verification bodies. G.A.P. is entrusted with the crucial responsibility of conducting third-party audits of producers and producer groups in accordance with the rigorous SRP Standard.

## Benefitting all Stakeholders

The SRP Assurance Scheme, accompanied by an on-pack eco-label, empowers consumers to choose and support rice that is produced in a sustainable manner. By carrying SRP-verified rice, food retailers have the opportunity to make meaningful contributions towards their sustainability and climate change targets. Participants at every stage of the rice value chain can mitigate risks and ensure stability by sourcing from suppliers who have been verified by SRP.

Adopting best practices in rice farming can yield substantial environmental benefits. Implementing SRP practices help in reduction of water use by 20% and methane emissions from flooded rice fields by almost 50%. These practices have a positive impact on farmers' livelihoods too. In fact, transitioning to SRP practices can increase farmers' net incomes by 10-20%. This is particularly significant as a majority of the world's 144 million rice producers, approximately 90%, live on or below the poverty line.

Participants at every stage of the rice value chain can mitigate risks associated with their supply chains and ensure stability by sourcing from suppliers who have been verified by SRP.





## SOCIAL AND RELATIONSHIP CAPITAL

### End-to-End Traceability

We have dedicated agricultural teams at all our production locations. They include highly skilled agriculture and quality assurance professionals. These teams have comprehensive training and motivational resources to ensure successful completion of their tasks.

Moreover, we have invested in a robust infrastructure, including mechanisation services, farmer education programmes, field-level applied research and development initiatives. We have valuable partnerships with global leaders in plant protection, especially with renowned organisations such as the Indian Council for Agriculture Research and other reputable agri-input providers.

What sets us apart is complete traceability. We verify and connect at every stage of the production process, from field-audited paddy to the processing and packaging of rice. This enables us to procure compliant output as promised, while adhering to market prices and ensuring prompt payment to our farmer partners. The enduring viability of the agricultural supply chain for paddy cultivation is pivotal in safeguarding the sustained

prosperity of farming communities, as well as in driving our own growth and advancement.

### Human Rights

We embrace the tenets of the Sustainable Rice Platform (SRP), which entails comprehensive annual audits to assess our compliance with SRP standards. These audits scrutinise crucial areas such as health and safety for workers, women's empowerment, child labour, fair-wage payments and inclusion of youth in our projects. Our commitment is that all workers in our agriculture supply chain, whether contracted or employed by farmer vendors within our group, are safeguarded against exploitation, intimidation, harassment and other forms of mistreatment.

For transparency and impartiality, we request assistance of an independent third party during the audit process, to analyse our performance against SRP parameters. We also prioritise promoting a culture of responsible agricultural practices to further enhance the well-being and protection of our workers.

### Collaborative Endeavours for Sustainable Development

We have successfully engaged in meaningful partnerships with esteemed organisations from around the world, exemplifying their commitment to sustainable practices. We have collaborated with Helvetas, a renowned organisation from Switzerland, to optimise water use. We have also joined forces with Bayer Crop Sciences to explore innovative strategies for carbon sequestration, and partnered with the Indian Council for Agriculture Research to provide comprehensive farmer training on crop diversification and rotation. Our collaboration with The Meridian Group, Canada, has resulted in pioneering solutions for distributed grain storage at the farm and village levels.

Our dedication to sustainability has garnered recognition from Federation of Indian Chambers of Commerce & Industry (FICCI), a prestigious organisation known for acknowledging outstanding contributions to sustainable development.

### Adapting Ingredient and Raw Material Sourcing

As part of sustainable sourcing, we recommend varieties of paddy suitable for specific cultivation locations. We also provide select farmers with certified seed and seed treatment measures to ensure healthy, disease-free crops. The farmer training programme supports sustainable paddy production, and in some locations, provides incentives to sell sustainably cultivated paddy certified by SRP auditors.

### Consumer Engagement

Our consumer engagement approach is centred on compelling narratives, emotional connections and immersive experiences through strategic collaborations. This includes digital campaigns, regional festivities and wide media visibility. By providing exceptional culinary experiences, we continue to connect with our consumers, creating a strong brand affinity and fostering long-term loyalty.





**SOCIAL AND RELATIONSHIP CAPITAL**

**Festive Campaign**

Embracing the essence of festivals, we aim to inspire our consumers' culinary creativity and foster a sense of unity among fellow food enthusiasts. Through our festive campaigns tailored to different regions, we aim to infuse celebrations with the richness of our products, presenting a delightful fusion of tradition and taste.



**Daawat Quick Cooking Black Rice**

With a focus on health and wellness, we introduced Daawat's quick-cooking Black Rice manifesting a novel approach to nutritious eating. This unique offering is rich in antioxidants and protein and is strategically aimed to attract fitness enthusiasts, offering a nutritional choice that promotes weight management and boosts metabolism.

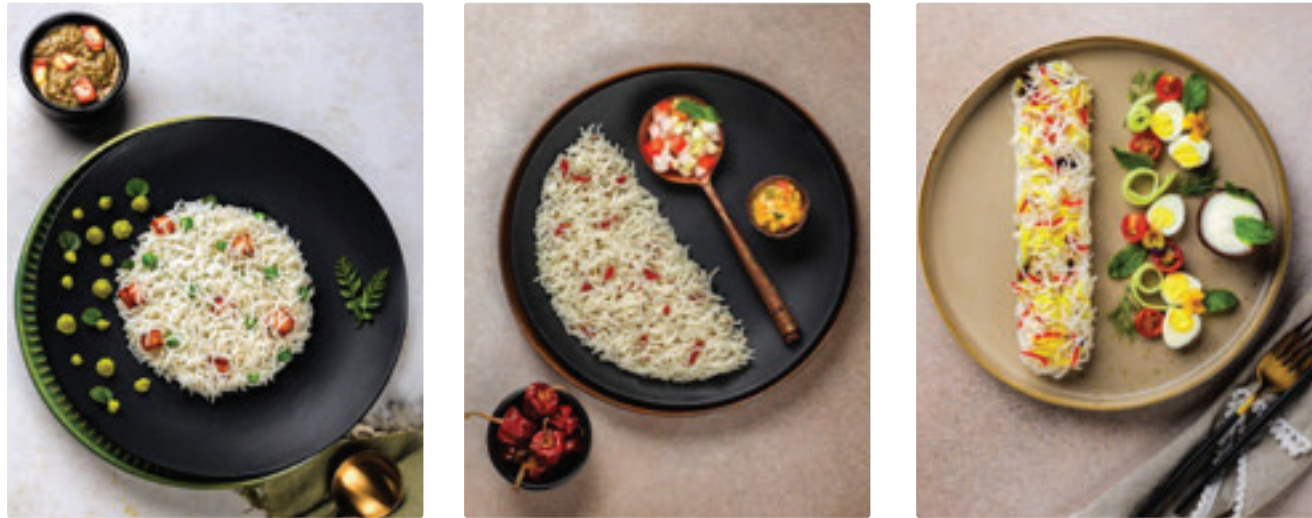




**SOCIAL AND RELATIONSHIP CAPITAL**

**Celebrating Rice Recipes**

The ‘Celebrating Rice Recipes’ campaign is our step in diversifying the food love culture. By embracing traditional favourites such as Rajma Chawal, Kadhi Chawal, Biryani and Dal Chawal, this campaign connects with various geographies, establishing Daawat as the preferred accompaniment.



**Biryani Champions League**

At Daawat, we are committed to spreading the love for Biryani. To honour the talented chefs who bring forth the delightful experiences of Biryani, we organised the ‘Daawat Biryani Champions League.’ Held in Kolkata and Delhi, the competition celebrated the exceptional skills and creativity of professional chefs who presented a mesmerizing display of irresistible flavours of special Biryani. Judged by a renowned panel, the event enriched the Biryani experience for enthusiasts and showcased the culinary artistry of the participating chefs.





**SOCIAL AND RELATIONSHIP CAPITAL**

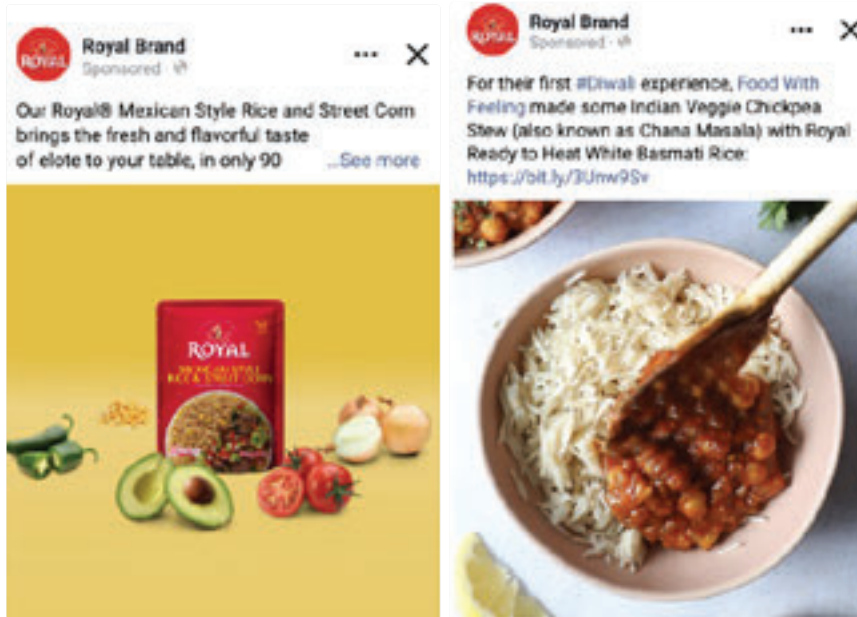
**Super Mom on Mother's Day Campaign**

We have captivating digital campaigns for our Brown rice and Pulav brands, enticing consumers with tempting recipes and engaging content. We not only provide culinary inspiration, but also create a sense of community among food lovers, encouraging them to share their experiences with all.



**Royal Campaign**

Embracing innovation and culinary excellence, we expanded the Royal brand's offerings to provide our consumers with even more delightful options. Our strategic marketing efforts aimed not only to introduce these new products to the market but also to highlight the inherent quality, taste, and uniqueness that the Royal brand consistently represents. Through a thoughtful blend of captivating advertisements, engaging promotions, and compelling storytelling, we shared the essence of Royal with our valued consumers.



**Biryani Kit Campaign**

We initiated a marketing campaign aimed at stimulating consumer responses towards our brand. Our multi-faceted approach included captivating visibility campaigns across prominent e-commerce platforms, influencer collaborations to amplify our brand's reach, and in-store activation across our retail outlets. The sale of Biryani kits achieved a remarkable milestone, surpassing ₹ 5 Crore in revenue for the year, with an impressive sale of 5,69,201 units.



**Digital Campaign**

**1.5+ cr**  
Views on YouTube

**80+ Lakh**  
Impressions on Google Display Ads

**Influencer Collaborations**

**2+ cr**  
Views on Influencer Collaboration



**SOCIAL AND RELATIONSHIP CAPITAL**

**Regional Campaigns**

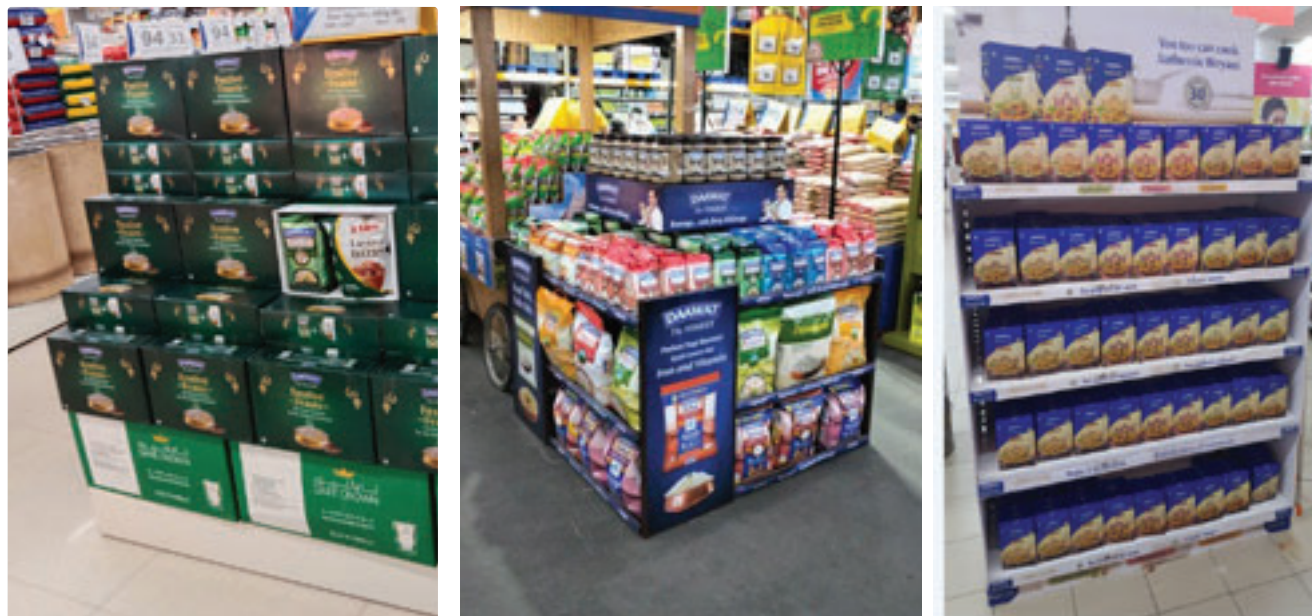
To expand the regional rice portfolio, we introduced two products, Devaaya Z-Jirasar and Devaaya Sona Masoori Brown. Our long term aim with this campaign is to help us address regional preferences, thus strengthening our market presence.

Aligning with the broader market needs we unveiled the Apsara Basmati range in 30kg SKUs. This marks a substantial addition to our bulk pack offerings, thereby enhancing the accessibility of quality rice products.



**In-Store Brand Experience**

We also prioritise in-store visibility through strategic category dressing, dealer boards and in-shop branding, creating an immersive brand experience for consumers at the point of purchase. We have also enhanced our online presence through high-visibility drives on e-commerce platforms, providing convenience and accessibility to our consumers.



**Channel Partner Engagement**

Our approach to channel partner engagement is characterised by building lasting relationships, acknowledging achievements and celebrating success. LT Foods is the preferred choice for our channel partners, as our strong collaborative efforts have consistently yielded significant growth. We celebrate achievements with all stakeholders, including our distributor partners. To honour their contributions, we organised rewards and recognition at international venues like Switzerland and Almaty. These events were attended by distributor partners and their families from all corners of the country. Our commitment to our channel partners is a cornerstone of our global distribution network.



LT Foods is the preferred choice for our channel partners, as our strong collaborative efforts have consistently yielded significant growth.



**SOCIAL AND RELATIONSHIP CAPITAL**

**Community Engagement**

We undertake community engagement endeavours that focus on holistic growth of communities. Our initiatives in this regard include the provision of vital socio-economic infrastructure and knowledge. Through our LT Foundation, we try to revitalise land, nurture its soil, uplift people and empower farmers.

Our resolve to assist the farming community in India remains steadfast. Our innovative economic models improve farmers' income and their overall financial stability. Through targeted initiatives, we enhanced crop productivity, optimised resource efficiency, increased crop intensity, diversified towards high-value crops, promoted integrated community development, grew off-farm income and improved the realised value for farmers.

**Project Parivartan**

We are making significant strides towards building a healthier society by adopting ten villages in Madhya Pradesh under 'Project Parivartan.' This programme encompasses education, healthcare, hygiene, economic empowerment, farmer livelihoods and water stewardship. Our aspiration is to create a blueprint for sustainable village development across rural India.

Our commitment drives us to provide farmers with



comprehensive farm-management training. This helps them achieve reduced costs and additional livelihood opportunities. We also focus on nurturing self-sustainable communities. Through prudent investments in infrastructure and education in 30 schools, we are sowing the seeds of a prosperous future for children and the broader community we serve.

**Healthcare and Sanitation**

In Taparian Village of Madhya Pradesh, we organised a comprehensive overhaul of the Community Health Centre, equipping it with state-of-the-art facilities. This transformation reflects our commitment to healthcare infrastructure and safeguarding the community.

Our transformative initiative in women's health not only raises awareness, but also provides units for making sanitary pads. These are then distributed to adolescent girls. This endeavour helps girls improve their health, enables them to continue their education and contributes to societal progress.

**40+**

Patients Per Day



**8,500+**

Beneficiaries

**Rural Infrastructure Development**

Our rural infrastructure initiatives encompass establishment of vibrant community centres, enhancement of roads and drainage systems, construction of sturdy bridges, installation of efficient hand pumps and irrigation channels, and deployment of farm fencing to protect crops from wild animals.

This well-executed project has contributed to holistic village development, installing solar streetlights and constructing innovative water harvesting structures. We have also set up a check dam to limit the quantity of rainwater wasted, along with other running water sources. During the reporting year, we have built three new check dams and one pond to promote water conservation.

**300+**

Street Lights Installed



Additionally, we have distributed Solar Traps, which are solar-operated machines that effectively shield crops from insect attacks. These Solar Traps contributed to a substantial 40-50% reduction in such incidents.

**240+** Lakh litres

Water Conservation through Check Dams and Ponds





**SOCIAL AND RELATIONSHIP CAPITAL**

**Access to Safe Drinking Water**

In the arid village of Chattarpur (Madhya Pradesh), we distributed Water Wheels. These user-friendly tools reduced the burden of carrying water from distant sources during scorching summers, thus saving time and increasing carrying capacity. We also provided household water filters and community RO water filters, ensuring potable water in villages facing contamination issues.



**700+**

Household Water Filters Distributed

**14**

Community RO Water Filters Installed

**10,000+**

Beneficiaries

**Promoting Education**

We have adopted 30 schools to enhance their infrastructure and overall quality of education. Our initiatives have helped to revamp classrooms, construct hygienic toilets and clean water facilities, provide sturdy desk benches and well-stocked libraries. We have established computer labs and facilitated online classes. This investment aims at empowering our local communities with enhanced learning experiences, and fostering individual and societal advancement.



**30**

Schools Adopted

**Livelihood Support**

We have offered livelihood opportunities to villagers, and several beneficiaries have successfully launched income-generating ventures with our assistance.

Operated by a Self-Help Group, the Agriculture Service Centre now provides subsidised machinery for crop cultivation and harvesting, benefitting farmers and boosting agricultural productivity.

**1,600+**

Beneficiaries

**100+**

Beneficiaries

**₹ 12,000-15,000**

Yearly Rise in Annual Income



Notably, our collaboration with Krishi Vikas Kendra, as outlined in an MoU, has empowered select villages with premium-quality seeds, bestowing farmers with improved yields and promoting sustainable agricultural development.

**6,700+ Kgs**

Total Quantity of Seed Distributed

We have also distributed Sirohi breed goats to impoverished families in Chattarpur (Madhya Pradesh), enabling them to earn a sustainable livelihood through goat rearing.

**190+**

Families Benefited





# Sustainable Practices to Combat Climate Change

Our foremost priority is to integrate sustainability as the cornerstone of our operations. We are continuously underscoring the essential link between the prosperity and well-being of farmers and the preservation of the environment. By prioritising sustainable practices we not only improve our farmers' economic viability, but also uphold our collective responsibility towards safeguarding the planet's natural resources.

## Natural CAPITAL



## Water Conservation

Water conservation is a crucial aspect of sustainable agriculture, and we are committed to implementing modern techniques to minimise water usage. As part of our Sustainable Resource Preservation (SRP) programme, we employ innovative methods such as laser levelling combined with 'alternate wetting and drying' to achieve significant water savings for farmers.

Our approach is not only environmentally responsible, but also economically beneficial. By

adopting sustainable agricultural practices through SRP, we provide opportunities for our consumers and ourselves. We play a pivotal role in promoting sustainable agriculture and securing a better future for generations to come.

### Promoting efficient water utilisation

Within our plant premises, we have implemented a novel rainwater harvesting initiative. This includes a newly installed rainwater harvesting well and a purpose-

built pond. Our primary objective is to substantially augment our rainwater harvesting capacity while enhancing groundwater recharge capabilities. This proactive measure will not only alleviate water stress levels but also contribute to the restoration of our land through efficient rainwater utilisation.

**106,000+ KL**

Water recycled





**NATURAL CAPITAL**

**Mitigating emissions**

Through our sustainable initiatives, we have significantly reduced emissions and conserved energy. Our solar panel installation generates about 500,000 KWH of energy annually, markedly reducing greenhouse gas emissions. Our innovative husk-powered turbine adds to this, producing 3.5 MW per hour. Advanced synchronisation metres manage power from diverse sources, and transitioning

to battery-operated forklifts has significantly cut fuel use and emissions. These strategic moves align with our sustainability commitment and enhance our plant's environment. Additionally, we have taken a unique step by creating a 2-acre mini forest on-site, contributing to our ESG targets and fostering a greener ecosystem within our factory surroundings.

**10,600+ GJ**

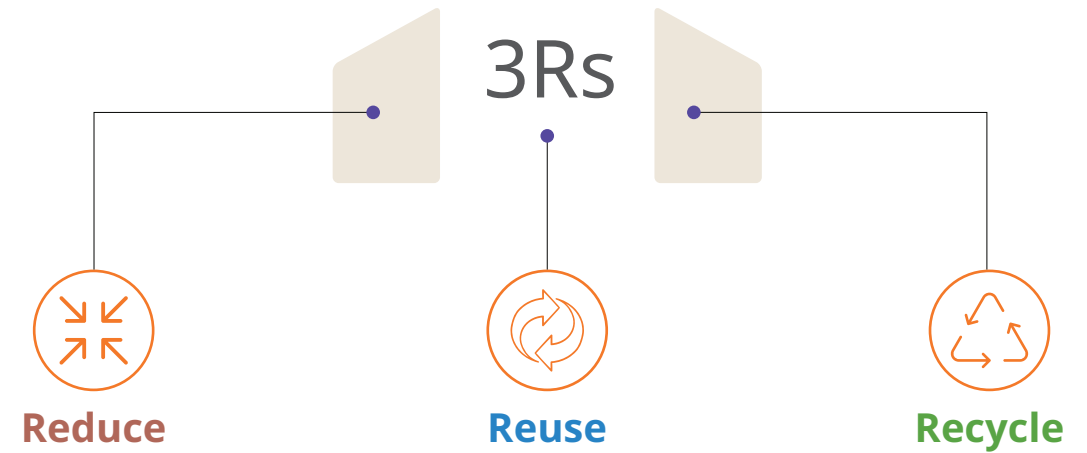
Solar electricity generation

**570,600+ GJ**

Electricity generated through husk

**Mitigating Plastic Waste**

We are diligently advancing towards our ambitious targets for plastic sustainability, guided by the framework of **3R's— Reduce, Reuse and Recycle**.



We are engaged in an ongoing process of minimising the environmental impact of our packaging. By optimising the structure and composition of our polymers, we have successfully reduced the amount of plastic used in our packaging specifications, effectively lowering our overall plastic usage. This not only results in reduced carbon emissions during production, but also minimises our carbon footprint by dispatching fewer plastic materials.

We have recently re-engineered our tote bag, increasing its capacity by 14% to accommodate more rice in each container or truck, thereby reducing carbon emissions during transportation.

**Sustainable Procurement**

As a crucial element of our overarching Environmental, Social and Governance (ESG) objectives, we have initiated a comprehensive series of Vendor Awareness Programmes. These initiatives foster partnership with our vendors, integrating them into our collective commitment towards a sustainable and environment-friendly future. Through these programmes, we're engaging our vendors in understanding and aligning with our sustainability principles and vision for a better planet.

Our comprehensive auditing process attentively reviews our suppliers'

Efficient resource utilisation, responsible consumption and waste minimisation are fundamental principles ingrained in our sustainability goals. We are raising consumer awareness about reusing larger packaging formats whenever possible as a means of reducing unnecessary waste.

We have resolved to make 80% of our packaging portfolio reusable by 2025. We are focused on enhancing recyclability of our packaging materials. Sustainable packaging innovation can reduce our carbon footprint while ensuring product quality and safety. However, tackling plastic pollution requires collective action. Therefore, we are collaborating with external entities such as recyclers, and advocating for producer responsibility and legislation. Participating in the funding of plastic collection and recycling plastic packaging can promote a circular economy.

**1580+ MT**

Plastic waste recycled

environmental and social practices. This scrutiny, formally incorporated into our standard operating procedures, reflects our dedication to holding ourselves and our partners accountable to the highest sustainability standards.

We have embraced a forward-thinking approach and are transitioning towards a robust and comprehensive sustainable packaging procurement policy. This necessitates a comprehensive programme that includes environmentally conscious practices, ethical sourcing and responsible procurement decisions. We hope

to strengthen our environmental responsibility by aligning with sustainable packaging standards.

We have taken steps to on-board our vendors and service providers onto this journey by communicating our ESG targets to them. To ensure ethical practices across our supply chain, we have developed a comprehensive Code of Conduct for vendors and service providers. We have initiated an awareness campaign and sign-off exercise to ensure that all are aligned with our Code of Conduct.



## PROFILE OF BOARD



**Mr. Vijay Kumar Arora**  
Chairman and Managing Director

Mr. Vijay Kumar Arora, a visionary leader with over four decades of experience, has been instrumental in steering LT Foods towards unprecedented success. His journey began in 1978, and since then, his dynamism and strategic acumen has been the driving force behind the Company's growth. His transformative decision to export specialty rice under the brand "Daawat" marked a turning point in 1980. Under his leadership, "Daawat" and "Royal" have become dominant players, capturing 50% of the market share in North America.



**Mr. Ashwani Kumar Arora**  
Managing Director & Chief Executive Officer

An accomplished leader and Harvard Business School alumnus, Mr. Ashwani Kumar Arora has been shaping LT Foods' growth for over 36 years. His multidimensional expertise encompasses strategy, operations, finance and marketing. Aligning with the Company's pillars of growth, margin expansion and financial strength, he envisions a progressive and sustainable global consumer business. His ingenuity has led to an integrated 'Farm to Fork' model and ground-breaking manufacturing facilities, reinforcing LT Foods' position as a leader in specialty rice and rice-based food products.



**Mr. Surinder Kumar Arora**  
Managing Director

With more than three decades of experience, Mr. Surinder Kumar Arora brings a wealth of expertise to his role as Managing Director. His focus on manufacturing excellence and innovation has propelled the Company forward. Championing technological advancements, automation and process innovation, he plays a pivotal role in margin expansion and operational efficiency.



**Mr. Abhiram Seth**  
Lead Independent Director

A trailblazer in both agriculture and industry, Mr. Abhiram Seth is renowned for his leadership at Aquagri and PepsiCo India. His extensive experience includes diverse roles, from exports to agricultural development. With a strong commitment to sustainable growth and community empowerment, he contributes significantly to the Company's strategic direction.



**Mrs. Ambika Sharma**  
Independent Director

A seasoned leader, Mrs. Ambika Sharma, as Managing Director for India at the U.S.-India Business Council, has a history of spearheading impactful initiatives. Her extensive career with FICCI and her involvement in global and domestic strategies have created a lasting impact. As an independent director, she brings a wealth of knowledge to international affairs and strategic alignment.



**Ms. Neeru Singh**  
Independent Director

Mrs. Neeru Singh, Independent Director, is an accomplished member of the Indian Administrative Service (IAS). In her 38 years of experience, she has made significant contributions to both, the Indian Government and the United Nations. Her leadership extends to conflict and post-conflict scenarios, policy formulation, program management and more. Through her expertise and passion, she conducts leadership training, mentors individuals globally and continues to impact diverse sectors.



**Mr. Satish Chander Gupta**  
Independent Director

With over four decades in the banking industry, Mr. Satish Chander Gupta, Independent Director, is a seasoned leader who has held esteemed positions, including Chairman and Managing Director at Punjab National Bank. His extensive experience and financial acumen make him a valuable asset to the board.



**Alrumaih Sulaiman Abdulrahman S**  
Non-Executive Non-Independent Director

With a background in Electrical Engineering and a wealth of experience in investments, commercial strategies and business development, Mr. Alrumaih Sulaiman Abdulrahman S, Non-Executive Non-Independent Director, brings a diverse perspective to the board. His track record of successful leadership and deep understanding of multiple sectors enriches the board's decision-making process.

	CSR & ESG Committee	Stakeholders Relationship Committee	Risk Management Committee	Nomination & Remuneration Committee	Audit Committee
<b>Chairman</b>	●	●	●	●	●
<b>Member</b>	○	○	○	○	○



**KEY MANAGEMENT TEAM**

**INDIA**



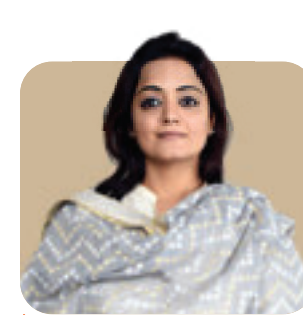
**Ritesh Arora**  
CEO - India and Far East Business



**Palash Aggrawal**  
Chief Human Resource Officer



**Sachin Gupta**  
Chief Financial Officer



**Monika Chawla Jaggia**  
Vice President - Finance & Strategy, Company Secretary and Compliance Officer



**Amit Mehta**  
Vice President & Head of Food Business



**Sanjeev Uppal**  
Vice President & Head of Product Delivery



**Manoj Chugh**  
Vice President and Head of Raw Material Procurement



**K. Ganapathy Subramaniam**  
Vice President & Head of Marketing



**Namit Mehra**  
Vice President & Head of Ocean Freight Buying



**Anu Sharma**  
AVP and Head of Legal Affairs



**Varun Sharma**  
Chief Digital Officer



**Arvind Kumar Yadav**  
AVP and Head - IT



**Rajinder Wadhawan**  
Chief Executive Officer and Chief Financial Officer (Daawat Foods Limited)



## AMERICA



**Abhinav Arora**  
President



**Mukesh Agrawal**  
Chief Financial Officer



**Andrew W Cops**  
Senior Vice President - Sales,  
Marketing and Innovation



**Shankar Satappagol**  
Senior Vice President –  
Sales, International and  
Food Service



**Chris Skolmutch**  
Director - Research &  
Development



**Shea Levitch**  
Vice President - Human  
Resources



**Stephen Kline**  
Director - Quality and Food  
Safety



**Amol Deshpande**  
Vice President - Supply



**David Mackenzie**  
Director of Procurement

## EUROPE



**Vikas Magoon**  
Managing Director



**Aditya Arora**  
Director - Operations



**Anubha Bajaj**  
Director - Sales



**Kamal Poplai**  
Associate Director - Quality  
and Assurance



**Mirna Duskan**  
Head - Human Resource



**Vishal Aggarwal**  
Head - Finance

## MIDDLE EAST



**Gursajan Arora**  
Director



**Vivek Kumar**  
Head - Gulf Business



**Sandeep Mehndiratta**  
Finance Controller



**Bouchra Farah**  
Marketing Manager

India



**J. S. Oberoi**  
Chief Executive Officer



**Rohan Grover**  
Managing Director - NBFL B.V.



**Anmol Arora**  
Director



**Rajesh Jaswal**  
Vice President - Operations



**Krishnendu Chattopadhyay**  
Vice President Agri India



**Dr. Saroj Kumar**  
DGM - Certifications



**Alok Kumar**  
Business Head - Uganda Business

CORPORATE INFORMATION

BOARD OF DIRECTORS

- Vijay Kumar Arora**  
Chairman and Managing Director
- Ashwani Kumar Arora**  
Managing Director & Chief Executive Officer
- Surinder Kumar Arora**  
Managing Director
- Abhiram Seth**  
Lead Independent Director
- Ambika Sharma**  
Independent Director
- Neeru Singh**  
Independent Director
- Satish Chander Gupta**  
Independent Director
- Alrumaih Sulaiman Abdulrahman S**  
Non-Executive Non-Independent Director

KEY MANAGEMENT TEAM

INDIA

- Ritesh Arora**  
CEO - India & Far East Business
- Palash Aggrawal**  
Chief Human Resource Officer
- Sachin Gupta**  
Chief Financial Officer
- Monika Chawla Jaggia**  
Vice President – Finance & Strategy, Company Secretary and Compliance Officer
- Amit Mehta**  
Vice President & Head of Food Business
- Sanjeev Uppal**  
Vice President & Head of Product Delivery
- Manoj Chugh**  
Vice President and Head of Raw Material Procurement
- K. Ganapathy Subramaniam**  
Vice President & Head of Marketing
- Namit Mehra**  
Vice President & Head of Ocean Freight Buying
- Anu Sharma**  
AVP and Head of Legal Affairs
- Varun Sharma**  
Chief Digital Officer
- Arvind Kumar Yadav**  
AVP and Head - IT
- Rajinder Wadhawan**  
Chief Executive Officer and Chief Financial Officer (Daawat Foods Limited)

LT FOODS - AMERICAS

- Abhinav Arora**  
President
- Mukesh Agrawal**  
Chief Financial Officer
- Andrew W Cops**  
Senior Vice President - Sales, Marketing and Innovation
- Shankar Satappagol**  
Senior Vice President – Sales, International and Food Service
- Chris Skolmutch**  
Director - Research & Development
- Shea Levitch**  
Vice President - Human Resources
- Stephen Kline**  
Director - Quality and Food Safety
- Amol Deshpande**  
Vice President - Supply
- David Mackenzie**  
Director Procurement

LT FOODS - EUROPE

- Vikas Magoon**  
Managing Director
- Aditya Arora**  
Director - Operations
- Anubha Bajaj**  
Director - Sales
- Kamal Poplai**  
Associate Director - Quality and Assurance
- Mirna Duskan**  
Head - Human Resource
- Vishal Aggarwal**  
Head - Finance

LT FOODS - MIDDLE EAST

- Gursajan Arora**  
Director
- Vivek Kumar**  
Head - Gulf Business
- Sandeep Mehndiratta**  
Finance Controller
- Bouchra Farah**  
Marketing Manager

NATURE BIO FOODS LIMITED

- J. S. Oberoi**  
Chief Executive Officer
- Rohan Grover**  
Managing Director, NBFL B.V.
- Anmol Arora**  
Director
- Rajesh Jaswal**  
Vice President - Operations

**Krishnendu Chattopadhyay**  
Vice President Agri India

**Dr. Saroj Kumar**  
DGM - Certifications

**Alok Kumar**  
Head - Uganda Business

Statutory Auditors

MSKA & Associates

Internal Auditors

Grant Thornton Bharat, LLP

Secretarial Auditors

D Dixit & Associates

Production and Packaging Facilities

Production Facilities

Bahalgarh, Sonapat, Haryana  
Mandideep, Bhopal, Madhya Pradesh  
Bhikiwind, Amritsar, Punjab  
Varpal, Punjab  
Rotterdam, Europe  
Houston, United States

Packaging Facilities

Cypress, USA  
Houston, USA  
New Jersey, USA  
Kurkure, Kamaspur, Sonapat  
Silos Plant, Punjab  
Silos Plant, Madhya Pradesh

Organic Plant

Kamaspur, Sonapat, Haryana

BANKERS TO THE COMPANY

Punjab National Bank (Lead Bank)  
State Bank of India  
ICICI Bank Ltd.  
Indusind Bank  
Kotak Mahindra Bank Ltd.  
HDFC Bank Ltd.  
Qatar National Bank Q.P.S.C.  
CTBC Bank Co. Ltd.  
Doha Bank Q.P.S.C.  
Union Bank of India  
SBM Bank (India) Ltd.  
Federal Bank Ltd.  
Bank of Baroda  
Mashreq Bank  
Rabobank  
Cooperative Rabo Bank U.A.  
Mechanics Bank  
JP Morgan Bank



# Management Discussion and Analysis

## Global economic overview

The global economy is anticipated to experience a growth rate of 2.8% in CY23, which is likely to gradually increase and stabilise at 3.0% in CY24. Emerging markets and developing economies, including India, are powering ahead in many cases, with growth rates expected to witness a significant upsurge this year.

Emerging countries are also experiencing growth in various sectors, fuelled by government investments in infrastructure and manufacturing sectors.

Central banks' monetary measures are likely to bear fruit, with global inflation falling from 8.7% in CY22 to 7.0% in CY23 and expected to be 4.9% in CY24. It is envisaged that pent-up demand in many economies, along with a major fall in inflation, will lead to faster economic growth in CY23.<sup>1</sup>



## Outlook

Notwithstanding inflationary pressures, the global economy is buoyed by a robust labour market, rising domestic spending, an influx of foreign capital and a prudent response to the energy crisis in Europe. Many emerging markets and developing economies (EMDEs) have already recovered, which has increased real incomes. An optimistic global outlook would also be determined by the speed and effectiveness of fiscal and monetary policy actions implemented to

drive economic expansion. Central banks worldwide have been tightening monetary policy, which is anticipated to rein in sticky inflation and ensure long-term growth.

A stronger boost from pent-up demand in numerous economies or a sharper fall in inflation is likely in the course of 2024. The governments and central banks of the world are expected to play a key role in accelerating economic growth through targeted, need-based initiatives.

## Projected growth rates



<sup>1</sup>[\*Source: [IMF World Economic Outlook, April 2023](#)].

## Indian economic overview

The Indian government has managed to maintain a favourable domestic policy environment and prioritise structural reforms, making the country's economy resilient amid global challenges. Projections indicate that India's economy was at a rate of 7% during the FY 2022-23.<sup>2</sup> Additionally, the country's stabilising inflation rates, higher disposable income and continued investment in infrastructure development are expected to contribute positively to economic growth in the future.

Several high-frequency indicators, such as GST collections, railway and air traffic revenue, electronic toll collections and E-way bill volume, indicate a robust economic

rebound in India. This persistent growth momentum has positioned India as an attractive investment destination. Further, India is expected to sustain its status as the fastest-growing major economy in the coming years. India's presidency of the G20 Summit in 2023 has also bolstered its international stature.

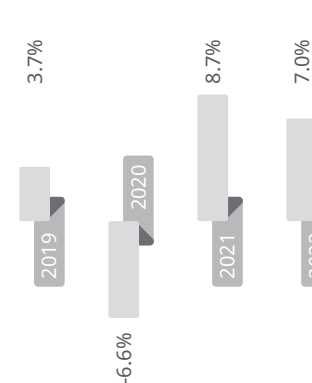
Despite facing challenges, the Indian government's initiatives, such as the PM Gati Shakti - National Master Plan, the National Monetisation Plan (NMP) and the Production-Linked Incentive (PLI), have been crucial in fostering economic growth. The Reserve Bank of India (RBI) has also taken prudent and proactive measures to ensure financial stability and address liquidity constraints. These factors have contributed to the

Indian economy's resilience and stimulated substantial investments.

The increase in kharif sowing, the abundance of buffer stocks and an improved reservoir position during FY 2021-22, all augur well for agricultural prospects and the trajectory of food inflation going forward. Risks are evenly distributed and CPI inflation is projected to average 6.7% in FY 2022-23.<sup>3</sup>

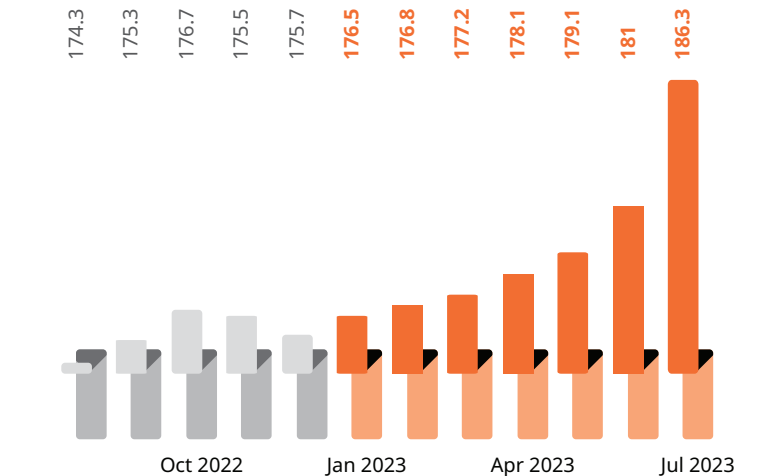
Food inflation dropped to 6.7% in July on account of the government's supply-side initiatives and some relaxation in global food costs. Cereals and vegetables were the primary contributors to the significant spike in food inflation that occurred during FY 2022-23.<sup>4</sup>

## GDP growth Y-o-Y (%)



(Source- National Statistical Office)

## Consumer Price Index CPI in India



(Source- Ministry of Statistics and Programme Implementation (MOSPI))

## Outlook

Amid global headwinds, India's economic activity has remained robust due to a favourable domestic policy environment and the Government's persistent focus on structural reforms. The corporate sector is seeing rapid expansion,

as witnessed by decreasing unemployment and an increase in net payroll additions under the EFPO. The economy's corporate sector credit-to-GDP ratio remains below its historical trend, indicating that the corporate sector has plenty of room to increase its debt burden.

The corporate sector's solid debt profile has also been critical in driving macroeconomic stability<sup>5</sup>.

Rising disposable income and easy availability of credit in the wake of a stable inflation trajectory will augur well for future economic growth.

<sup>2</sup><https://indbiz.gov.in/indian-gdp-to-grow-by-7-in-fy23-nso/>

<sup>3</sup><https://rbi.org.in/Scripts/PublicationsView.aspx?id=21343>

<sup>4</sup><https://rbi.org.in/Scripts/PublicationsView.aspx?id=21343>

<sup>5</sup><https://rbi.org.in/Scripts/PublicationsView.aspx?id=21343>

## Industry overview

### Rice and specialty rice segment

Rice, wheat and maize are the three most important crops cultivated worldwide. Rice, on the other hand is a staple food for about half the global population. Rice supply in emerging economies is inextricably linked to both political stability and food security. In 2022, the global rice market was worth USD 294.39 billion. It is further expected to grow at a CAGR of 2.7% between 2023 and 2028<sup>7</sup>.

A higher number of restaurants and food chains around the world has led to a spike in consumer demand for premium quality rice along with other healthy and nutritious varieties. In 2021, the share of offline purchases in the global rice market amounted to 82% of the total sales.<sup>8</sup>

The surge in demand for specialty rice varieties has given rise to an increased preference for long-grain rice, thereby commanding a substantial revenue share of more than 63% within the global market in the year 2021. In parallel, the medium-grain rice segment is projected to exhibit a growth of 2.4% from 2022 through 2028. The North American region is emerging as the fastest-expanding geographical market for rice, driven by a heightened demand for fragrant and specialty rice varieties. Anticipated expansion at a CAGR of 3.9% between 2022 and 2028 underscores this trajectory.

Notably, the European Basmati rice market, which experienced setbacks during the pandemic, has demonstrated swift recovery. Forecasts indicate a projected value

of USD 866.5 million by the year 2031, reflecting a CAGR of 4.2% spanning from 2022 to 2031. On a broader scale, the Middle East is the largest consumer of Basmati rice, with 37.8% of the world's rice being consumed in the region. The grain is mostly imported from Pakistan and India. Iran remained the most significant importer of Basmati rice from India<sup>9</sup>. Countries such as the Netherlands and Germany have also demonstrated a growing demand for Basmati rice and with sufficient improvements in the supply chain, the industry is set to witness further growth in the future.<sup>10</sup>

The Basmati rice market in India reached ₹ 485.1 billion in FY 2022-23 and is expected to reach ₹ 487.2 billion by FY 2027-28, with a CAGR of 1.1% from FY 2022-23 to FY 2027-28.<sup>11</sup> The domestic demand for Indian Basmati rice is influenced by several factors, such as population, income levels, regional preferences

and culinary traditions. With increasing consumer awareness and demand for packaged rice, especially Basmati, is growing in India.

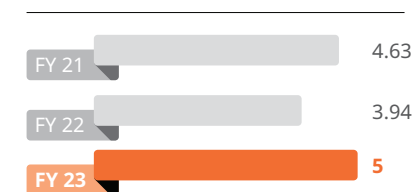
During the FY 2022-23, India's exports of Basmati rice demonstrated a notable increase, marking a substantial growth of 37.36%. This upward trajectory was observed as exports escalated from USD 1,660 million in the period spanning April to September 2021 to USD 2,280 million during the corresponding period in 2022. Concurrently, exports of non-basmati rice exhibited an increase of 8% within the second quarter of 2022-23. Moreover, exports of aromatic long-grain Basmati rice showcased a growth rate of 23%, culminating at a valuation of USD 1,056 per tonne from the timeframe of April through October in FY 2022-23.<sup>13</sup>



## India's rice export trend<sup>14</sup>

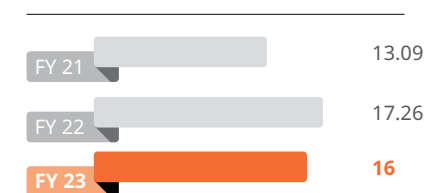
### Basmati

(million tonnes)



### Non-Basmati

(million tonnes)



India exports a significant amount of rice to other countries. According to the APEDA, Iran, followed by Saudi Arab, Iraq, the UAE and the Yemen Republic, are the major importers of rice from India.<sup>15</sup> Along with this, Sub-Saharan Africa and North and South America are among the largest consumers of rice.<sup>16</sup> Therefore, there is significant scope for further expanding the market for both, basmati and non-basmati rice segments.

### Organic food segment

Chemical fertilisers and pesticides in food products cause severe health issues, including cancer, hormonal imbalances, skin diseases and birth defects. Based on a UN report, over 200,000 people die each year due to the harmful effects of chemicals present in food products. As a result, consumers globally

prefer organic foods that are devoid of toxic additives, chemicals and preservatives. This is one of the factors driving the explosive expansion of the organic food market. The global organic food market is expected to grow by USD 310.08 billion during CY2022-2027, at a CAGR of 15.85% despite a surge in commodity prices, supply-chain disruptions and soaring inflation.<sup>17</sup>

Organic food makers' innovative strategies seek to address concerns regarding the low shelf life of organic food. This has also led to the introduction of novel products such as ready-to-eat organic items, organic tea and other grocery items that can be safely consumed. As a result of such initiatives, the organic food market is predicted to reach USD 512.01 billion by 2027, at a CAGR of 14.8%.<sup>18</sup>

The organic food market in India is a niche market. However, with increasing incidences of food adulteration, the scope for increasing its market size continues to grow. Several types of marketing campaigns in malls and localities are organised to target the masses and positively influence a shift towards the acceptance of organic food. Moreover, collaborations with e-commerce platforms have also helped improve revenues from this segment. The Government of India is also promoting the sector's growth by offering subsidies for organic farming and has rolled out favourable schemes such as the Mission for Integrated Horticulture Development (MIDH), the National Food Security Mission (NFSM) and the Rashtriya Krishi Vikas Yojana (RKVY) to add impetus to organic farming.<sup>19</sup>



### Convenience and health segment

Ready-to-eat food, packaged beverages, prepared mixes and canned food are all part of the convenience and health segment. A hectic urban lifestyle, the rise of nuclear families and preferences for fast, ready-to-eat food are all driving the expansion of this market segment. The global ready-to-eat food market is expected to be worth USD 250.31 million by 2029, with a CAGR of 5.50%.<sup>20</sup>

Ready-to-eat food products have a fair prospect in the emerging and established markets of North America, Europe, Asia-Pacific, South America, the Middle East and Africa.<sup>21</sup> Due to the growing demand for conveniently available food and healthy items from health-conscious young adults, the segment is expected to witness steady growth in the days ahead. Moreover, preferences for immunity boosting food, low-calorie content and gluten-free items are also expected to increase the market share of this sector.<sup>22</sup>

<sup>7</sup><https://www.imarcgroup.com/rice-market>

<sup>8</sup><https://www.grandviewresearch.com/industry-analysis/rice-market-report>

<sup>9</sup><https://www.expertmarketresearch.com/reports/middle-east-and-africa-Basmati-rice-market>

<sup>10</sup><https://www.alliedmarketresearch.com/europe-Basmati-rice-market>

<sup>11</sup><https://www.imarcgroup.com/india-Basmati-rice-market>

<sup>12</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=1873007#:~:text=Basmati%20Rice%20exports%20witnessed%20a,in%20Q2%20of%20current%20fiscal.>

<sup>13</sup><https://www.financialexpress.com/economy/sharp-spike-in-Basmati-rice-amp-processed-foods-shipments/2901637/>

<sup>14</sup>[https://agriexchange.apeda.gov.in/news/Newssearch.aspx?newsid=49960&Date=18Apr2023#:~:text=India's%20rice%20exports%20have%20crossed,21%20million%20tonne%20\(MT\).](https://agriexchange.apeda.gov.in/news/Newssearch.aspx?newsid=49960&Date=18Apr2023#:~:text=India's%20rice%20exports%20have%20crossed,21%20million%20tonne%20(MT).)

<sup>15</sup>[https://agriexchange.apeda.gov.in/index/Product\\_description\\_32head.aspx?gcode=0601](https://agriexchange.apeda.gov.in/index/Product_description_32head.aspx?gcode=0601)

<sup>16</sup><https://www.ers.usda.gov/topics/crops/rice/rice-sector-at-a-glance/>

<sup>17</sup><https://www.globenewswire.com/en/news-release/2023/03/22/2632449/0/en/The-Global-Organic-Food-and-Beverages-Market-is-forecast-to-grow-by-310-08-bn-during-2022-2027-accelerating-at-a-CAGR-of-15-85-during-the-forecast-period.html>

<sup>18</sup><https://www.thebusinessresearchcompany.com/report/organic-food-global-market-report>

<sup>19</sup><https://www.expertmarketresearch.com/reports/india-organic-food-market#:~:text=India%20Organic%20Food%20Market%20Outlook,USD%202601%20million%20by%202026>

<sup>20</sup><https://www.databridgemarketresearch.com/reports/global-ready-to-eat-food-market>

<sup>21</sup><https://www.mordorintelligence.com/industry-reports/ready-to-eat-food-market>

<sup>22</sup><https://www.thehindubusinessline.com/opinion/now-consumers-want-ready-to-eat-health-foods/article35411991.eco>



**Consumer megatrends driving the Food industry**



**Health and Wellness**

Consumers are increasingly prioritising their health and well-being, leading to a rising demand for healthier food options. This includes an emphasis on natural and organic ingredients, plant-based and vegetarian diets, and foods that provide functional benefits, such as boosting immunity or improving gut health.



**Technology and Innovation**

The integration of technology in the food industry is transforming the way food is produced, distributed, and consumed. This includes advancements in food delivery apps, online ordering platforms, smart kitchen appliances, and the use of artificial intelligence and data analytics to enhance food safety, traceability and personalised recommendations.



**Cultural Diversity and Exotic Flavours**

With globalisation, consumers are becoming more adventurous in their culinary choices. They are seeking new and exotic flavours from different cuisines and cultures. This has led to an increased demand for international foods, fusion cuisine and the exploration of unique ingredients and cooking techniques.



**Convenience and Time Efficiency**

With busy lifestyles, consumers are seeking convenient food options that require minimal preparation and save time. This has led to an increase in demand for ready-to-eat meals, meal kits, online food delivery services, and grab-and-go options that offer convenience without compromising on quality and taste.



**Personalisation and Customisation**

Consumers are looking for personalised food experiences that cater to their individual preferences and dietary needs. This includes customisable meal options, personalised nutrition plans, and food products that can be tailored to specific dietary requirements, such as gluten-free, dairy-free, or allergen-free alternatives.



**Sustainability and Ethical Consumption**

There is a growing awareness and concern about the environmental impact of food production. Consumers are seeking sustainable and ethically sourced food products, with a focus on reducing food waste, supporting local and fair-trade initiatives, and choosing brands that prioritise eco-friendly practices throughout the supply chain.



**Company overview**

LT Foods is a leading India based global FMCG Company in the consumer food space. We are a Company of brands and people for over seventy years and serving millions of households with our specialty rice and rice-based food businesses globally. The Company is committed to nurturing the goodness of food for people, the communities it serves and the planet.

With nurturing goodness at the heart of everything it does, the Company delivers high-quality, delicious meal experiences in more than 60 countries: India, the U.S., Europe, the Middle East, the Far East and the rest of the world. The Company's flagship brands include 'Daawat', one of India's most loved and consumed global Basmati brands, 'Royal', North America's No. 1 Basmati brand and many more.

The Company is also expanding into the future food preferences of millennials by offering organic food and supplying organic food-ingredients to leading businesses in the global market.

It has a consolidated revenue of around ₹ 6,979 Crore as of FY 2022-23 and is growing at a 5-year revenue CAGR of 15% and a PAT CAGR of 35%. LT Foods has an integrated 'Farm to Fork' approach with a well established sourcing network and global supply chain hubs backed by automated state-of-the-art and strategically located processing / packaging units in India, the U.S. and Europe, as well as a robust distribution network with 1300+ distributors across the globe.

**70+ years**

**Journey**

Daawat and Royal are the flagship brands of LT Foods, enjoying a leadership position in the Basmati rice segment in India and North America, with a market share of 27%+ and 50%+, respectively. With evolving consumer preferences, regional brands such as Devaaya, Rozana, Gold Seal Indus Valley, 817 Elephant, Golden Star, Leev and Ecolife have also built a strong consumer base over the years. One of our recently launched products, Kari Kari, in the convenience and health segment, is also gaining significant traction along with other products in this segment.

**Business segments**

**Basmati and Speciality Rice Segments**

In India and across the globe, LT Foods is a leading player dealing in a diverse variety of specialty rice and rice-based food offerings. LT Foods has made a significant mark in the Basmati and other specialty rice segment with its commitment to quality. Basmati rice, renowned for its distinctive aroma and long grains, is one of LT Foods' specialties.

**60+ countries**

**Presence**

Currently accounting for 79% of the overall revenue in FY 2022-23, this segment forms a key part of the Company's business. This vertical has also recorded a growth rate of 9% in FY 2022-23, with a 3-year CAGR of 13%.

To expand its market presence across diverse economies, the Company has acquired a 51% stake in Golden Star Trading Inc., which holds more than 10% share in jasmine rice category with the brand name Golden Star.

Through strategic marketing initiatives and a focus on quality, LT Foods has successfully expanded its consumer base and captured a larger share of the Indian market. Its flagship brand, Daawat, acquired a market share of 29%+ in the Basmati market segment with a growth rate of 13%.

Along with Daawat, Royal and other regional brands such as Heritage, 817 Elephant, Gold Seal Indus Valley, Rozana, Devaaya, Golden Star and Leev, LT Foods is growing its market reach in India while endeavouring to retain its leadership position in The US, EU, The Far East, Israel, Reunion Island and other regions.

**1300+**

**Global distributors**

The Company offers a range of specialty rice varieties, including jasmine rice, arborio rice, sona masoori and black rice, among others. These specialty rice variants are carefully sourced, processed and packed to preserve their unique characteristics and deliver an authentic culinary experience to its consumers.





The household penetration of our Basmati and Specialty products has increased remarkably, as more and more consumers recognize and appreciate the superior taste and quality that LT Foods offers. Our commitment to delivering premium products has resonated with households, leading to increased adoption and loyalty among consumers. We offer solutions to our consumers for their different rice recipe for different occasions at different price points through several channels such as General Trade, Modern Trade, HoReCa and e-commerce via 1200 distributors in India and 100+ distributors in international markets. The Company has more than 1.76 Lakh retail outlets across India. By strengthening its distribution channels and partnering with retail establishments, LT Foods has enhanced its accessibility to consumers, ensuring that its products are readily available in key markets. Owing to the recovery in the HoReCa industry post-Covid, the large pack business has also recorded a growth rate of 58%. The Company has also recorded a positive trend in its non-basmati regional rice segments, i.e., Daawat Sona Masoori, Daawat Govind Bhog and so on.



**1.76+ Lakh**

Retail Outlets in India

**100+**

Distributors in the International Market

**50%+**

Market Share in The US

**1,200+**

Distributors in India

**31%**

Y-o-Y Growth in Revenue

**13%**

3-year CAGR

**Organic Food and Ingredient Segment**

Organic food consumption has been increasing for a few years, primarily because people are now keen to adopt a healthy lifestyle.

LT Foods focuses on meeting the consumer demand for organic food and healthier food ingredients by offering a wide variety of organic rice, cereal grains, soya-based meals, flour, pulses, oil and oilseeds, nuts, spices, herbs, millets and more. The organic food

segment is carefully curated to meet the stringent standards set by recognised certification bodies, including the National Programme for Organic Protection (NPOP) of the Government of India, as well as international organic standards such as those of the European Union, USA National Organic Program (NOP), Canada, Japan, and Korea.

As a responsible corporate citizen, the Company has adopted eco-friendly practices. Also, making safety a priority across all its operations, LT Foods became one

of the first Indian companies to be rewarded with the prestigious CII Food Safety Award.

The Company partners with certified organic farmers who cultivate their crops using organic farming practices, avoiding the use of synthetic chemicals and genetically modified organisms (GMOs). This ensures that the Company's organic products are free from harmful pesticides, herbicides, and other chemical residues, providing a safer and healthier choice for consumers.

The Company is also expanding its product portfolio, to cater to the changing needs and tastes of its consumers. During the year, the Company has set up a stock and sell model in the USA and Europe which has enhanced the growth of its organic segment.

Further expanding its procurement and production base, the Company has ventured into and set up a facility in Africa as well.

**14.79%**

3-year CAGR

**Convenience and Health Segment**

With dynamic market trends such as changing lifestyles, increasing globalisation, improved technology, hectic schedules and higher awareness, it is important to evolve to satisfy unmet consumer needs.

LT Foods has always put its consumers first in all its endeavours. Therefore, to gain better insights into their needs, the Company has created a robust mechanism based on which its products have been developed.

**36%**

Y-o-Y growth in revenue

**54%**

3-year CAGR

LT Foods identified two key trends that influence consumers when purchasing kitchen ingredients: convenience and health.

Inspired by consumer insights, Daawat Quick Cooking Brown Rice is LT Foods' first successful product in this segment, and we've maintained a leadership


position since its launch. Following the success of Daawat Quick Cooking Brown Rice, the Company launched Daawat Sehat, the iron and vitamin-fortified rice, on the health platform, which is also well-accepted by consumers.

The share of convenience and health segment has grown from 2% to 2.5% during the FY 2022-23.

The Company launched new products during the year, which are listed below:

- Daawat Black Rice
- Daawat Jasmine Rice
- Devaaya Weight Watcher (Economy Brown Rice Segment)
- Devaaya Sona Masoori
- Royal Instant Cuppa Rice
- Royal Jalapeno Basmati
- Royal South Indian Rice

The Company has launched various new and innovative products in the convenience and health verticals, of which few are listed below:



Black Rice is considered a superfood. This whole grain is high in protein, antioxidants, essential nutrients, and is low in fat. It symbolises a paradigm shift in health-conscious eating.



LT Foods has launched Royal ready to heat in the US. This is a microwaveable combination of rice, spices and seasoning.



Daawat Jasmine Rice was launched in Israel

With a 3-year CAGR of 30%, the Convenience and Health Food segment now accounts for 2.5% of the total revenue. This segment has grown by 36% year-on-year.

**Daawat Sehat**

The purpose of launching the brand Daawat Sehat, was to combat malnutrition with fortified rice. Daawat Sehat, fortified with iron, folic acid and vitamins B1, B3, B6 and B12, is perfect for daily consumption. The Company has a +F logo, which is also featured on the FSSI website. The Company

conducted extensive marketing campaigns throughout the year using media such as TVCs, outdoor advertising and digital campaigns to promote the brand and demonstrate the significance of fortified rice.

**33%**

Y-o-Y growth



### Daawat Cuppa Rice

Enjoying delicious meals instantly has now become a reality thanks to rice meals by Daawat Cuppa. These are dehydrated, ready-to-eat meals that can be cooked in ten minutes by simply adding hot water. As it is quick and easy to prepare, contains only natural ingredients, and is devoid of preservatives and artificial colours, it is healthy and convenient – a fine option for on-the-go consumption. Consumers have already taken a strong liking to the five different varieties of Daawat Cuppa Rice. To raise awareness and encourage trials, the Company engaged in promotional activities. LT Foods collaborated with influencers to create social media content and organised visibility campaigns on various e-commerce sites, including Amazon and Big Basket.

**44%**

Y-o-Y growth

### Kari Kari

The Kari Kari snack from Daawat-Kameda is a one-of-a-kind, premium Japanese rice-based snack with flavours curated for the Indian palate. The snack swiftly gained popularity and is now available throughout Delhi, Punjab, Haryana, Uttar Pradesh, Maharashtra, Karnataka, Telangana, West Bengal, Assam, Manipur and Sikkim. In the coming years, the Company intends to promote this brand in other states as well. Through a 360-degree approach, the Company focused on increasing the penetration of the brand through e-commerce, numerous marketing initiatives such as display and search advertising, sampling, in-store activations, involvement in various food forums, etc.

### Daawat Biryani Kits

The Biryani Kit is the ideal fusion of authenticity and simplicity. This product marks another turning point in the Company's ambition to consistently diversify its product portfolio. Innovation and user insights helped create it on the

convenience and health platform, and the Company developed a step-by-step, go-to-market strategy to launch it in modern retail and e-commerce. It also has export potential, especially in the Middle East, Far East, Australia, the United Kingdom and the United States.

**5.60+ Lakh units**

Sold in FY 2022-23

### Royal RTH

Royal RTH accomplished a remarkable feat by ascending to the position of the fourth largest brand in the U.S. market. This achievement was underscored by the brand's robust sales growth, which surged by an impressive 37% compared to the previous year.

### Business performance by geography

#### India business

In the fiscal year under review, the Company delivered steady growth aided by expansion, a robust distribution network and an impressive marketing presence. During the year FY 2022-23 the Company acquired a market share of 29% in the basmati rice market, with a growth rate of 13%. The Company implemented distributor business process engineering to improve stock flow, finance and digitalisation through proper system-based monitoring. Through digitalisation, a comprehensive data management system for distributor systems and processes was implemented.

The Company employs a multi-faceted approach that combines mass and digital media to reach a wide audience and ensure continuity in consumer engagement.

**1.76+ Lakh**

Number of retail outlets

**23.24%**

Y-o-Y growth

The Company's business in India has experienced spectacular growth as a result of increased household penetration and presence in modern trade channels. By extending its reach to resellers and wholesalers, the Company aims to penetrate these segments and expand its consumer base. In-store visibility is another priority for LT Foods, as it utilizes category dressing, dealer boards, and in-shop branding to enhance product visibility and capture consumer attention. By creating an appealing in-store experience, the Company aims to drive purchase decisions and increase consumer engagement. By offering products at multiple price ranges, the Company is strengthening brand equity. The Company's major products are biryani, brown rice and pulav, which are promoted through targeted marketing campaigns that boost visibility across several platforms and states. The go-to-market strategy of LT Foods helps in increasing brand visibility across multiple touchpoints. To further raise brand recognition and recall, the Company seeks to increase coverage from 1258 to 1500 towns and productive coverage from 1.75 to 2.5 Lakh outlets in the coming year.

**31%**

Of total revenue was contributed by LT Foods' India business



### International business

LT Foods' international business is primarily driven by its flagship brands Daawat and Royal and by its regional brands. The Company has a wide presence across all distribution channels and with over 100 distributors, has established a robust supply chain network. The Company generates the majority of its revenue through exports, having a strong presence in the US and European markets; the remaining revenue comes from the Middle East and Far East countries, among others. The Company is a leading player in the basmati rice segment and is also diversifying into organic, rice-based, convenience and health foods.

### Americas Region

LT Foods America has become a category leader in specialty rice by combining the Royal and Golden Star brands. The Company's South Carolina distribution facility has played a crucial role in enhancing service levels to consumers by eliminating dependence on third-party warehouse-logistics companies – now 15% of sales volume is handled through the facility. The Ready-to-Heat (RTH) segment has experienced

significant growth, with increased production capacity and a decrease in production costs. Royal RTH has emerged as the fourth-largest brand in the US, with a remarkable 37% growth in sales over the previous year.

Further, through the Golden Star Trading Company joint venture, the Company has gained a strong foothold in the jasmine rice market, which is more than three times the size of the basmati rice market in the US.

**39%**

Of total revenue was contributed by America's region

**28%**

Increase on year-on-year growth

With products including Royal Organic Basmati and Royal Sona Masoori being added to the distribution points of Costco and Sam's Club, respectively, LT Foods has also achieved noteworthy progress in the club channel.

In the retail channel, LT Foods has expanded its presence through Walmart, with increased points of distribution for both RTH and dry rice products. The Royal brand has become a leader in various size segments, such as 5, 10 and 20 pounds. Furthermore, the Company has diversified its portfolio with the introduction of Royal Cuppa, which is now sold at Walmart, Stop & Shop and Hannaford.

LT Foods has been zeroing in on the private label channel that it's been awarded for its basmati business. E-commerce growth has been impressive, with targeted ads yielding a high return on advertising spend.

In the food service channel, LT Foods has witnessed robust growth. The Company has also expanded its reach with the addition of 16 new accounts and ship-to locations. Internationally, the Daawat brand has gained prominence in the premium segment, experiencing a 44% increase over the prior year, while South Indian rice sales have surged by 80% with an expanded product portfolio.



The new products launched in the US market include:



In Canada, LT Foods has experienced substantial growth with Walmart's private label Basmati and the 817 Elephant Brand, which have recorded a 59% increase over the prior year.

Considering the current economic climate, LT Foods Americas has implemented well-thought-out measures to mitigate emerging risks. The Company's robust global capabilities, including strategic import sourcing and ocean freight negotiations, enable it to maintain competitive pricing in the market. LT Foods remains committed to product innovation while staying true to the Royal brand. Overall, the outlook for LT Foods Americas is promising, with a focus on digital transformation, organisational efficiency and the integration of environmental, social and governance (ESG) principles throughout the organisation.

European Region

LT Foods has a strong foothold in the EU market, commanding 30% volume share of the total Basmati rice consumption. While its overall share of rice consumption in Europe is currently at 3%, the Company has ambitious plans to expand its business by increasing its brand presence across the continent. To further drive growth, LT Foods intends to enhance its manufacturing base in the UK and strengthen the business in UK.

19%

Of total revenue was contributed by European region

23%

Y-o-Y Growth

The Company has also been proactive in product innovation, launching new offerings such as Biryani Kits and having other products lined up, including Cuppa Rice. These additions aim to cater to the evolving preferences of European consumers and further increase LT Foods' market share.

In Europe, LT Foods has strategically tapped into various distribution channels. The region has a well-organised food service segment, along with ethnic food distributors serving independent restaurants. Additionally, LT Foods supplies Basmati rice to large food companies and manufacturers that require rice for their food manufacturing processes.

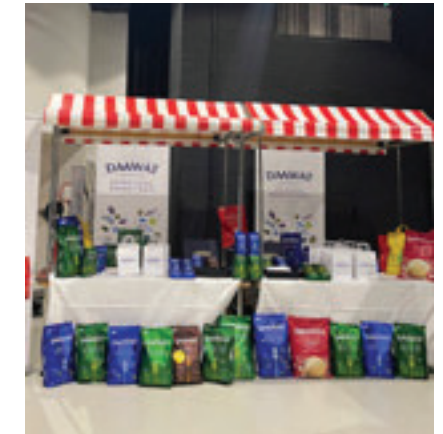
Moreover, the emergence of online recipe subscription models, led by companies such as Hellofresh and Gusto, has created new opportunities for LT Foods.

Despite the recent spike in food prices, the demand for rice, including Basmati rice, has not witnessed any significant decline. LT Foods closely monitors the situation, noting that retailers may

experience a lag in passing on price increases to end consumers. However, the Company believes that the demand for Basmati rice will remain stable as the relative prices of other food products have also gone up.

Logistics costs, which escalated in 2022, have now returned to pre-pandemic levels, benefiting LT Foods' operations in Europe.

Overall, LT Foods remains optimistic about its business prospects in Europe, with plans for expansion, increased market presence and strengthened partnerships across various distribution channels, while continuing to adapt to market dynamics and cater to changing consumer preferences.



Middle East Region

The Middle East is one of the leading consumers of Basmati rice globally. In the Middle East, LT Foods operates through its subsidiary, LT Foods DMCC. The Company has a wide presence in this region and offers various products that meet the diverse culinary preferences of Middle Eastern consumers. It has also been expanding its business in the region.

LT Foods experienced positive growth in FY 2022-23, with 16% increase Y-o-Y.

5%

Of total revenue was contributed by Middle East region

16%

Y-o-Y Growth

LT Foods is investing in targeted retail channels, distribution networks and brand awareness for maintaining and further expanding its presence in the region.

The Company has introduced new SKUs to bridge the range gap, ensuring a comprehensive product offering that caters to a wide consumer base. Additionally, the expansion of order volume has including Daawat SKUs across





a larger fleet of vehicles that has led to increased market reach and accessibility. To further widen its reach, LT Foods has appointed new distributors in countries such as Oman (OMN) and Bahrain (BHR), where its brands were previously not represented, enabling greater distribution and availability. In the United Arab Emirates (UAE), the Company has focused on geographical expansion for its sales and distribution operations.

LT Foods has continued its aggressive expansion into the e-commerce space, achieving remarkable 50% year-on-year growth in the channel. This success can be attributed to increased visibility across e-commerce platforms and engagement with e-commerce retailers to provide consumers with compelling value offerings tailored to their needs. With a market share of 45% in the e-commerce channels, LT Foods has positioned itself as a leader, contributing 20% to the overall business.

To strengthen its position in the Middle East and establish a strong presence in the Basmati rice category with its Daawat and Devaaya offerings, LT Foods has developed well-defined strategies and priorities. In the UAE, the Company aims to expand its consumer base in the sales and distribution segment and achieve geographic expansion. Additionally, LT Foods is focused on driving the growth of mid-price Basmati sales across various channel segments in the UAE. Building brand equity for Devaaya and Daawat while creating differentiation is another key objective. Moreover, the Company aspires to maintain its current consumer base and further expand it among high-value audiences.

Through targeted activities and an appropriate product range, LT Foods is actively facilitating household penetration, ensuring that its brands resonate with consumers and meet their specific needs in the Middle East region.

**Rest of the world**

In the rest of the world, the Company remains focused on strengthening its distribution network and expanding product penetration across various countries. By strategically targeting new markets and optimizing existing distribution channels, LT Foods strives to achieve a distribution coverage of 100% Basmati consuming countries. To tap into the lucrative HoReCa (Hotels, Restaurants, and Catering) segment, LT Foods will ramp up its efforts to secure more distribution partnerships.

In 2022-2023, the rest of the world comprising The Far East, Israel, Mauritius, Fiji, Australia, Singapore, Maldives, Hong Kong and New Zealand have grown by 34% and 6% of total revenue was contributed by Rest of the world.

An increase in the number of immigrants during 2022-2023 to these countries has contributed to the Company growth. Additionally, mainstream consumers increasingly prefer international cuisines, increasing the demand for Basmati rice. Our significant on-shelves presence has been a major growth driver. Growth of e-commerce and online retail across geographies has helped provide easy access to Daawat Basmati for consumers.

Introduction of value-added Basmati rice products such as Biryani Kit and Cuppa Rice can cater to the evolving taste and preferences of consumers. We have introduced our value-added products in Australia, Singapore, Maldives, Hong Kong, Fiji and New Zealand.



**Growth enablers**

**Digital transformation**

At LT Foods, digital transformation is a top priority and the Company intends to implement the same in the upcoming years as part of its global digital transformation programme. By leveraging digital technologies and data-driven strategies, LT Foods aims to achieve greater efficiency, agility and innovation across its entire value chain.

In terms of operations, LT Foods has implemented automation and digitisation to streamline its procurement, supply chain, production processes and inventory management. This enables real-time monitoring, predictive analytics and optimisation of resources, leading to improved operational efficiency, cost savings and informed decision-making. The Company has substantially invested in e-commerce platforms, mobile applications and online marketplaces to provide a seamless and convenient purchasing experience for its consumers. These digital channels enable personalised recommendations, easy ordering and efficient delivery, enhancing consumer satisfaction and loyalty.

Cybersecurity and data protection will be critical concerns for LT Foods during its digital transformation. The Company ensures the implementation of robust security measures, data encryption and compliance with relevant regulations to safeguard its digital infrastructure and consumer information.

**Food safety and quality**

LT Foods adheres to international food safety standards and regulations. It follows strict hygiene practices at all phases of production, including raw material procurement, processing, packaging and distribution. The Company maintains a comprehensive quality management system to track and oversee every aspect of its operations.

As part of its endeavour to shape a cleaner and safer future, the Company advises the farming community to leverage green chemistry, biomolecules and bio-inoculants. It also strives hard to implement integrated pest management (IPM) and integrated nutrition management



(INM) employing various green molecules, nanotechnology and organically grown products. These molecules boost soil health, lower water, air and soil pollution and simultaneously produce crops with no chemical residue.

The LT protocol also analyses Basmati paddy and rice for pesticide residues, heavy metals, mycotoxins, and various microbiological parameters, as well as for the best organoleptic sensory and cooking attributes, using robust physico-chemical analysis. All analyses are based on a high-end scientific approach, where the Assurance Lab analyses the major food contaminants at the Company's world-class facility setup at the Bahalgarh unit in accordance with ISO 17025, ILAC MRA (International Laboratory Accreditation Cooperation-Mutual Recognition Arrangement) and accreditations from NABL (National Accreditation Board for Testing and Calibration Laboratories), EIC (Export Inspection Council), APEDA (Agricultural and Processed Food Products Export Development Authority) and FSSAI (Food Safety and Standards Authority of India). The Centre for Excellence has also received the prestigious ILAC-MRA accreditation, which enables the laboratory to expand its operations internationally in all those countries where ILAC-MRA is registered. Working with National Measurement Institute - United Kingdom, commonly known as Laboratory of the Government Chemist, the laboratory ensures the highest level of traceability by participating in several proficiency testing programmes and obtaining all its certified reference materials from the international organisation, which are in compliance with ISO 17034:2016.





### Human Resource Transformation

LT Foods is responsible for keeping track of multiple facets of the organisation's human resource management. The Company focuses on identifying, developing, and managing high-potential personnel to meet the requirements of creating tomorrow's leaders and promoting its Succession Planning strategy. Succession planning ensures that the organisation has a consistent supply of internal talent for critical positions. Through its 'Campus to Corporate' programme, the Company lays the foundation for hiring fresh talent into the organisation. The Company also collaborates with leading businesses and premier engineering institutions to recruit Management and Engineering trainees, which enhances employer branding among potential employees.

During FY 2022-23, the Performance Management System was evaluated and improved

to make it more objective. Goal alignment, meritocracy and differentiation, a culture of continual feedback, a focus on potential and performance, and strong governance are among the core pillars of the new PMS design. Training and awareness sessions are being conducted for its 2,228 personnel across all geographies under the new PMS framework. The new PMS is expected to foster accountability and ownership while also promoting role clarity.

### ESG

The Company's value system prioritises giving back to society in various ways. It has integrated the ESG framework into its operating framework and has continuously made efforts to attain its ESG goals. The Company is dedicated to ethical sourcing and harvesting, as well as working to enhance farmers' quality of life by empowering them to adopt sustainable farming methods that protect the environment for future generations.

The Company promotes environmental stewardship by implementing well-thought-out and precise measures to reduce its carbon footprint, conserve water resources and minimise waste generation. LT Foods also emphasises social responsibility, striving to make a positive change within local communities through initiatives focused on education, healthcare and livelihood improvement. Across all its operations, the Company adheres to the highest standards of corporate governance, ensuring transparency, accountability and ethical conduct. By incorporating ESG into its operations, LT Foods stays true to its commitment to driving long-term sustainability and responsible business growth.

### Risk Management

Please refer page 30 of the Business Section for details on the Risks and Concerns pertaining to the business alongwith their mitigation plan.

### Financial overview

During the year, with a 28% rise in revenue and a robust balance sheet the Company remains on track to achieve all its strategic pillars, namely growth, margin expansion and financial metrics improvement. Along with this, Basmati and other speciality rice revenues increased by 31%, organic food and ingredient revenues grew by 11% and the convenience and health sector surged by 36%. The Convenience and Health category proceeds c.2.5% of the total revenue. Gross profit increased by 31% from ₹ 1,836 Crore to ₹ 2,401 Crore, with margins remaining at 34.4%. In FY 2022-23, EBITDA increased by 20% to ₹ 744 Crore from ₹ 620 Crore. PAT increased by 37% to ₹ 423 Crore from ₹ 309 Crore. Earnings per share were ₹ 12.50, up 37% year-on-year.

### Standalone financial performance

Particulars	₹ in Crore		
	FY 2022-23	FY 2021-22	Y-o-Y growth
Revenue	3,951	2,864	38%
Gross profit	931	660	41%
EBITDA	264	204	29%
EBIT	235	172	36%
PBT	211	149	42%
PAT	160	112	43%
EPS	4.98	3.5	42%
Cash Profit	189	145	31%
Net Worth	1,567	1,044	50%

### Consolidated financial performance

Particulars	₹ in Crore		
	FY 2022-23	FY 2021-22	Y-o-Y growth
Revenue	6,979	5,451	28%
Gross profit	2,401	1,836	31%
EBITDA	744	620	20%
EBIT	617	497	24%
PBT	563	424	33%
PAT	423	309	37%
EPS	12.50	9.13	37%
Cash Profit	550	432	27%
Net Worth	2,797	2,149	30%

### Key ratios

Ratios	FY 2022-23	FY 2021-22
Debtor (no. of days)	35	41
Inventory turnover (no. of days)	245	238
Interest coverage ratio (in times)	7.5	7.2
Current ratio (in times)	2.0	1.8
Debt Equity Ratio (in times)	0.3	0.5
Operating profit Margin (in %)	10.7	11.4
Net operating margin (in %)	6.06	5.7
Return on Net Worth (in %)*	18.4	15.3

\*Due to increase in profit margin



## Outlook

During the year the Company has witnessed robust growth in Basmati and other speciality rice revenue by 31%, while organic food and ingredients revenue grew by 11% and the convenience and health sector by 36%.

Going forward, the Company plans on expanding its presence in both domestic and international markets. It has established a strong distribution network and expanded its product offerings to reach a wider consumer base. Additionally, it has entered into strategic partnerships and collaborations to penetrate new markets and gain market share.

LT Foods has introduced new rice varieties, organic products, ready-to-eat meals and speciality grains to meet evolving consumer demands. This strategy has helped the Company tap into new consumer segments and drive sustained growth.

In the next few years, the Company will focus on emerging markets owing to growing demand for Basmati rice and speciality food offerings in America, Europe and the Middle East. By leveraging its strong brand recall and distribution network, the Company will be able to successfully enter new markets and widen its geographic footprint.

The Company prioritises building a sustainable business on the back of its growth enablers, such as digitalisation, enhanced food safety and quality, human resource transformation and ESG initiatives.

We continue our work on our three core strategic pillars: Growth, Margin Expansion and Strengthen Financial Metrics.

We are pursuing a target 5-Year revenue CAGR of 10-12% we will also continue to grow our core Basmati business by investing more on brands and expanding our distribution reach with Revised Route to Market and product portfolio expansion by leveraging the brand equity and the existing

distribution network. In organic segment we will grow with expansion of portfolio as well as stock and sell model in different geographies.

We will also further solidify our presence in existing regions and expand our reach in new geographical areas. Further, we will focus on new products in the Ready-to-Eat, Ready-to-Cook and Rice-based snacks segments.

We aim to increase our 5-Year EBITDA margin by 140-150 basis points (bps). We will implement measures that lead to a change in product mix, optimise efficiencies across the value chain, and capitalise on economies of scale.

We will focus on further strengthening our balance sheet metrics and return ratios. Our aim is a Return on Capital Employed (ROCE) of 23% by FY 2024-25, and a Return on Equity (ROE) of 20% by FY 2024-25. These financial metrics will reflect our efficient use of capital and commitment to delivering value to our shareholders.



## Opportunities and threats

### Opportunities



#### Market Expansion

The consumption of specialty Basmati rice is increasing not just within India, but also globally. This surge can be attributed to increased disposable incomes and growing consumer awareness. As income levels rise in India, consumers are increasingly favouring packaged products over loose products, leading to a shift in preferences.



#### Leveraging its Brand and Distribution

LT Foods has created strong brand equity and a global distribution network. By diversifying its food offerings under the umbrella of its well-established brand and leveraging its strong brand recognition, the Company has ventured into new product categories, capitalizing on the trust and loyalty it has cultivated over the years.



#### Innovation and Research

By prudently investing in R&D, LT Foods can offer innovative food solutions to its consumers and also address gaps in their existing portfolio.



#### Acquisitions and Partnerships

LT Foods could explore strategic partnerships, collaborations, or acquisitions to bolster its market position, expand its distribution network, or gain access to new technologies and markets.



#### Branding and Marketing

Enhancing brand visibility and implementing effective marketing strategies can help LT Foods differentiate itself from competitors and foster consumer loyalty. Investing in marketing campaigns and branding initiatives could be an opportunity to raise brand awareness and consumer engagement.



#### Farm to Fork

LT Foods has invested in its value chain and created a strong 'Farm to Fork' global network to deliver quality experiences to its consumers. This platform can be used to launch more products as well as expand the Company's reach.

## Threats

**Intense Competition**

The food industry is highly competitive, with numerous players vying for market share. LT Foods may face competition from both existing players and emerging entrants, which could impact its market position and profitability.

Investments in the value chain with a focus on sustainability would help LT Foods mitigate this threat.

**Changing Consumer Preferences**

Consumer preferences and trends in the food industry are constantly evolving. Failing to adapt to changing consumer demands or not offering innovative and appealing products may cause LT Foods to lose market share to competitors.

LT Foods has been monitoring changing trends and has also introduced new products to stay relevant to its consumers.

**Fluctuating Raw Material Prices**

LT Foods relies on the availability and cost of raw materials such as rice and other grains. Fluctuations in commodity prices can impact the Company's overall profitability and financial performance.

Brands play the role of a shock absorber and help organisations deliver consistent margins. Our own Brands i.e. Daawat and Royal comprise more than 80% of our business.

**Supply Chain Challenges**

As a global food Company, LT Foods may face challenges associated with its supply chain, including sourcing raw materials, ensuring quality control, managing logistics and dealing with price fluctuations. Disruptions in the supply chain, such as natural disasters or political instability, can also pose a threat to the Company's operations.

Control over the complete value chain, its global supply chain network and a wide distribution across geographies will help LT Foods mitigate this threat.

**Governance and audit**

The Company is dedicated to upholding the highest standards of integrity, transparency and accountability to win the confidence of consumers, shareholders, employees, suppliers, distributors, the local community and other stakeholders. The Company is aware of the significance of maintaining a strong corporate governance model and consistent efforts are made to achieve this goal.

**Internal control systems and their adequacy**

Internal controls and procedures at LT Foods are well-established and in line with the scale and nature of the Company's operations. To ensure that established procedures are followed, the Company

regularly conducts internal audits of its operations, facilities and stockyards. Internal audit reports are examined by the Audit Committee which also evaluates the efficiency of the internal control systems. The Committee may then recommend to the Board of Directors that adjustments be made to the Company's internal controls, business procedures and management systems. Internal auditors may suggest changes for the Company's internal team to work on. The creation of annual internal audit plans is a joint effort between our internal auditors and the Audit Committee.

**Cautionary Statement**

Statements in this Management Discussion and Analysis report describing the Company's

objectives, projections, estimates, expectations, or predictions may be considered 'forward-looking statements' under applicable laws and regulations. These assertions are based on certain assumptions and projections of future events. Because the Company's operations are influenced by many external and internal factors beyond its control, actual results may differ materially from those expressed or implied. The Company makes no commitment to publicly amend, modify, or revise any forward-looking statements in light of subsequent developments, information or events. Readers should be aware that the risks described here are not exhaustive. Readers are encouraged to use their best judgement when assessing the risks associated with the Company.

# Directors' Report

To  
The Members

Your Directors take pleasure in presenting the 33<sup>rd</sup> Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31, 2023.

**Financial Highlights**

In compliance with the provisions of the Companies Act, 2013 ("Act"), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has prepared its financial statements as per Indian Accounting Standards ("IndAS") for the financial year 2022-23. The financial highlights of the Company's operations are as follows:

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	3,91,459.99	2,83,999.61	6,93,579.19	5,42,737.17
Other Income	3,682.45	2,358.76	4,302.14	2,320.91
Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items	26,354.81	20,400.79	77,159.06	61,495.55
Less: Depreciation and amortisation expenses	2,889.97	3,246.54	12,690.72	12,263.24
Less: Finance Cost	2,396.79	2,278.55	8,210.03	6,872.62
Less: Other Expense	57,916.90	37,842.95	1,29,798.44	92,701.00
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	-	-	2,786.22	(485.17)
<b>Profit Before Tax</b>	<b>21,068.05</b>	<b>14,875.70</b>	<b>56,258.31</b>	<b>42,359.69</b>
Less: Tax Expense	5,036.83	3,651.10	13,982.53	11,439.38
<b>Profit After Tax</b>	<b>16,031.22</b>	<b>11,224.60</b>	<b>42,275.78</b>	<b>30,920.31</b>
<b>Total Comprehensive income for the year</b>	<b>15,666.24</b>	<b>11,037.56</b>	<b>45,893.31</b>	<b>29,063.53</b>

(₹ in Lakhs)

**Company's Performance Overview:**

During the financial year 2022-23, LT Foods on a consolidated basis recorded revenue from operations of Rs. 6,93,579.19 lacs 27.79% higher than Rs. 5,42,737.17 lacs in FY 2021-22. Profit before and after tax for the financial year 2022-23 was at Rs. 56,258.31 lacs and Rs. 42,275.78 lacs, respectively as compared to profit before and after tax of Rs. 42,359.69 lacs and Rs. 30,920.31 lacs, respectively for the financial year 2021-22, with an increase of 32.81% and 36.72% in profit before and after tax respectively.

On a standalone basis LT Foods recorded revenue from operations of Rs. 3,91,459.99 lacs 37.84% higher than Rs. 2,83,999.61 lacs in FY 2021-22. Profit before and after tax for the financial year 2022-23 was at Rs. 21,068.05 lacs and Rs. 16,031.22 lacs, respectively as compared to profit before and after tax of Rs. 14,875.70 lacs and Rs. 11,224.60 lacs, respectively for the financial year 2021-22, with an increase of 41.63% and 42.82% in profit before and after tax respectively.

For detailed analysis of the financial performance of the Company, please refer to the Management Discussion & Analysis Report, forming part of the Annual Report.

**Highlights of performance of Subsidiaries, Associates, Joint Ventures and their contribution to the overall performance of the Company.**

A statement providing details of performance and salient features of the financial statements of Subsidiary / Associate / Joint Venture companies, as per Section 129(3) of the Act, are provided in **Annexure I**.

The companies which have become and /or ceased to be Subsidiary/Associate of the Company during the financial year 2022-23 are also mentioned in **Annexure I**.

The financial statements of the subsidiaries, as required, are available on the Company's website and can be accessed at <http://www.ltgroup.in/index.html>.



The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at <http://ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

DAAWAT Foods Limited (Subsidiary) and LT Foods Americas, Inc. (Fellow Subsidiary) are material subsidiaries of the Company, as per the Listing Regulations.

Further, the Annual Accounts and related documents of the subsidiary Companies shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company shall also make available copy thereof upon specific request by any member of the Company interested in obtaining the same. The Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiaries.

### Share Capital

During the year, the Board of Directors in its meeting held on February 28, 2023, allotted 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) ("Equity Shares") at face Value of Re. 1/- per Equity Share and Securities Premium of Rs. 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share aggregating Rs. 142.23/- (Rupees One Hundred and Forty Two and Twenty Three Paise) per Equity Share amounting to 7.89% (Seven point Eight Nine Percent) of the share capital of the Company on a fully diluted basis for an aggregate subscription amount of Rs. 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Seven Two Paise) equity shares to SALIC International Investment Company ("Salic") a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia on Preferential basis. Shareholders, at the Extra Ordinary General Meeting held on December 07, 2022, approved the issuance of securities to SALIC. Post allotment, paid-up share capital of the Company has increased to Rs. 34,72,52,944/- of face value of Re. 1/- each.

Pursuant to the provisions of Regulation 32(4) of the Listing Regulations there are no deviations in the utilization of proceeds from the objects stated in the offer document pertaining to preferential allotment of shares to SALIC.

### Reserves

During the financial year, there was no amount proposed to be transferred to the Reserves.

### Dividend

The Board of Directors at their meeting held on July 28, 2023, have recommended payment of Rs. 0.50 (50%) per equity share of the face value of Re. 1/- each as final

dividend for the financial year ended March 31, 2023. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company.

During the year under review, the Board of Directors of the Company at their meeting held on October 31, 2022, declared an Interim dividend of Rs. 0.50 (50%) per equity share of the face value of Re. 1 each. The interim dividend was paid to the shareholders within the stipulated time period.

The total dividend amount for the financial year 2022-23, including the proposed final dividend, amounts to Rs. 1.00 (100%) per equity share of the face value of Re. 1 each.

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, at the rates as prescribed.

Further, the Board of Directors at their meeting held on July 28, 2023, declared an interim dividend of Rs. 0.50 (50%) per equity share of the face value of Re. 1/- for the financial year 2023-24. The interim dividend shall be paid to the shareholders within the stipulated time period.

The dividend recommended by the Board is in accordance with the Dividend Policy of the Company. The Dividend Policy, in terms of Regulation 43A of the Listing Regulations is available on the Company's website: [http://www.ltgroup.in/pdf/Dividend-Policy\\_Final.pdf](http://www.ltgroup.in/pdf/Dividend-Policy_Final.pdf).

### Particulars of Loans, Guarantees or Investments

The particulars of loans given, investments made and guarantees provided by the Company, under Section 186 of the Companies Act, 2013, as at March 31, 2023, are furnished in **Annexure – II** and forms part of this Report.

### Details relating to deposits covered under Chapter V of the Companies Act, 2013

The Company has not accepted any deposits from the public under Chapter V of the Act and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

### Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company, is liable to retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

A brief resume, nature of expertise, details of directorships held by Mr. Ashwani Kumar Arora in other companies, along with his shareholding in the Company, as stipulated under Secretarial Standard – 2, issued by Institute of Company Secretaries of India, and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

Your Company and the Board expresses their deep condolences on the untimely and sad demise of Mr. Anil Khandelwal (DIN: 03473632), Independent Director of the Company, on February 22, 2023. Mr. Anil Khandelwal was appointed as an Independent Director of the Company w.e.f. July 22, 2021, during his tenure, he played crucial leadership role which benefitted the Company immensely. Mr. Anil Khandelwal's sudden and unexpected demise will be an irreparable loss to the Company and the Company convey deep sympathy, sorrow and condolences to his family.

The Board of Directors in its meeting dated February 28, 2023, approved the appointment of Mr. Alrumaih Sulaiman Abdulrahman S (DIN: 09091328) as a Non-Executive Non-Independent Director of the Company. Mr. Alrumaih holds a bachelor's & Masters' degree in Electrical Engineering from King Saud University, KSA. He has more than twenty years of diverse experience with a focus on Investments, Commercial & Business Development strategy. Throughout his career he was associated with Tamimi Group, as Chief Executive Officer, General Electric (GE) and Saudi Electric Company. Further, the Shareholders approved his appointment through postal ballot process on June 21, 2023.

Further, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors subject to the approval of the shareholders of the Company, Mr. Satish Chander Gupta, (DIN: 00025780) has been appointed as an Independent Director of the Company with effect from June 16, 2023. Mr. Satish Chander Gupta, has a degree of Masters in Commerce and has completed CAIIB from Indian Institute of Banking and Finance. He is having an experience of over 41 years in Banking Industry, is a retired Chairman and Managing Director from Punjab National Bank and had previously held positions of Chairman & Managing Director at Indian Overseas Bank, Chairman at ISMT Ltd. and Kamanwala Housing & Construction Ltd, to name a few. The approval of the shareholders shall be taken through Postal Ballot Process.

During the year under review, Mr. Ashwani Kumar Arora resigned from the position of Chief Financial Officer and Mr. Sachin Gupta has been appointed as Chief Financial Officer of the Company effective from May 30, 2022.

### Declaration from Directors

None of the Directors of the Company are disqualified from being appointed as Directors, as specified in Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### Declaration by Independent Director(s) and reappointment, if any

The Company has received declarations of Independence as stipulated under Section 149(7) of the Act from Independent Directors confirming that he/she is not disqualified from being appointed/ continuing as Independent Director as laid down in section 149(6) of the Act read with rules related thereto and Regulation 16(1) (b) of Listing Regulations. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs. They have also confirmed on the compliance of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### Board Diversity

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender, that will help the Company retain its competitive advantage.

### Performance Evaluation

In pursuance of Section 178 of the Act read with Regulation 4(2), 17(10) and 19(4) read with Schedule II Part D of the Listing Regulations and Secretarial Standard-I, the Nomination and Remuneration Committee has framed the evaluation process and the performance evaluation of Independent Directors, Executive Directors and of the Board as a whole as well as working of its Committees has been carried out during the financial year 2022-23.

### Performance Evaluation of Individual Directors & Chairman

The Independent Directors of the Company met separately on March 27, 2023 without the presence of Non-Independent Directors and *inter-alia* reviewed the performance of the Non-Independent Directors, Board as a whole, performance of the Chairman of the Company and the Committees after taking into consideration the views of Executive and Non-Executive Directors.

### Performance evaluation of the Board and Committees

In compliance with the provisions of SEBI Listing Regulations, the Board of Directors have also carried out evaluation of every Independent Director's performance during the year. The Board members had submitted to Nomination and Remuneration Committee, their

response on a scale from 5 to 1 (Excellent to Performance Needs Improvement) for evaluating the entire Board, Committees including Chairman of the Board.

### Evaluation Outcome

It was further acknowledged that every individual Member and Committee of the Board has contributed best in the growth of the organization.

It was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board has a right balance of discussion between strategic and operational issues. The Board members are from different backgrounds and are enriched by such diversity which brings about different deliberations in the Board and Committee Meetings. The Board is actively engaged on the key issue concerning strategy, talent, risk and governance. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees & the Board was thereafter updated on the same.

### Familiarization Programme for Independent Directors

The members of the Board of the Company are provided with many opportunities to familiarise themselves with the Company, its management and operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates the terms and conditions of their engagement. Directors are also informed of the various developments in the Company through presentations during the meetings.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarization programmes for its Directors which includes review of industry outlook, regulatory updates with respect to the Act, Listing Regulations, taxation and other matters by Auditors, Company Secretary and experts, internal control over financial reporting, Prevention of Insider Trading Regulations, framework for related party transactions. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at the following web link: <http://www.ltgroup.in/business-and-investors.html#investor-updates>

### Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Act, the Directors to the best of their knowledge hereby state and confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis;
5. The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Particulars of Directors and Employees

The ratio of remuneration of each Director to the median employees' remuneration as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is disclosed in **Annexure III** to this report. The statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is available on the Company's website at <http://www.ltgroup.in/index.html>. Any Member desirous of obtaining a copy of the said annexure may access the aforesaid weblink or write to the Company Secretary at [ir@ltgroup.in](mailto:ir@ltgroup.in).

### Board and its Committees

In compliance with the statutory requirements, the Company has formulated mandatory Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders' Relationship Committee.

During the year under review, all the recommendations made by the Committees of the Board, including the Audit Committee, were accepted by the Board.

The Board of Directors met six (6) times during the financial year ended March 31, 2023, i.e. on May 30, 2022, July 29, 2022, October 31, 2022, November 11, 2022, January 31, 2023 and February 28, 2023.

A detailed update on the Board, its composition, governance of committees including detailed charter, terms of reference of various Board Committees, number of Board and Committee meetings held during the financial year ended March 31, 2023 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of the Annual Report.

Further, the Board of Directors at their meeting held on July 28, 2023, approved the closure of Governance Committee and Capital Raising Committee since these were incorporated for specific reasons and the Company do not anticipate the requirement of these committees in near future.

### Audit Committee

The Company has constituted the Audit Committee, in accordance with the provisions of Section 177 of the Act read with Regulation 18 of Listing Regulations. As on March 31, 2023 the Audit Committee comprises of Mr. Abhiram Seth, Mrs. Neeru Singh, Mrs. Ambika Sharma, Independent Directors and Mr. Alrumaih Sulaiman Abdulrahman S, being Non- Executive Non-Independent Director.

Company Secretary & Compliance Officer, Chief Financial Officer, Statutory and Internal Auditors are the permanent invitees to the Committee. Further details relating to the Audit Committee, including number of meetings held during the year, are provided in the Corporate Governance Report forming part of the Annual Report.

During the year under review, all recommendations made by the Audit Committee were accepted by the Board of Directors.

### AUDITORS

#### Statutory Auditors

M/s MSKA & Associates, Chartered Accountants, (Firm Registration Number 105047W), were appointed as the Statutory Auditors of the Company, for a period of five years, at the 30<sup>th</sup> AGM of the Company to hold office till the conclusion of the 35<sup>th</sup> AGM.

The Auditors have issued an unmodified opinion on the financial statements of the Company for the financial year ended March 31, 2023. The said Report of the Auditors is self-explanatory and therefore does not require further comments and explanations. The Auditors' Report for the financial year ended March 31, 2023 on the financial statements of the Company forms part of this Annual Report.

#### Secretarial Auditors

In terms of Section 204 of the Act and Rules made there under, M/s. D Dixit & Associates, Practicing Company Secretary has been appointed as Secretarial Auditors of the Company.

M/s. D Dixit & Associates, Company Secretaries, (Certificate of Practice No. 7871), appointed as the Secretarial Auditors, have carried out an audit of the secretarial records of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 under the Act, read with Rules made thereunder and Regulation 24A of the Listing Regulations, is set out in **Annexure IV** to this Directors Report.

Observations/ remarks specified in the said reports alongwith status of the said observations / remarks as on the date of this report are mentioned below:

During the Audit Period it was found that Two Designated employees of the Company has violated the code of conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 2015 as they have conduct trading during closure of trading window as well as also done contra trade. Company has issued warning letters to those Designated Persons and have warned them to remain cautious going forward.

The requirement of maintaining half of the Board as Independent Director is not met as on March 31, 2023. However, the said requirement was complied by the Company during the quarter ended June 30, 2023.

Pursuant to requirement of Regulation 24A of the Listing Regulations, the Secretarial Audit Report of DAAWAT Foods Limited, material unlisted subsidiary, incorporated in India, of the Company, is annexed to this report as **Annexure V** to this Report

Pursuant to requirement of Regulation 24A of the Listing Regulations, the Secretarial Compliance Report for the financial year ended March 31, 2023, in relation to compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, issued by M/s. D Dixit & Associates, Company Secretaries, has been filed with the stock exchanges within the prescribed time limit.

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, on the recommendation of the Audit Committee, have appointed M/s. D Dixit & Associates, as the Secretarial Auditor for the financial year ending March 31, 2024.

M/s. D Dixit & Associates, Company Secretaries, have provided a consent to the Company to act as the Secretarial Auditors for conducting the audit of the secretarial records for the financial year ending March 31, 2024, and have also confirmed that their appointment, if made, would be within the limits laid down by the Act



and Rules made thereunder and they are not disqualified for being appointed as Secretarial Auditors under the provisions of applicable laws. They have also confirmed that their firm is peer reviewed by The Institute of Company Secretaries of India.

#### Cost Auditors and Cost Records

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act read with Rule 3 and Rule 4 of The Companies (Cost Records and Audit) Rules, 2014, are not applicable for the business activities carried out by the Company.

#### Reporting by Auditors

During the year under review, the Statutory Auditors and the Secretarial Auditors have confirmed that they have not come across any event indicating commitment of any fraud by the officers or employees of the Company and thus, no reporting under the provisions of section 142(12) of the Act and the Rules made thereunder was required.

#### Internal Auditor

In terms of compliance of Section 138 of the Act read with the Companies (Accounts) rules, 2014, the Board of Directors on the recommendation of Audit Committee approved the appointment of Grant Thornton, Bharat LLP as its Internal Auditors of the Company for reporting year 2023-24.

### Sustainability Journey

The Environment, Social and Governance ("ESG") components are factors that help ascertain both investment decisions and risk management with a lens of sustainability within the organization. The primary objective is to build a culture that encourages, promotes and achieves ethical business conduct which is more environmentally and socially conscientious, while adhering to prescribed/ applicable rules and regulations, and are more likely to sustainably succeed in the long run.

During the financial year 2022-23, the Company undertook a comprehensive materiality assessment exercise to gather insights on emerging ESG issues that may impact its business in the future. The objective was to assess the Company's current status as an organization basis the worldwide tested parameters of ESG Key Performance Indicators and to lay down the road map for future actions to effectively contribute in achieving the global vision of considerably reducing carbon footprint.

The Company relentlessly strives to provide long-term sustainable value to all its stakeholders including customers, investors, suppliers, employees, government & regulatory bodies and communities. The Company has formulated an ESG Policy to monitor and regulate its ESG initiatives which has been uploaded on the website of the

Company and can be accessed at: <http://www.ltgroup.in/pdf/ESG-Policy.pdf>.

During the financial year 2022-23, the Board renamed the Corporate Social Responsibility Committee as CSR & ESG Committee w.e.f May 30, 2022, to discharge its oversight responsibility on matters related to organization-wide ESG initiatives, priorities, and leading ESG practices. The CSR & ESG Committee reports to the Board and meets on regular intervals to review progress on the ESG initiatives undertaken by the Company.

### Business Responsibility and Sustainability Report (BRSR)

In November 2018, the Ministry of Corporate Affairs ("MCA") constituted a Committee on Business Responsibility Reporting ("the Committee") to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the National Guidelines on Responsible Business Conduct. Through its report, the Committee recommended that Business Responsibility Report be replaced with BRSR, where disclosures are based on ESG parameters, compelling organizations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting. The BRSR disclosures forms part of this Annual Report, which would follow the format detailed in the amendment to Regulation 34(2) (f) of Listing Regulations vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021 and will form a part of this Annual Report.

The BRSR for the financial year 2022-23 is aligned with the nine principles of the National Guidelines on Responsible Business Conduct notified by the Ministry of Corporate Affairs, Government of India. We have further enhanced our existing strong reporting structure and mechanisms to ensure we capture reliable and accurate data for the requirements of BRSR disclosures.

### Corporate Governance Certificate

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the Listing Regulations forms part of this Annual Report.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the Listing Regulations. CS Debasis Dixit, Practicing Company Secretary, vide their certificate dated July 10, 2023, has confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the Listing Regulations except that the Board composition of the Company, as on March 31, 2023, did not met the criteria specified under Regulation 17(1) of the Listing Regulations. The said certificate is annexed

to the Corporate Governance Report forming part of this Annual Report. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, *inter-alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed to the Corporate Governance Report.

### Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this Annual Report.

### Corporate Social Responsibility

In terms of the provisions of section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendment thereof, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which has been renamed as CSR & ESG Committee w.e.f. May 30, 2022. The said Committee is chaired by Mrs. Neeru Singh, Independent Director. The other members of the Committee are Mr. Abhiram Seth, Independent Director, Mr. Vijay Kumar Arora, Managing Director and Mr. Ashwani Kumar Arora, Managing Director & CEO. Further, Mrs. Monika Chawla Jaggia, Company Secretary & Compliance Officer and Mr. Sachin Gupta, Chief Financial Officer are the permanent invitees to the Committee. Further details relating to the CSR & ESG Committee, including number of meetings held during the year, are provided in the Corporate Governance Report forming part of the Annual Report.

The CSR & ESG Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and Policy of the Company. The Company's CSR Policy and annual report on the CSR activities undertaken during the financial year ended March 31, 2023, in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") is set out in **Annexure VI** to this Report. The CSR Policy of the Company is available on its website viz. <http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>.

Your Company is a caring corporate entity and lays significant emphasis on development of the communities around which it operates. During the year, on the recommendation of the CSR & ESG Committee and as approved by the Board, your Company has executed several projects in the areas of Trainings to the farmers with sustainable farming practices, water conservation, Education, Health Care, Girl Child Education, village adoption. As per section 135 of the Act, read with CSR

Rules, companies are required to spend minimum 2% of their average net profit for the last three financial years. Basis which the minimum requirement for the Company was Rs. 2.73 crores for the financial year 2022-23.

### Risk Management

Risk management is embedded in Company's operating framework. The Company believes that risk resilience is key to achieving higher growth. To this effect, there is a process in place to identify key risks across the functions and prioritise relevant action plans to mitigate these risks. To have a more robust process, the Company had constituted a Risk Management Committee to focus on risk management, including determination of the Company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation).

The Risk Management Framework is reviewed periodically by the Risk Management Committee, which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks. The objective of the Company's Risk Management Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritisation of risks affecting the Company in the short term and in the foreseeable future. The policy suggests framing an appropriate response action for the key risks identified, so as to make sure that the risks are adequately addressed or mitigated. Details of the Committee including number of meetings held during the year, are provided in the Corporate Governance Report forming part of the Annual Report.

Details on risk management forms part of the Management Discussion and Analysis Report under the section 'Opportunities & Threats', which forms part of this Annual Report.

The Company has in place a comprehensive Risk Management Policy which has been uploaded on the website of the Company and can be accessed at <http://ltgroup.in/pdf/LT-Foods%20Risk-Management.pdf>.

### Internal Financial Controls

The Company has adequate Internal Financial Control System over financial reporting which ensures that all transactions are authorized, recorded, and reported correctly in a timely manner. The Company's Internal Financial Control over financial reporting is designed to provide reliable financial information and to comply with applicable accounting standards.

The Company periodically tracks all amendments to Accounting Standards and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same. All resultant changes to

the policy and impact on financials, if any, are disclosed after due validation with the Statutory Auditors and the Audit Committee.

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by the management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

### Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company believes that every employee should have the opportunity to work in an environment free from any conduct which can be considered as sexual harassment.

The Company is committed to treating every employee with dignity and respect. The Company has formulated a policy on 'Prevention of Sexual Harassment at Workplace Policy' as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. The policy is applicable to all the establishments of the Company located in India. The Company has constituted Internal Complaints Committees to ensure implementation and compliance with the provisions of the aforesaid Act and the Rules.

This Policy addresses the following major objectives:

- To define Sexual Harassment;
- To lay down the guidelines for reporting acts of Sexual Harassment at the workplace; and
- To provide the procedure for the resolution and redressal of complaints of Sexual Harassment.

The policy lays down a detailed procedure for making a complaint, initiating enquiry therein and satisfactory redressal of the complaint.

During the financial year 2022-23, no complaint was reported under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder and none was pending from the previous financial year.

### Whistle Blower Policy / Vigil Mechanism

Company encourages an open and transparent system of working and dealing amongst its stakeholders. LT Foods has adopted a 'Whistle Blower Policy' which encompasses a comprehensive framework of managing complaints of every stakeholder. It encourages its employees and various stakeholders to raise concerns about illegal / unethical behaviour observed in the Company, compromise / violation of Company's Code of Conduct or legal or regulatory provisions, corruption, misuse of office, actual or suspected fraud and other malpractices detrimental to the interest of the Company without any fear of reprisal, discrimination, harassment or victimization of any kind.

The policy also covers reporting of instances of leakage/ suspected leakage of unpublished price sensitive information which are in violation to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons.

Complaints, if any, are received by the Ombudsman through a dedicated email ID or by way of letter addressed to the Ombudsman. In case the whistle blower wishes to raise a complaint directly to the members of the Audit Committee, and not through above mentioned normal channels, the complaint may be directly made to the Chairperson of the Audit Committee.

Details of whistle blower complaints received, if any, and the functioning of the whistle blower mechanism are reviewed periodically by the Audit Committee. No person has been denied access to the Chairperson of the Audit Committee. During the financial year 2022-23, no complaint was received under the Whistle Blower Policy of the Company. Details of whistle blower policy are available in the Corporate Governance Report that forms part of this Annual Report.

The Whistle Blower Policy is available on the website of the Company at the link [http://ltgroup.in/pdf/Whistle-Blower%20Policy\\_August%202021.pdf](http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf).

### Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall:

- lay down the effective manner of performance evaluation of the Board, its Committees and the Directors
- formulate the criteria for Board membership, including the appropriate mix of Executive & Non-Executive Directors and Board Diversity;

- approve and recommend compensation packages and policies for Directors, Key Managerial Personnel and Senior Management Personnel; and
- such other matters as provided under section 178 of the Act and under the provisions of Listing Regulations.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of this Annual Report. The Policy is available on the website of the Company at: <http://www.ltgroup.in/pdf/LT-Foods-Remuneration-Policy.pdf>.

### Particulars of contracts or arrangements with Related Parties

All arrangements/ transactions entered into by the Company with its related parties during the financial year 2022-23 were in the ordinary course of business and on an arm's length basis. During the year under review, the Company had taken shareholders' approval for all the arrangement/ transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions, as amended, read with the Listing Regulations. As per the requirements of Indian Accounting Standards 24, details of all the transactions of the Company with its related parties have been disclosed in the financial statements forming part of this Annual Report.

A declaration in Form AOC-2, as required under sections 134(3)(h) read with 188(1) of the Act is enclosed as **Annexure VII** to this report. The Policy on the Related Party Transactions is available on the Company's website at: <http://www.ltgroup.in/pdf/LT-Food-Related-Party-Transactions-2022.pdf>.

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with related parties is provided in the Report on Corporate Governance, which forms part of this Annual Report.

### Compliance with the provisions of Secretarial Standards

The mandatory Secretarial Standards issued by the Institute of Company Secretaries of India, have been duly complied with by the Company, during the year under review.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under section 134(3) of the Act read with Rule 8 of Companies (Accounts of Companies) Rules, 2014 is as follows:

#### 1. Bringing Maximum Control into System through Process Automation

We have strategized the implementation of plant automation using SCADA across our primary packing and processing facilities. This aims to uphold optimal efficiency and quality while minimizing the slightest possibility of manual errors.

#### 2. Section wise Efficiency Improvement Projects

We are actively engaged in executing multiple in-house projects aimed at enhancing efficiency. These projects encompass areas such as loading optimization, minimizing concealed wastage tied to manpower and materials, optimizing power consumption, introducing high-efficiency machinery along with IE4 motors, and maximizing the utilization of renewable energy sources.

#### 3. Inclusion of Bar Codes for improved planning & traceability

We have incorporated Bar Codes as a pivotal tool and are striving to uphold seamless production planning and comprehensive traceability from the production process to invoicing. This initiative will enable us to monitor even the slightest discrepancies and ensure accurate scheduling and thorough traceability.

#### 4. 2<sup>nd</sup> stage of Digitization

We embarked on our journey towards digitization a year ago and have now progressed to the second phase with the valuable assistance of our esteemed consultants in the field.

#### 5. Using by-product (Husk) for electricity generation

By harnessing green energy from a turbine that utilizes husk a by product for the Company, to generating an impressive capacity of 3.5 MW per hour, resulting in minimum utilisation of electricity.

#### 6. Renewable (Solar) Energy Generation

Company with the help of solar panels have been able to generate solar energy of approx. 5,00,000 KWH on a yearly basis, resulting in energy conservation and reduction in green house gas emissions.

#### 7. Rain Water Harvesting increased

Company has installed a new rainwater harvesting well and constructed a pond within its plant premises, with an aim to significantly increase its capacity of rainwater harvesting and enhancing groundwater recharge capacity. Consequent to which water stress level will be reduced and will help in restoring the land with rain water.



## 8. Technology / Machine modification

Company has been working towards implementing advanced energy-efficient technologies by installing synchronization meters to effectively manage the power generated from DG (Diesel Generator), turbines, and solar sources. This has resulted in energy saving and productivity improvement in the operations of the Company.

## 9. Electric Fork Lift introduced

During the year under review, Company has replaced Diesel Operated Fork Lift with Battery Operated fork lift which has impacted in reducing Fossil fuel consumption and air emission inside the plant premises, making it a healthier environment for the plant workforce.

## 10. New Plantation in Factory Land

Company has taken an initiative of building a mini forest in approx. 2 acres of land within the Company premises for creating a healthier environment within the factory premises and taking a step in contributing towards Company's ESG Targets.

## Foreign Exchange Earnings and Outgo:

During the year, the total foreign exchange spent was depicted below in Lakhs and the total foreign exchange earned were as follows:

Particulars	Lakhs	
	31-03-2023	31-03-2022
<b>Value of imports on CIF basis</b>		
Capital goods	11.20	96.44
Stores and spares	910.72	14.71
Rice	106.99	-
Packing Material	-	20.86
Other	4.62	-
Other Food Items	-	-
<b>Total</b>	<b>1,033.54</b>	<b>132.00</b>
<b>Expenditure in foreign currency</b>		
Legal & Professional	102.66	16.79
Interest and other charges to bank	53.96	281.38
Clearing & Forwarding Expense	6,238.37	5,968.80
Advertisement	78.27	-
Sales promotion	61.94	187.12
Commission on export sales	124.08	284.92
Others	17.71	107.31
<b>Total</b>	<b>6,676.99</b>	<b>6,846.32</b>

Particulars	Lakhs	
	31-03-2023	31-03-2022
<b>Earnings in foreign currency</b>		
<b>FOB value of exports</b>	1,52,053.80	1,18,787.69
<b>Total</b>	<b>1,52,053.80</b>	<b>1,18,787.69</b>

## Change in the nature of business

There is no change in the nature of the business operations of the Company, during the financial year ended March 31, 2023.

## Material changes and commitments, if any, affecting the financial position between the end of the financial year and the date of Report.

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year ended March 31, 2023 and the date of this Report. Except that a Step-Down wholly owned subsidiary company of LT Foods Limited in the name of "LT Foods UK Limited" has been incorporated on July 17, 2023 to expand and strengthen our presence in United Kingdom.

## Investor Education and Protection Fund

In accordance with the applicable provisions of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred to the Investor Education and Protection Fund ("IEPF") after completion of seven consecutive years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the Investor Education and Protection Fund Authority ("IEPF Authority"). After the transfer, the concerned shareholders can claim the said shares along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on [www.iepf.gov.in](http://www.iepf.gov.in) and on submission of such documents as prescribed under the IEPF Rules. On receipt of the application, the Company shall send an online verification report to the IEPF Authority after verifying all the necessary details which is duly certified by the Nodal Officer. All corporate benefits accruing on such shares including dividend shall be credited to IEPF.

During the year under review, unpaid or unclaimed dividend amounting to Rs. 2,42,315.50/- in respect of shares transferred earlier to IEPF Authority, was transferred by the Company to the IEPF, established by the Government of India.

The dividend declared for the financial year 2015-16, is due to be transferred to IEPF account during the financial year 2023-24.

The Company has been regularly sending communications to members whose dividends are lying unclaimed requesting them to claim their outstanding dividend amount by providing/ updating their bank details with the RTA/Company/ Depository Participant, as the case may be so that their dividend amount do not remain unclaimed for seven consecutive years and thus attracting the provision of transferring the corresponding shares to IEPF Authority.

Further the amount of Dividend unclaimed/unpaid are lying in the respective unpaid / unclaimed dividend accounts and can be claimed by the respective shareholders by sending required documents to the Company's Registrar and Share Transfer Agent (RTA) i.e. Big Share Services Private Limited, before the due date of transferring the same in IEPF account.

## Annual Return

A copy of the Annual Return of the Company containing the particulars prescribed under section 134(3)(a) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, in Form MGT-7, as they stood on the close of the financial year i.e. March 31, 2023 is uploaded on the website of the Company and can be accessed through the following link: <http://ltgroup.in/investor-updates/annual-return.html>.

## Details of significant and material orders passed by the regulators or courts

During the financial year 2022-23, no significantly material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

## Affirmations

To the best of our knowledge and the information available, no application against the Company was filed in any court in India under the Insolvency and Bankruptcy Code, 2016, nor any proceedings thereunder is pending as on March 31, 2023.

During the year under review, there was no instance of onetime settlement with any bank or financial institution.

## Acknowledgements

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your Company has been receiving from all its business partners - suppliers, distributors, retailers and others associated with it. Your Company looks upon them as partners in progress and share with them the rewards of growth.

Your Directors also express their sense of gratitude to all the shareholders, customers, vendors, banks and regulatory authorities, both at the Central and State level, and look forward to their continued support.

For and on behalf of  
**Board of Directors of LT Foods Limited**

Gurugram,  
July 28, 2023

**Vijay Kumar Arora**  
Chairman and Managing Director

## Annexure – I

### AOC 1 DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

#### Part "A" : Subsidiaries

Statement containing certain financial information of subsidiaries, associate companies and joint ventures of LT Foods Limited as at March 31, 2023 (Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014

S. No.	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus assets	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed Dividend (INR)	Extent of shareholding (in %age)
1	LTO North America, Inc. USA (Wholly Owned Subsidiary)	USD **	02.11.2007	31.03.23	67.7	(76.53)	148.94	157.77	29.65	-	0.004	(0.02)	0.02	1186.82	100
2	LT Foods Americas, Inc. (Fellow Subsidiary)	USD **	22.09.2010	31.03.23	1.00	910.60	1768.16	856.55	81.60	3103.45	203.57	58.62	144.94	-	100
3	LT Foods USA LLC (Wholly Owned Subsidiary)	USD **	21.10.2007	31.03.23	-	(9.37)	56.78	66.16	-	-	(1.27)	(0.2)	(1.01)	-	100
4	LT Foods Middle East DMCC (Fellow Subsidiary)	AED **	19.07.2012	31.03.23	10.00	33.72	380.02	336.30	-	989.20	1.53	-	1.53	-	100
5	Sona Global Ltd. UAE (Wholly Owned Subsidiary)	AED **	17.04.2013	31.03.23	132.90	5.43	144.30	0.26	10.00	1.92	(0.05)	-	(0.05)	-	100
6	Daawat Foods Limited (Subsidiary)	INR **	19.03.2005	31.03.23	1,915.53	43,173.08	1,24,642.85	79,030.21	158.40	1,30,333.32	9,641.96	2,529.68	7,112.28	200.00	99.99
7	Nature Bio Foods Limited (Wholly Owned Subsidiary)	INR	04.05.2005	31.03.23	200.10	17,706.99	40,477.90	22,570.81	3,013.98	41,480.06	1,863.81	590.87	1,272.94	-	99.95
8	LT Agri Services Private Limited (Fellow Subsidiary)	INR	28.08.2014	31.03.23	1.00	(1.00)	-	-	-	0.10	-	-	-	-	100
9	Raghunath Agro Industries Private Limited	INR	20.07.2015	31.03.23	424.79	3079.30	8,579.91	5,075.81	25.00	20992.98	574.02	149.95	424.07	-	100
10	LT Foods International Limited	USD **	24.06.2016	31.03.23	0.76	29.95	136.22	105.50	77.84	147.88	7.05	0.61	6.44	-	100
11	LT Foods Europe BV	USD **	06.09.2016	31.03.23	0.00	85.39	815.88	730.49	-	1138.28	23.99	5.74	18.24	-	100

S. No.	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus assets	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed Dividend (INR)	Extent of shareholding (in %age)
12	Deva Singh Sham Singh Export Private Limited	INR	12.04.2017	31.03.23	1.00	82.28	270.70	187.42	-	975.72	32.57	8.20	24.37	-	100
14	Nature Bio-Foods B.V.	Euro**	06.11.2017	31.03.23	0.00	47.61	156.68	109.06	3.61	354.54	21.07	5.00	16.06	-	100
15	Ecopure Specialities Limited	INR	01.11.2017	31.03.23	475.09	3,829.25	7,080.46	2,776.13	-	30,785.58	905.88	229.68	676.21	-	100
16	Nature Bio Foods Inc	USD**	01.08.2020	31.03.23	1.00	8.44	20.00	10.55	-	66.48	3.73	1.48	2.25	-	100

Profit & Loss Items dealt with:-

\*\* 1 USD (US Dollar) Rs 80.3717

\*\* 1 AED (United Arab Emirates Dirham) Rs 21.8789

\*\* 1 EURO (European Currency) Rs 83.7263

Balance Sheet Items dealt with:-

\*\* 1 USD (US Dollar) Rs 82.2169

\*\* 1 AED (United Arab Emirates Dirham) Rs 22.3760

\*\* 1 EURO (European Currency) Rs 89.6076

\*Dividend received during the financial year 2022-23

Note :- 1. Name of the subsidiaries which are yet to commence operations:- Ecolife, LLC, LT Foundation

2. Name of the subsidiaries which have been liquidated or sold during the year: Nil

3. Details of Material Subsidiaries as per regulation 34(3) Schedule V Part C (10)(n)-

S. No.	Name of Material Subsidiary	Statutory Auditors	Date of Appointment of Statutory Auditors
1	Daawat Foods Limited	MSKA & Associates	30.11.2019
2	LT Foods Americas Inc.	BDO India LLP	10.03.2021



PART- B ASSOCIATES AND JOINT VENTURES

Sl. No.	Name of Associates or Joint Ventures	Raghuvesh Agri Foods Private Limited (Associate)	Raghuvesh Warehousing Private Limited (Associate)	Raghuvesh Infrastructure Pvt. Ltd. (Associate)	*Daawat Kameda Private Limited (Joint Venture)	Golden Star Trading, Inc.	Leev, Inc
1.	Last Audited Balance Sheet date	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023
2.	Date on which the Associate or Joint Venture was associated or acquired	20/05/2014	20/05/2014	24/08/2015	14/03/2017	28/06/2022	21/07/2023
3.	Shares of the Associate or Joint Venture held by the Company on the year end	1600000	1600000	15000	29170673	27000	5400
	No.						
	Amount of Investment in the Associate or Joint Venture	160.00	160.00	1.50	1878.21	6708.90	241.94
	Extent of holding (in percentage)	40	40	30	51	51	30
4.	Description of how there is significant Influence	Holding More than 20% of Total Share Capital of the Company					
5.	Reason why the associate/joint venture is not Consolidated	Not Applicable					
6.	Net worth attributable to shareholding as per latest audited balance sheet	869.98	1127.12	299.54	2431.18	6,311.79	764.37
7.	Profit or Loss for the year						
	(i) Considered in consolidation	(1.57)	(1.38)	28.85	(473.28)	3135.75	94.71
	(ii) Not Considered in consolidation	2.35	0.54	67.53	339.85	1866.26	227.80
8.	Proposed Dividend	-	-	-	-	-	-
9.	Extent of shareholding (in %age)	40	40	30	51	51	30

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None
- The Company has entered into Joint Venture with Lee Inc , Golden Star Trading during the year
- \* Erstwhile Kameda LT Foods (India) Private Limited

Annexure – II

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees or Investments

The details of Loans given, Guarantee provided and Investments made are as follows:

(a) Details of Loans:

Sl. No.	Date of loan	Name of the Company	Amount in Rs. Lakhs	Purpose for which loan was given	Date of Board Meeting / Management Committee Meeting	Rate of Interest Charged
1	10-08-2022	Raghuvesh Agri Foods Private Limited	15.00	Business purpose	31.03.2020	10%
2	10-08-2022	Raghuvesh Warehousing Private Limited	5.00	Business purpose	31.03.2020	10%
3	03-02-2023	Raghuvesh Agri Foods Private Limited	17.00	Business purpose	31.03.2020	10%
4	04-02-2023	Raghuvesh Agri Foods Private Limited	17.00	Business purpose	31.03.2020	10%
5	31-03-2023	Raghuvesh Agri Foods Private Limited	26.00	Business purpose	31.03.2020	10%

(b) Details of Investments:

Sl. No.	Date of Investment	Details of Investee	Amount Rs. Lakhs	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of Board Resolution	Date of Special Resolution	Expected rate of return
1	07.10.2022	Daawat Kameda India Private Limited	511.43	Business Expansion	13.09.2022	Not Applicable	Not Applicable
2	01.09.2022	Sona Global Limited	1,597.34	Working Capital Requirement	30.05.2022	Not Applicable	Not Applicable

(c) Details of Guarantee / Security provided during the financial year 2022-23

Sl. No.	Date of recipient	Amount in Rs. Lakhs	Purpose for which the security /guarantee is proposed to be utilized by the recipient
1.	Ecopure Specialities Limited	3,300.00	Working Capital Loan
2.	Nature Bio Foods Limited	2,900.00	Working Capital Loan
3.	Daawat Foods Limited	932	Working Capital Loan

## Annexure – III

## Details of Remuneration as per Section 197 of the Companies Act, 2013 ('Act') and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### A. Details as per Section 197 of the Act and Rule 5(1):

- (i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:

Sl. No.	Name of Director	Designation	Ratio of Remuneration to median remuneration of employees
<b>Executive Director</b>			
1	Mr. Vijay Kumar Arora	Chairman & Managing Director	1:53
2	Mr. Ashwani Kumar Arora	Managing Director & CEO	1:53
3	Mr. Surinder Kumar Arora*	Managing Director	NA

\*He draws remuneration from Daawat Foods Limited, subsidiary company.

Note: Non-Executive Directors are not paid any remuneration apart from sitting fees

- (ii) Percentage increase /(decrease) in the remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the financial year 2022-23 is as follows:

Sl. No.	Name of the Directors / KMP's	Designation	Percentage increase / (decrease) in remuneration in the financial year 2022-23*
1	Mr. Vijay Kumar Arora	Chairman & Managing Director	Nil
2	Mr. Ashwani Kumar Arora	Managing Director & CEO	Nil
3	Mr. Surinder Kumar Arora	Managing Director	NA*
4	Mr. Abhiram Seth	Independent Director	Nil
5	Mrs. Neeru Singh	Independent Director	Nil
6	Mrs. Ambika Sharma	Independent Director	Nil
7	Mr. Anil Khandelwal	Independent Director	Nil
8	Mr. Alrumaih Sulaiman Abdulrahman S	Non- Executive Non-Independent Director	Nil
9	Mr. Satish Chander Gupta	Independent Director	NA**
10	Mrs. Monika Chawla Jaggia	Company Secretary	7%
11	Mr. Sachin Gupta	Chief Financial Officer	15.7%

Note: Effective percentage increase / (decrease) is based upon payout during the financial year 2022-23. Non-Executive Directors are not paid any remuneration apart from sitting fees.

\*He draws remuneration from Daawat Foods Limited, subsidiary company.

\*\*Appointed w.e.f. June 16, 2023

(iii) Median Remuneration:

During the financial year 2022-23, median annual remuneration of employees increased by 8.5% over the previous financial year.

(iv) Permanent Employees:

The Company had 1149 permanent employees on its rolls as on March 31, 2023.

(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:

Average percentage increase in the salaries of employees other than the managerial personnel during the financial year 2022-23 was 8.5%. Average percentage increase in the salaries of employees other than the managerial personnel during the financial year 2022-23 was 8.5%. There was no increase in the remuneration payable to the Chairman, Managing Director & CEO during the financial year 2022-23.

(vi) The Company affirms that the remuneration to Directors and employees during the financial year 2022-23 is as per the Nomination and Remuneration Policy.



## Annexure – IV

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**LT Foods Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **M/s LT Foods Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s LT Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

#### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s LT Foods Limited** ("the Company") for the financial year ended on **31st March, 2023** to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- (f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- and
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

\*No event took place under these regulations during the Audit Period.

- (vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.

- (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
- (2) The Equal Remuneration Act, 1976
- (3) The Maternity Benefit Act, 1961
- (4) The Minimum wages Act, 1948
- (5) The Water (Prevention and Control of Pollution) Act, 1974
- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harrassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (18) The Stamp Duty Act, 1889

#### Observations/Disclaimer in Clause (v) (b) of Para One of Our Report

1. During the Audit Period it was found that Two Designated employees of the Company has violated the code of conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 2015 as they have conduct trading during closure of trading window as well as also done contra trade. Company has issued warning letters to those Designated Persons and have warned them to remain cautious going forward.

#### Observations/Disclaimer in Clause (v) (e) of Para One of Our Report

2. On 28th February 2023, the Company was required to appoint one more independent Director on its board to make the number of independent directors as half of the Board;

#### PARA SECOND

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

*The Board of Directors of the Company is not duly constituted with proper Balance of Executive Directors, Non-Executive Directors and Independent Directors as there was vacancy of one independent Director of the Board post demise of one of the Independent Director of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.*

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

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

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

I further report that during the audit period the company has:

1. Taken Shareholders approval by way of Postal Ballot dated 01st April, 2022 for the following items:
  - a. Approval of Material Related Party Transactions with Daawat Foods Limited for the Financial Year 2022-23.;
  - b. Approval of Material Related Party Transactions of the Subsidiaries of LT Foods Limited with LT

- Foods Americas Inc (Wholly Owned Subsidiary of LT Foods Limited) for the Financial Year 2022-23;
2. Taken Shareholders approval in the Extra Ordinary General Meeting held on 07th December 2022 for the following items: -
    - a. Issuance of equity shares to Salic International Investment Company;
    - b. To approve for the adoption of the amended and restated Articles of Association of the Company;
    - c. Approval of proposed material modification of approved material related party transactions with Daawat Foods Limited for the financial year 2022-23;
    - d. Approval of proposed material modification of approved material related party transactions with subsidiaries of LT Foods limited with LT Foods Americas Inc. (Wholly Owned Subsidiary of LT Foods Limited) for the financial year 2022-23;
    - e. To approve the amendment of the Memorandum of Association of the Company;
    - f. To approve the increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate.
  3. Taken Shareholders approval by way of Postal Ballot Results dated 28th March 2023 for the following items: -
    - a. Approval of Material Related Party Transactions with Daawat Foods Limited for the Financial Year 2023-24;
    - b. Approval of Material Related Party Transactions of the Subsidiaries of LT Foods Limited with LT Foods Americas Inc. (Wholly Owned Subsidiary of LT Foods Limited) for the Financial Year 2023-24;
    - c. To increase remuneration of Mr. Ritesh Arora, CEO-India & Far East Business of the Company.

**For D Dixit and Associates**  
Company Secretaries

Place: New Delhi **Debasis Dixit**  
 Date: 28.07.2023 FCS No. 7218, CP No.: 7871  
 UDIN:F007218E000692463 PR-1823/2022

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

## Annexure A to the Secretarial Audit Report

The Members  
**LT Foods Limited**

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



## Annexure – V

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,  
The Members,  
**Daawat Foods Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **M/s Daawat Foods Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s Daawat Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

#### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Daawat Foods Limited** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2023** to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) \*The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) \*The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- (a) \*The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) \*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) \*The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-; and
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-  
\*Not Applicable to the Company during the Audit Period.

(vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management

in addition to the checks carried out by me and found that company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.

- (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
- (2) The Equal Remuneration Act, 1976
- (3) The Maternity Benefit Act, 1961
- (4) The Minimum wages Act, 1948
- (5) The Water (Prevention and Control of Pollution) Act, 1974
- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### Observations/Disclaimer in Clause (i) & (iv) of Para One of Our Report

1. According to information and Explanation and verification of forms and returns maintained by Company, the Company as required under Section 403 paid the prescribed additional fees in case of delayed filing;
2. As per Management representation, the related party transactions during the financial year does not require shareholder's approval, as the related party transactions entered into by the company is in its ordinary course of business and on arm's length basis. However, I am unable to comment on the Company's claim of ordinary course of business and on arm's length basis;

3. The Company has filed return in delayed manner under The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013;
4. The Gratuity has been exceeding period of thirty days under the provisions of Payment of Gratuity Act, 1972;
5. The Holding Company has acquired 100% beneficial interest in the company on 30<sup>th</sup> March 2023. Pursuant to Section 187 read with 89 Holding Company vide its Board resolution dated 30<sup>th</sup> January 2023 nominated 6 individuals as Nominee shareholder of the Company. However, shares were actually transferred post-closing of financial year and as a result as on 31<sup>st</sup> March 2023, company has 6 shareholders as per Register of members of the company.

#### PARA SECOND

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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

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

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

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

I further report that during the audit period the company has:

1. Taken Shareholders approval in the Annual General Meeting of Shareholders held on 28<sup>th</sup> September, 2022 for following items: -
  - a. To Re-Appoint Mr. Surinder Kumar Arora as Managing Director of the Company for a period of five years;
  - b. To Re-Appoint Mr. Ashok Kumar Arora as Managing Director of the Company for a period of five years.

2. Taken Shareholders approval in the Extra Ordinary General Meeting of Shareholders held on 07<sup>th</sup> December, 2022 to amend the Articles of Association of the Company pursuant to Shareholder's Agreement.

For D Dixit and Associates  
Company Secretaries

Place: New Delhi CS Debasis Dixit  
Date: 21.07.2023 FCS No. 7218, CP No.: 7871  
UDIN: F007218E000657001 PR-1823/2022

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

## Annexure A to the Secretarial Audit Report

The Members

### Daawat Foods Limited

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

## Annexure VI

### ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

#### 1. Brief outline on CSR Policy of the Company:

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee considered and approved CSR Policy of the Company.

The Company recognises the vital role played by local communities in its growth and believes in contributing to their well-being. The Company's CSR activities enrich and empower marginalized communities, addressing critical social and economic challenges. Through our initiatives, we aim to enable communities to grow and create value.

The Company's CSR philosophy is based on the keystones comprising:

1. Setting guiding principles for carrying out CSR activities.
2. Setting up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
3. Conducting business in line with the responsible business framework.
4. Creating superior value for our stakeholders.
5. Implementation of the CSR activities in Projects/ Programme mode through a focused approach for generating maximum approach.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Neeru Singh	Chairperson (Independent Director)	3	3
2	Vijay Kumar Arora	Member, Executive Director	3	2
3	Ashwani Kumar Arora	Member, Executive Director	3	3
4	Abhiram Seth	Member, Independent Director	3	3

#### 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.

<http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.:

Impact assessment of CSR Projects is not applicable on the Company.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135: **Rs. 13,675 lacs**
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: **Rs. 273.50 Lacs**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set-off for the financial year, if any: **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 273.50 Lacs**



6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 273.50 Lacs**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 273.50 Lacs**
- (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 the Fund	Amount.	Date of transfer.
Rs. 273.50 Lacs	Nil	NA	NA	NA	NA

(f) Excess amount set off, if any:

Sl. No.	Particular	Amount (in Rs. In Lac)
(i)	Two percent of average net profit of the Company as per Section 135(5)	273.50
(ii)	Total amount spent for the Financial Year	273.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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)]	NIL

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	2021-22	-	-	229.61lacs	NA	NA	NIL	
2	2020-21	-	-	171.77 Lacs	NA	NA	NIL	
3	2019-20	-	-	69.77 Lacs	NA	NA	59.32 Lacs	

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO**

If Yes, enter the number of Capital assets created/ acquired

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

1	2	3	4	5	6		
Sl. 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
Not Applicable							

**9. Specify the reason, if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135- NA**

Sd/-  
**Ashwani Kumar Arora**  
(Managing Director)

Sd/-  
**Neeru Singh**  
(Chairperson CSR Committee)

## Annexure VII

### AOC 2 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

#### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

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

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

(Amount in Lakhs)

Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
1.	Daawat Foods Limited (Subsidiary Company)	Sales / Purchase / Rent / Reimbursement of expenses received/ Freight Expenses / Insurance Income /corporate guarantee charges/Business Support Service/ Sale of Fixed Assets/Corporate Guarantee Given / Dividend	01.04.2022 - 31.03.2023	85,687.56	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL

(Amount in Lakhs)

Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
2.	Nature Bio Foods Limited (Subsidiary Company)	Sales/Purchases/ Rental income / Fumigation Income/ Reimbursement of Expenses/ Processing Charges Income/ Corporate Guarantees given / Corporate Guarantee charges /Business Support Services/Transport Income	01.04.2022 - 31.03.2023	6,397.53	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
3.	LT Foods Americas Inc. (Wholly Owned Subsidiary Company)	Sales/ Dividend income	01.04.2022 - 31.03.2023	83,552.93	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
4.	LT Foods Middle East DMCC (Subsidiary Company)	Sales	01.04.2022 - 31.03.2023	19,662.40	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
5.	Raghunath Agro Industries Private Limited (Subsidiary Company)	Corporate Guarantee charges income /Fumigation Income / Corporate Guarantees given/ Reimbursement of Expenses / Purchases /Sales / Purchase of fixed assets	01.04.2022 - 31.03.2023	7,902.21	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
6.	Raghuvesh Agri Foods Private Limited (Associate Company)	Payment received against loan/ interest income / Loan granted	01.04.2022 - 31.03.2023	360.17	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
7.	Super Texfab Private Limited (Entities of KMP)	Purchase	01.04.2022 - 31.03.2023	2,616.18	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL



(Amount in Lakhs)

Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
8.	Raghuvesh Warehousing Private Limited (Associate Company)	Payment Received against Loan/ interest income/ Loan granted	01.04.2022 - 31.03.2023	13.78	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
9.	Deva Singh Sham Singh Exports Private Limited (Wholly Owned Subsidiary)	Sales /Rental Expenses/ Reimbursement of expenses/ Fumigation expenses	01.04.2022 - 31.03.2023	73.36	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
10	LT Foods Europe B.V. (Subsidiary Company)	Sale/Purchase/ Business Support Services	01.04.2022 - 31.03.2023	13,804.54	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
11.	Kameda LT Foods ( India ) Private Limited (Joint Venture)	Purchases/ Sales/ Rental Income/ Reimbursement of Expenses/ Investment	01.04.2022 - 31.03.2023	1,077.71	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
12.	Raghuvesh Infrastructure Private Limited (Associate Company)	Reimbursement of expenses	01.04.2022 - 31.03.2023	9.45	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
13.	Eco Pure Specialities Limited (Subsidiary Company)	Corporate guarantee given/ Corporate Guarantee charges / Business Support Services / Reimbursement of expenses	01.04.2022 - 31.03.2023	1,504.05	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
14.	Global Foods Trading Gmbh (Entities of KMP)	Sales	01.04.2022 - 31.03.2023	2,309.51	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
15	Global Foods Trading Ltd. (Entities of KMP)	Sales	01.04.2022 - 31.03.2023	367.62	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL

(Amount in Lakhs)

Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
16	Global Foods Trading Spain S.L (Entities of KMP)	Sales	01.04.2022 - 31.03.2023	979.09	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
17	Global Foods Trading France Sarl (Entities of KMP)	Sales	01.04.2022 - 31.03.2023	1,310.47	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
18	United Farmers Investment Company (Enterprise having significant influence)	Purchase of shares of Daawat Foods Limited	01.04.2022 - 31.03.2023	17,583.02	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
19	Sona Global Limited (Subsidiary Company)	Investment	01.04.2022 - 31.03.2023	1,597.34	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
20	Nature Bio Foods BV (Subsidiary Company)	Business Support Services	01.04.2022 - 31.03.2023	139.59	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL
21	Nature Bio Foods Inc. (Subsidiary Company)	Sales/ Business Support Services	01.04.2022 - 31.03.2023	27.12	30.05.2022, 29.07.2022, 31.10.2022 10.11.2022 and 30.01.2023	NIL

All material transactions were approved by shareholders through Postal ballot on March 31, 2022.

For and on behalf of Board of Directors of  
**LT Foods Limited****Vijay Kumar Arora**  
Chairman & Managing Director  
DIN: 00012203Place: Gurugram  
Date: July 28, 2023

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FY 2022-23

Sustainability aims for a shared future, an equitable society, and social justice by responsibly managing resources and minimising environmental impact. It promotes economic prosperity and environmental conservation, fostering collaboration and innovation across all sectors.

LT Foods is deeply committed to proactive ESG engagement, continuously identifying areas for improving environmental impact, social initiatives, and governance practices. These efforts transcend regulatory requirements, as the Company aspires to lead in sustainable business practices.

By adhering to the BRSR framework, the Company ensures stakeholders' access to clear, reliable and relevant information about their ESG performance and progress. This transparent communication fosters trust among investors, customers and the wider stakeholder community, strengthening the Company's reputation as a responsible organisation and nurturing lasting relationships with stakeholders who share the collective commitment to a better and more sustainable future.



## BRSR Format



### Section A

General disclosures



### Section B

Management and process disclosures



### Section C

Principle-wise performance disclosures



### Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable



### Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders



### Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



### Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe



### Principle 5

Businesses should respect and promote human rights



### Principle 8

Businesses should promote inclusive growth and equitable development



### Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains



### Principle 6

Businesses should respect and make efforts to protect and restore the environment



### Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner





## SECTION A: GENERAL DISCLOSURES

This segment provides comprehensive information about the listed entity, encompassing its range of products and services, operational scope, dedicated workforce, affiliations with holding, subsidiary and associate companies (including joint ventures), Corporate Social Responsibility (CSR) initiatives, and the Company's commitment to transparency and compliance with disclosure requirements.

### Sustainable Development Goals Linkage



### I. Details of the listed entity

- |   |  |
|---|--|
| <p><b>1. Corporate Identity Number (CIN) of the Company</b><br/>L74899DL1990PLC041790</p> <p><b>2. Name of the Company</b><br/>LT Foods Limited</p> <p><b>3. Year of incorporation</b><br/>1990</p> <p><b>4. Registered office address</b><br/>Unit no. 134, Rectangle-1,<br/>Saket District Centre,<br/>New Delhi-110017</p> | <p><b>5. Corporate address</b><br/>4th Floor, MVL-I-Park, Sector – 15,<br/>Gurgaon – 122001</p> <p><b>6. E-mail id</b><br/><a href="mailto:ir@ltgroup.in">ir@ltgroup.in</a></p> <p><b>7. Telephone</b><br/>Corporate Office- 0124-3055100,<br/>Registered Office-011-29565344</p> <p><b>8. Website</b><br/><a href="http://www.ltgroup.in/">http://www.ltgroup.in/</a></p> <p><b>9. Financial year reported</b><br/>FY 2022-23</p> <p><b>10. Name of the Stock Exchanges where shares are listed</b><br/>BSE Limited, National Stock Exchange of India Limited</p> <p><b>11. Paid-up Capital</b><br/>₹ 34.73 crore</p> <p><b>12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b><br/>Monika Chawla Jaggia VP- Finance &amp; Strategy,<br/>Company Secretary, Compliance Officer<br/><br/>Phone - 0124-3055100<br/><br/>Email id - <a href="mailto:monika.jaggia@ltgroup.in">monika.jaggia@ltgroup.in</a></p> <p><b>13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b></p> |
|---|--|

**Standalone basis**  
**\*(Only for LT Foods Limited)**

\*Note – The data disclosed in approximate

## II. Products/services

### 14. Details of business activities (accounting for 90% of the turnover)

S No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Rice	Processing and sale (Domestic)	45.01
	Rice	Processing and sale (Export)	44.11
2	Others (Rice by products, bardana, husk, paddy)	Usage of Rice by products, bardana, husk, paddy	10.88

### 15. Products/Services sold by the Company (accounting for 90% of the turnover)

S No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Rice	15312	89.12
2.	Staples	15319	0.13
3.	Rice food Products (Cuppa rice, Biryani Kit and Kari Kari)	15319	0.28
4.	Others*	15312	10.47

(\*Rice by-products, bardana, husk, paddy)

## III. Operations

### 16. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	2	20	22
International	0	0	0

### 17. Markets served by the Company

#### a. Number of locations

Locations	Number
National (No. of States and UT)	36
International (No. of Countries)	37

#### b. What is the contribution of exports as a percentage of the total turnover of the Company?

45%

#### c. Types of customers

LT Foods is a Global Consumer Food Company that specialises in Basmati and Other Specialty Rice, Convenience and Health products.

- Consumer- B2C Basmati business under Company's brands ie. Daawat, Heritage etc.
- Institutional- B2B serves as the Company's oldest business, where the Company caters to the HORECA (Hotel/Restaurant/Catering) segment.
- Value-added products which include the Company's health and convenient foods business under which it sells products like Ready to Heat Daawat Cuppa Rice, Brown rice and Daawat saute sauces.

## IV. Employees

### 18. Details as at the end of Financial Year, i.e. March 31, 2023:

#### a. Employees and workers (including differently-abled):

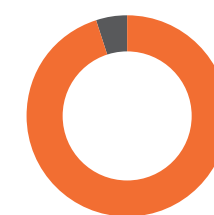
S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,149	1,091	94.95	58	5.05
2.	Other than Permanent (E)	83	83	100	0	0
3.	<b>Total employees (D+E)</b>	<b>1,232</b>	<b>1,174</b>	<b>95.29</b>	<b>58</b>	<b>4.71</b>
<b>WORKERS</b>						
4.	Permanent (F)	308	308	100	0	0
5.	Other than Permanent (G)	783	762	97.32	21	2.68
6.	<b>Total workers (F+G)</b>	<b>1,091</b>	<b>1,070</b>	<b>98.08</b>	<b>21</b>	<b>1.92</b>

#### b. Differently-abled employees and workers:

S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D+E)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	1	1	100	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F+G)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>

### TOTAL EMPLOYEES

# 1,232



- Male: 95%
- Female: 5%





## 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57
Key Management Personnel*	5	1	20.00

\*Managing Directors are considered under the heading, Board of Directors

## 20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years) (in %)

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.2	1.4	6.26	8.6	0.8	7.9	5.1	0.7	5.0
Permanent Workers	19.1	0	19.1	12.9	0.3	12.3	8.2	0.9	7.98

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 21. Name of holding/subsidiary/associate companies/joint ventures

S No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	LT Overseas North America, Inc. USA	Subsidiary	100	
2	LT Foods Americas, Inc.	Subsidiary	100	
3	LT Foods USA LLC	Subsidiary	100	
4	LT Foods Middle East DMCC	Subsidiary	100	
5	Sona Global Ltd. UAE	Subsidiary	100	
6	Daawat Foods Limited	Subsidiary	99.99	
7	Nature Bio Foods Limited	Subsidiary	99.95	
8	LT Agri Services Private Limited	Subsidiary	100	
9	Raghunath Agro Industries Private Limited	Subsidiary	100	
10	LT Foods International Limited	Subsidiary	100	
11	LT Foods Europe BV	Subsidiary	100	
12	Deva Singh Sham Singh Export Private Limited	Subsidiary	100	NO
13	Nature Bio-Foods B.V.	Subsidiary	100	
14	Ecopure Specialities Limited	Subsidiary	100	
15	Nature Bio Foods Inc	Subsidiary	100	
16	Raghuvesh Agri Foods Private Limited	Associate	40	
17	Raghuvesh Warehousing Private Limited	Associate	40	
18	Raghuvesh Infrastructure Pvt. Ltd.	Associate	30	
19	Daawat Kameda India Private Limited	Joint Venture	51	
20	Golden Star Trading, Inc.	Joint Venture	51	
21	Leev, NU BV	Joint Venture	30	

On standalone basis

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in Rs. Lakh) : 3,91,459.99

(iii) Net worth (in Rs. Lakh) : 1,56,727.07

## VII. Transparency and Disclosure Compliances

22. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2022-23			FY 2021-22		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes, LT Foods has a robust mechanism in place to address community complaints. Following each CSR activity, communities can submit feedback through a satisfaction survey. Moreover, to track complaints, the Company has established registers in each location where CSR operations are carried out ( <a href="http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf">http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf</a> ).	0	0		0	0	
Investors (other than shareholders)	Yes ( <a href="http://www.ltgroup.in/pdf/Investor-Grievance-Redressal-Policy.pdf">http://www.ltgroup.in/pdf/Investor-Grievance-Redressal-Policy.pdf</a> ).	0	0		0	0	
Shareholders	Yes, the Company has a dedicated e-mail id for investors to report their grievances directly. The status of complaints is also being reviewed by the Audit Committee and the Board of Directors ( <a href="http://www.ltgroup.in/pdf/Investor-Grievance-Redressal-Policy.pdf">http://www.ltgroup.in/pdf/Investor-Grievance-Redressal-Policy.pdf</a> ).	2	0		0	0	

On standalone basis

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2022-23			FY 2021-22		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes. The Company provides a uniform grievance resolution system for employees and workers. Moreover, the employees and workers can utilise the whistle-blower mechanism to report any incidences of misconduct. This involves reaching out to a designated ombudsman through the email address stated in the policy mentioned here: <a href="http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf">http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf</a>	0	0		0	0	
Customers*	Yes, complainants can raise their concerns through various channels, such as contacting via the toll-free telephone number or sending emails to the designated mailbox.	657	0		506	0	
Value Chain Partners	Yes. The link of the policy- <a href="http://ltgroup.in/pdf/Code-of-Conduct-for-Vendors-and-Service-Providers.pdf">http://ltgroup.in/pdf/Code-of-Conduct-for-Vendors-and-Service-Providers.pdf</a>	0	0		0	0	
Other (Advertising, Delivery of essential services, Retailer, Distributor, in transit, wholesaler etc.)	Yes, Complainants can raise their concerns through various channels such as contacting toll-free telephone number or sending emails to <a href="mailto:customercare@ltgroup.in">customercare@ltgroup.in</a>	863	0		234	0	

\*Approx. numbers and on consolidated basis.

24. Overview of the Company's business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S 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	Sustainable packaging	Opportunity	<ul style="list-style-type: none"> <li>Using materials that are recyclable, or made from renewable resources, such as recycled paper, demonstrates the Company's commitment to environmental stewardship.</li> <li>Traditional packaging materials, such as single use plastics, contribute to waste and pollution, posing significant environmental challenges. Down gauging specifications through value engineering and adopting sustainable packaging solutions can help reduce their environmental impact.</li> </ul>		<p><b>Positive:</b></p> <p>Sustainable packaging is often lighter, which leads to lower shipping and handling costs. It is also easier to dispose of and there are often less labour and material costs involved.</p>
2	Waste management	Risk	<ul style="list-style-type: none"> <li>Improper disposal or ineffective waste management practices can lead to severe environmental consequences, such as pollution, habitat destruction, and depletion of natural resources.</li> <li>Strict regulations and guidelines have been imposed by environmental authorities. Non-compliance can lead to legal consequences, fines, and even damage the Company's reputation.</li> </ul>	<ul style="list-style-type: none"> <li>Adopting sustainable waste management practices, such as recycling, waste reduction, and responsible disposal methods, to minimise our ecological footprint.</li> <li>Implementing robust waste management systems and engaging with certified waste management partners can help mitigate the risks associated with regulatory compliance.</li> <li>Disposing of pollutants through authorised vendors.</li> </ul>	<p><b>Negative:</b></p> <p>Waste management significantly affects the Company's standing, both directly and indirectly. The direct impact revolves around the principle of the 3 Rs (reduce, reuse, and recycle), which can lead to higher purchasing expenses.</p>



S 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)
3	Sustainable farming and RM sourcing	Opportunity	<ul style="list-style-type: none"> <li>Sustainable farming methods, such as organic farming, agro-forestry, and regenerative agriculture, promote soil health, biodiversity, and water conservation.</li> <li>Incorporating sustainable farming and responsible sourcing practices into the supply chain enhances the Company's resilience. By working closely with farmers and suppliers who practice sustainable agriculture, the Company has established long-term partnerships and secure a reliable supply of raw materials.</li> </ul>		<p><b>Positive:</b></p> <p>Sustainable farming and raw material sourcing is important because it can reduce risks, increase efficiency and resilience, enhance reputation, and contribute to the Company's long-term success. Moreover, it helps address the negative impact of unsustainable practices on the environment and society.</p>
4	Climate change	Risk	<ul style="list-style-type: none"> <li>Extreme weather events such as hurricanes, floods and droughts, which can disrupt the production and distribution of raw materials and finished goods.</li> <li>Governments and regulatory bodies are increasingly imposing stricter regulations and targets pertaining to climate change.</li> </ul>	<ul style="list-style-type: none"> <li>Embracing sustainable practices, such as reducing greenhouse gas emissions, using renewable energy and implementing carbon footprint reduction strategies.</li> <li>The Company monitors climatic changes to ensure that there is no/ minimum impact on the business due to climate-related changes.</li> <li>The Company diligently oversees the execution of environmental policies and tracks the implementation for any subsequent modifications.</li> </ul>	<p><b>Negative:</b></p> <p>It has the potential to disrupt the continuity of business operations.</p>

S 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)
5	Water management	Risk	<ul style="list-style-type: none"> <li>Water scarcity can lead to disruptions in the availability and quality of water.</li> <li>Water availability and quality directly impact agricultural supply chains.</li> </ul>	<ul style="list-style-type: none"> <li>Implementing efficient water management strategies and taking various steps to reuse or recycle water through STP (Sewage Treatment Plant) and ETP (Effluent Treatment Plant).</li> </ul>	<p><b>Negative:</b></p> <p>Water-related risks, such as floods or water shortages, can lead to production downtime and decreased productivity, impacting revenue and profitability.</p>
6	Health and safety	Risk	<ul style="list-style-type: none"> <li>Hazards posed by machinery, equipment, and the handling of materials can put employees at risk. Failure to prioritise health and safety measures can lead to worker injuries, legal liabilities, increased workers' compensation costs, and damage to the Company's reputation.</li> </ul>	<ul style="list-style-type: none"> <li>Proactively implementing stringent safety measures and prioritising health and safety.</li> </ul>	<p><b>Positive:</b></p> <p>Any investment towards employee health and safety will yield positive results in the long-term.</p>
7	Human rights	Opportunity	<ul style="list-style-type: none"> <li>Prioritising human rights and demonstrating a commitment to ethical practices can build a strong brand image and foster consumer loyalty.</li> </ul>		<p><b>Negative:</b></p> <p>Any violation can lead to severe reputational and financial risk for the organisation.</p>
8	Diversity and inclusion	Opportunity	<ul style="list-style-type: none"> <li>Fostering a diverse and inclusive work environment enhances employee engagement and retention.</li> </ul>		<p><b>Positive:</b></p> <p>Making diversity and inclusion a priority will lead to improved overall employee and business performance.</p>

S 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)
9	Training and development	Opportunity	<ul style="list-style-type: none"> <li>Developing a highly-skilled and adaptable workforce enables the Company to respond effectively to changing market demands, innovate, and stay ahead of the competition.</li> </ul>		<p><b>Positive:</b></p> <p>Equipped with diverse skills, employees can be more productive in their roles and contribute to the Company's success.</p>
10	Product quality and safety	Risk	<ul style="list-style-type: none"> <li>Failure to meet safety standards and regulations can pose serious risks to consumer health.</li> <li>Contaminated products, inaccurate labelling, or undisclosed allergens can lead to consumer illnesses, product recalls, legal actions, and reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has developed internal quality and safety parameters which will be strictly monitored via quality teams.</li> <li>Tech-driven quality labs are put in place.</li> <li>To cushion against unprecedented risks the Company's production setup undergoes periodic quality and safety complaint reviews.</li> </ul>	<p><b>Negative:</b></p> <p>Product quality and safety has a direct impact on the Company's reputation and sales so it is critically monitored and addressed for avoiding non-compliance and financial losses. However, enhanced consumer experiences can accelerate the Company's growth trajectory.</p>
11	Responsible Marketing & Advertising	Opportunity	<ul style="list-style-type: none"> <li>Responsible marketing and advertising enable the Company to effectively reach and engage with eco-conscious consumers.</li> </ul>		<p><b>Positive:</b></p> <p>Responsible marketing and advertising can foster long-term customer loyalty.</p>
12	Innovation and R&D	Opportunity	<ul style="list-style-type: none"> <li>Innovation and R&amp;D enable the Company to develop unique products, differentiate themselves from competitors, and gain a competitive edge in the market.</li> </ul>		<p><b>Positive:</b></p> <p>Investments in research and development (R&amp;D) offer a competitive edge to the Company and enable it to meet evolving consumer preferences.</p>

S 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)
13	Risk Management	Opportunity	<ul style="list-style-type: none"> <li>Risk management initiatives can improve operational efficiency and reduce operational costs.</li> <li>The Company may explore new market possibilities and plans to capitalise on emerging opportunities by recognising and analysing risks.</li> </ul>		<p><b>Positive:</b></p> <p>A robust risk management framework assists in mitigating risks and ascertains business continuity and growth.</p>
14	Data Security and Privacy	Risk	<ul style="list-style-type: none"> <li>Data breach can result in unauthorised access to sensitive information, financial loss, reputational damage and legal liabilities.</li> <li>Consumers are increasingly concerned about the security and privacy of their personal data.</li> </ul>	<ul style="list-style-type: none"> <li>Implementing comprehensive cyber-security measures to protect sensitive data from unauthorised access.</li> <li>Training employees on data security best practices and raising awareness about the importance of data protection.</li> </ul>	<p><b>Negative:</b></p> <p>Data security and privacy breach can lead to significant reputational damage.</p>
15	Corporate Governance	Opportunity	<ul style="list-style-type: none"> <li>Effective corporate governance focuses on long-term sustainability and performance.</li> </ul>		<p><b>Positive:</b></p> <p>Leads to more responsible and sustainable business practices and help in maximising stakeholders value.</p>
16	Business Ethics and Integrity	Opportunity	<ul style="list-style-type: none"> <li>Business ethics and integrity can sharpen the Company's competitive edge.</li> <li>Maintaining strong relationships with all stakeholders ensures trust and mutual respect.</li> </ul>		<p><b>Positive :</b></p> <p>Leads to increased customer loyalty and positive word-of-mouth recommendations.</p>



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section serves the purpose of aiding enterprises in showcasing the frameworks, policies, and procedural frameworks they have implemented to align with and adopt the NGRBC Principles and Core Elements. Through this, businesses illustrate their commitment to incorporating sustainable business practices that encompass environmental, social, and governance dimensions.

### Sustainable Development Goals Linkage



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the policies, if available	<a href="http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines">http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines</a>								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ISO 9001:2015 certification, BRC Global Standard for Food Safety, IFS Version 7, SQF Food Safety Code for Manufacturing, - Edition 8.1, HACCP, HALAL, KOSHER (OU), ISO 14001:2015, ISO 45001:2018, ISO/IEC 17025:2015 Accredited Laboratory, Approved by EIC (Export Inspection Council of India), Registered Processing Unit by NPPO (National Plant Protection Organisation) for China, Registered under USDA, SA 8000:2014 FSSC V 5.1, FSSAI, FSSAI, KOSHER (A/F)								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any*.	Refer to page 162								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met. *	Refer to page 162								

\*Note -Includes LT Food Ltd, (standalone): Daawat Food Ltd, Nature Bio Food Ltd., and Eco Pure Specialities Ltd.



<p><b>Sustainable Harvesting of Paddy</b></p> <p><b>Baseline : 13,000 farmers trained</b></p> <p><b>FY 2022-23 : 16,525 farmers trained</b></p> <p>50,000 farmers to be trained on Sustainable Farming Practices by 2025 (Public private partnership with ICAR*)</p>	<p><b>Organic Farmland</b></p> <p><b>Baseline : 1.4 lakh acres</b></p> <p><b>FY 2022-23 : 1.64 lakh acres</b></p> <p>2.5 lakh acres of organic farmland by 2030</p>	<p><b>Renewable Energy</b></p> <p><b>Baseline : 46%</b></p> <p><b>FY 2022-23 : 42%</b></p> <p>56% Renewable Electricity By 2025 (Solar + Husk + Wind)</p>
<p><b>Tree Plantation</b></p> <p><b>Baseline : 1 Lakh</b></p> <p><b>FY 2022-23 : 1.1 lakh</b></p> <p>10 lakh trees by 2030</p>	<p><b>Water Conservation</b></p> <p><b>Baseline : 110 Bn litres</b></p> <p><b>FY 2022-23 : 110 Bn litres</b></p> <p>140 billion liters of water saving through Land Laser Leveling / AWD /SRI in 60,000 acres by 2030</p>	<p><b>Water Recharge</b></p> <p><b>Baseline : 4 Ponds</b></p> <p><b>FY 2022-23 : 7 Ponds</b></p> <p>Renovation and construction of 100 Ponds by 2030</p>
<p><b>Plastic Neutrality</b></p> <p><b>FY 2022-23 : 100% through EPR</b></p> <p>100 % Plastic Neutrality by 2025</p>	<p><b>Sustainable Packaging</b></p> <p><b>Baseline : 74%</b></p> <p><b>FY 2022-23 : 74%</b></p> <p>80 % Recyclable Packaging by 2025</p>	<p><b>Infrastructure Development</b></p> <p><b>Baseline : 10 Villages</b></p> <p><b>FY 2022-23 : 40 Villages</b></p> <p>Infrastructure development for 150 villages by 2030</p>
<p><b>Quality Education</b></p> <p><b>Baseline : 19 Schools</b></p> <p><b>FY 2022-23 : 30 Schools</b></p> <p>Adopt 100 schools for infrastructure and quality education 2030</p>	<p><b>Safe and Clean Drinking water</b></p> <p><b>Baseline : 20,000 beneficiaries</b></p> <p><b>FY 2022-23 : 31,600 beneficiaries</b></p> <p>Cover 5,00,000 beneficiaries by 2030</p>	<p><b>Women Health</b></p> <p><b>Baseline : 5,000 beneficiaries</b></p> <p><b>FY 2022-23 : 8,500 beneficiaries</b></p> <p>1 Lakh beneficiaries by 2030</p>
<p><b>Training Hours</b></p> <p><b>Baseline : 20 hours per person / year</b></p> <p><b>FY 2022-23 : 23 hours per person / year</b></p> <p>36 hours per person / year by 2025</p>	<p><b>Zero Fatality</b></p> <p><b>Baseline : Nil</b></p> <p><b>FY 2022-23 : Nil</b></p> <p>We strive to maintain the status of Zero Fatality</p>	<p><b>Gender Diversity</b></p> <p><b>Baseline : 6%</b></p> <p><b>FY 2022-23 : 7.7%</b></p> <p>We aspire to have 10% Gender Diversity (White Collar employees) by 2025</p>
<p><b>ESG Committee at Board</b></p> <p>ESG &amp; CSR Committee Formed</p>	<p><b>ESG Goals and Target</b></p> <p>Finalized &amp; Declared except for Net-zero target</p>	<p><b>Board Structure &amp; Independence</b></p> <p>43% Board Independence Role of the Lead Independent Director</p>
<p><b>Board Diversity</b></p> <p>29% female director</p>	<p><b>Independent Committee</b></p> <p>100% independent audit committee and NRC committee</p>	

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Governance, leadership and oversight</b>									
7.	<p>Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</p> <p>With a strong focus on environmental, social and governance (ESG) considerations, the Company is committed to enhancing the sustainability of its entire value chain. By implementing initiatives to reduce carbon emissions, minimise waste output, and embrace renewable energy sources, the Company aims to make a meaningful and positive impact on the environment. It also places significant emphasis on fostering employee well-being, promoting diversity and creating an inclusive workplace that prioritises safety.</p> <p>To ensure ethical behaviour and accountability, the Company has strengthened its governance practices, maintaining transparency and compliance with regulatory requirements. A robust Whistle-blower mechanism is in place to encourage reporting of misconduct, contributing to governance compliance and bolstering stakeholder trust and satisfaction.</p> <p>Acknowledging that challenges persist, the Company remains resolute in its dedication to continuous improvement, innovation and active stakeholder engagement. With an unwavering commitment to its sustainability agenda, the Company aspires to positively contribute to both society and the environment, making substantial progress towards a more sustainable future.</p> <p>For more details refer to business section of annual report.</p>								
8.	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> <p>Board of Directors Phone - 0124-3055100 Email id- <a href="mailto:ir.ltgroup.in">ir.ltgroup.in</a></p>								
9.	<p>Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p> <p>Yes. The Board has expanded the scope of its CSR Committee and named it as CSR &amp; ESG Committee, which is responsible for driving the initiatives of sustainability.</p> <p>Composition of CSR &amp; ESG Committee is as follows: 1) Mrs. Neeru Singh, Independent Director – Chairperson 2) Mr. Vijay Kumar Arora, Managing Director – Member 3) Mr. Ashwani Kumar Arora, Managing Director &amp; CEO – Member 4) Mr. Abhiram Seth, Independent Director – Member</p>								

10. Details of the review of NGRBCs by the Company:

Subject for review	Indicate whether review provided below taken 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board									Annually								

Description of Main Activity	P1	P2	P3	P4	P5	P6	P7	P8	P9
11 Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated: **Not applicable as the answer to question 1 is YES**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)									
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

The Company is dedicated to maintaining integrity and operating in an ethical, transparent, and accountable manner. It has meticulously constructed a robust and equitable governance framework to uphold ethical values across its operational landscape and protect the interests of every stakeholder.

In its endeavour to prevent unlawful conduct, the Company's comprehensive Code of Conduct defines clear goals, responsibilities and regulations for employees and senior management, mandating universal compliance.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Human Capital
- ◆ Social and Relationship Capital



## 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	6	Financial update, Budgets, Corporate planning, Corporate Governance, ESG, CSR update, Statutory update, Internal controls, Risk management, Succession planning, and so on.	100
Key Managerial Personnel	5	GMP, EHS, POSH, Capability building and other HR-related trainings.	67
Employees other than Board of Directors and KMPs	21	GMP, EHS, POSH, Capability building and other HR-related trainings.	60
Workers	76	GMP, EHS, POSH, capability building and other HR-related trainings.	62

### 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:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In ₹) Brief of the Case Has an appeal	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Principle 1	Stock Exchanges	10,000	Levying penalty due to delay in compliance under Regulation 23 of SEBI Listing Regulations.	No
Penalty/Fine	Principle 1	Ministry of Road Transport and Highways	59,900	Penalty due to traffic rules violation.	No
Custom Duty Settlement	Principle 1	Custom office	45,000	Penalty due to delay in document submission.	No
Compounding fee	Principle 1	Legal Metrology Department, Jalandhar	25,000	Compounding for the misbranding of the Daawat Brown Rice.	No

	Monetary			
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment 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
	Not applicable

4. Does the Company 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, the Company has implemented robust Anti-Bribery and Anti-Corruption policies, which are accessible on the Company's official website. This Policy can be found within the 'Policies and Guidelines' section under the 'Business and Investors' tab.

The web-link of the policy :[http://www.ltgroup.in/pdf/Anti-Bribery-and-Anti-Corruption\\_FinalUpdate.pdf](http://www.ltgroup.in/pdf/Anti-Bribery-and-Anti-Corruption_FinalUpdate.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 conflict of interest.

Not applicable

### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

The Company conducts awareness programmes for its value chain partners, specifically targeting packaging vendors. These programmes encompass several key areas:

**Code of Conduct Awareness:** The Company educates packaging vendors about its established Code of Conduct, ensuring that all partners are well-informed and aligned with the Company's ethical and operational standards.

**ESG Awareness:** The programmes also cover broader Environmental, Social, and Governance (ESG) principles, providing an understanding of how these principles guide LT Foods' operations and the specific procedures that the Company follows in line with its ESG commitments.

**Environmental Impact of Packaging:** For packaging vendors, there is an ongoing initiative to raise awareness about the environmental impact of packaging materials. This includes educating them about the importance of sustainable packaging and its implications on the environment.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has implemented separate Code of Conduct policies for the Board of Directors and Senior Management. The Company does not allow personal interests to come into conflict with the Company's interests.

A weblink to the specified Code of Conduct can be conveniently accessed on the Company's official website at: <http://www.ltgroup.in/pdf/LT-Food-Code-of-Conduct.pdf>.

Moreover, the Company's Code of Ethics and Business Conduct for its employees rigorously prohibits any form of conflict of interest. This comprehensive Code is readily available for reference at: <http://www.ltgroup.in/pdf/Code-of-Conduct.pdf>.





## Principle 2

### Business should provide goods and services in a manner that is sustainable and safe

The Company is dedicated to providing goods and services in ways that prioritise sustainability and safety. Sustainability is seamlessly woven into the fabric of the Company's operations, achieved through a dedication to operational efficiency and resource optimisation. Maintaining a proactive stance, the Company consistently seeks to reduce its environmental impact across its entire operational spectrum. Additionally, the Company upholds ethical standards that drive sustainable growth, all the while ensuring responsible business conduct.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Intellectual Capital
- ◆ Natural Capital
- ◆ Manufactured Capital



## Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	0	0	Associated investment / expenses are not considered. In FY 2022-23, Company has installed Solar panels and in FY 2021-22, turbines were installed for generating energy through Rice Husk.
Capex	3.71	22.56	

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

LT Foods sources rice from the esteemed Sustainable Rice Platform (SRP) ecolabel. With a vast land area of 4,560 hectares, the Company has successfully produced around 24,500 metric tonnes of sustainable paddy.

To ensure the cultivation of sustainable and residue-free basmati rice, LT Foods collaborates with farmers through its Agri programme, strictly adhering to SRP's rigorous standards. A comprehensive audit, covering more than 1,000 farmers across 4,700 hectares, is conducted to ensure compliance and assess sustainability practices.

Further, LT Foods participates in the well-known MAGGI Spice Plan, a sustainable sourcing initiative. The company has ambitious goals to initiate responsible sourcing across its entire product range. LT Foods continues to engage with farmers in the SRP program, providing extensive training and promoting awareness about SRP guidelines. Certified farmers can confidently attest that their paddy meets the exacting SRP standards, as verified by the comprehensive audit report. Through these concerted efforts, LT Foods remains dedicated to sustainability and eco-conscious practices.

- If yes, what percentage of inputs were sourced sustainably?

Under its Sustainability Rice production Programme (SRP), Company is procuring 100% inputs from sustainable sources.

- 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.

Product packaging has the potential to have an environmental impact. These are divided into three groups.

#### Plastic waste

- Proper disposal of plastic waste
- On-time monitoring of plastic waste disposal through report submitted by authorised vendors on regular basis.
- EPR compliances on the CPBC portal, validated by a certification issued by the CPCB, confirming the Company's meticulous adherence to the stipulated standards.

#### Hazardous waste

**Air:** Fly ash generated from the process is collected in trolleys and safely covered with tarpaulin before being sent to an authorised vendor for responsible land filling.

**Solid:** In Effluent treatment plant (ETP) sludge is carefully stored in concrete tanks and subsequently disposed of through an authorised vendor, ensuring safe and compliant land filling. Plant cleaning dust is appropriately handed over to authorised vendors in accordance with the regulations set by the local government body.

**Liquid waste:** To handle liquid waste, such as black oil and waste oil, the Company diligently partners with authorised vendors, ensuring its proper disposal and adherence to environmental guidelines.

**Bio waste:** The proper disposal of bio waste is also a priority, and the Company entrusts authorised vendors with the task, often utilising incineration as an effective disposal method.

**Operator Clothing Cleaning:** Cleaning of clothes for operators at the shopfloor is managed through authorised vendors, ensuring proper sanitation and adherence to safety standards.

#### E-waste

For the safe disposal of electronics and electrical items, the Company works exclusively with authorised vendors, guaranteeing the appropriate handling of E-waste.



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.

Yes, EPR is applicable for the Company. The Company diligently adheres to the Extended Producer Responsibility (EPR) regulations outlined by the Central Pollution Control Board (CPCB). This certification bestowed by CPCB stands as a testament to the Company's dedication to ensuring the secure and efficient disposal of its manufactured products and materials. By consistently upholding EPR compliance, the Company mitigates the environmental repercussions of its operations and ensures the implementation of sustainable practices. This certification further shows the Company's unwavering commitment to meeting regulatory standards, extending its impact towards, enhancing the overall health and welfare of the communities it serves.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

As of now, the Company has not conducted LCA.

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency(Yes/No)	Results communicated in public domain(Yes/No) If yes, provide the web-link
-					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
	Not applicable	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

The Company's operations do not currently entail the need for material reuse within its framework. However, it is important to note that the packaging materials utilised by the Company fall under the recyclable category. Currently, the Company is engaged in the process of capturing data pertaining to this aspect.

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	1,584 MT	0	0	927 MT	0
E-waste	0	0.85 MT	0	0	0.22 MT	0
Hazardous waste	0	0	18.80 MT	0	0	37.04 MT
Other waste(Bio medical waste, STP Dry sludge, Fly ash)	0	0	17.13 MT	0	0	37.23 MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Category I	82
Category 2	61







### Principle 3

#### Business should respect and promote the well-being of all employees, including those in their value chains

The Company prioritises ensuring the welfare of all its employees, including those within its value chains. Recognising that employee well-being and satisfaction are foundational to its own advancement and productivity, the Company adopts equitable employment practices. Ensuring fair opportunities and maintaining a steadfast commitment to health and safety further exemplify the Company's dedication to nurturing its workforce.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

◆ Human Capital



#### 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)
<b>Permanent employees</b>											
Male	1,091	1,091	100	1,091	100	0	0	0	0	0	0
Female	58	58	100	58	100	58	100	0	0	58	100
<b>Total</b>	<b>1,149</b>	<b>1,149</b>	<b>100</b>	<b>1,149</b>	<b>100</b>	<b>58</b>	<b>5.05</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>5.05</b>
<b>Other than Permanent employees</b>											
Male	83	83	100	83	100	0	0	0	0	0	0
Female	0	0	100	0	0	0	0	0	0	0	0
<b>Total</b>	<b>83</b>	<b>83</b>	<b>100</b>	<b>83</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

##### 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)
<b>Permanent Workers</b>											
Male	308	308	100	308	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>308</b>	<b>308</b>	<b>100</b>	<b>308</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent Workers</b>											
Male	762	762	100	762	100	0	0	0	0	0	0
Female	21	21	100	21	100	21	100	0	0	21	100
<b>Total</b>	<b>783</b>	<b>783</b>	<b>100</b>	<b>783</b>	<b>100</b>	<b>21</b>	<b>2.68</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>2.68</b>

##### 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	100	100	Y	100	100	Y
Others- please specify	NA	NA	NA	NA	NA	NA

**3. Accessibility of workplaces are the premises / offices of the Company 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 Company in this regard.**

Yes, the Company is committed to providing equal opportunity for all employees, including facilities for colleagues with special needs. Efforts are being made to modify the infrastructure, when needed, to meet the standards established in the Rights of Persons with Disabilities Act, 2016. Moreover, the Company has implemented a comprehensive Diversity and Equal Opportunity Policy to support these endeavours.

The weblink the policy: [http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy\\_Final.pdf](http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy_Final.pdf).

**4. Does the Company 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. The Company treats everyone equally and values inclusion. It has a policy in place that promotes diversity and equal opportunities, ensuring there is no discrimination in the workplace.

The web link of the policy :<http://www.ltgroup.in/pdf/LT-Foods-Diversity-Policy-2021.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*	NA	NA	NA	NA
Female	100	100	0	0
Total	100	100	0	0

\*Parental leave does not apply to male employees

**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
Other than permanent workers	Yes
Permanent employees	Yes
Other than permanent employees	Yes

\* The Company has a committee called the Grievance Redressal Committee. In addition, the Company offers an online grievance procedure that may be accessed via its internal website. The online grievance procedure is specifically intended for permanent employees and permanent workers.

**7. Membership of employees and worker in association(s) or Unions 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 (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 (D)	%(D/C)
<b>Total Permanent Employees</b>	0	0	0	0	0	0
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0
<b>Total Permanent Workers</b>	0	0	0	0	0	0
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0

**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 (D)	On health and safety measures		On skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
<b>Employees</b>										
Male	1,091	1,004	92.03	879	80.57	985	678	68.83	543	55.13
Female	58	49	84.48	41	70.69	45	28	62.22	19	42.22
<b>Total</b>	<b>1,149</b>	<b>1,053</b>	<b>91.64</b>	<b>920</b>	<b>80.07</b>	<b>1,030</b>	<b>706</b>	<b>68.54</b>	<b>562</b>	<b>54.56</b>
<b>Workers</b>										
Male	308	178	57.79	124	40.26	279	186	66.67	126	45.16
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>308</b>	<b>178</b>	<b>57.79</b>	<b>124</b>	<b>40.26</b>	<b>279</b>	<b>186</b>	<b>66.67</b>	<b>126</b>	<b>45.16</b>

**9. Details of performance and career development reviews of employees and workers:**

	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
<b>Employees</b>						
Male	1,091	1,091	100	985	985	100
Female	58	58	100	45	45	100
<b>Total</b>	<b>1,149</b>	<b>1,149</b>	<b>100</b>	<b>1,030</b>	<b>1,030</b>	<b>100</b>
<b>Workers</b>						
Male	308	308	100	279	279	100
Female	0	0	0	0	0	0
<b>Total</b>	<b>308</b>	<b>308</b>	<b>100</b>	<b>279</b>	<b>279</b>	<b>100</b>

**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 system?**

Yes. According to the Company's EHS policy, the Company is committed to protecting the health and safety of its employees and preventing accidents by implementing sound manufacturing practises, reducing pollutants, and eliminating occupational health and safety concerns.

The web link of the policy: <http://www.ltgroup.in/pdf/EHS-Policy.pdf>.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company's EHS policy focuses on recognising potential work-related risks and evaluating risks that could arise during its operations. To ensure workplace safety, the Company has implemented various measures. It also identifies situations that might lead to risks in the workplace beforehand. For more information, kindly refer the EHS policy of the Company available on the website. The web link of the policy - <http://www.ltgroup.in/pdf/EHS-Policy.pdf>.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes. The Company is committed to keeping its workers and employees safe at all of its locations. To that end, the Company has included in its EHS policy a method for reporting any work-related risks. This enables them to detect and report any problems while performing their duties.

For more information, kindly refer the EHS Policy of the Company, through the following weblink - <http://www.ltgroup.in/pdf/EHS-Policy.pdf>.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. The Company identifies and evaluates health risks related to operations and carry out pre-employment and periodic health check-up of its employees.

The Company has included this requirement in its EHS Policy, and you can access it through the following web link: <http://ltgroup.in/pdf/EHS-Policy.pdf>.



**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	0	0
	Worker	0.76	0
Total recordable work-related injuries	Employees	0	0
	Worker	0	0
No. of fatalities	Employees	0	0
	Worker	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Worker	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company prioritises process safety, which is achieved by seamlessly incorporating strong protective measures into plant design and establishing clear systems for managing process and operational changes.

The Company is committed to following safe work practices, regularly reviewing and improving its protocols. It provides comprehensive training on health and safety practices to both permanent and contract employees, ensuring work is carried out with utmost safety. Personal protective equipment is supplied to employees, and the Company conducts regular audits of work procedures to maintain a secure work environment.

**13. Number of complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	2	0	Resolved through works committee	3	0	Resolved through works committee
Health and safety	0	0	0	0	0	0

**14. Assessments for the year:**

Case Details	% of plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	100
Working Conditions	100

\*Assessed by Audit agencies for ISO 45001/ 14001 / SA 8000 and third party customer audit.

**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 and safety practices and working conditions.**

LT Foods is committed to providing a safe and healthy workplace for its employees. To achieve this, the Company has implemented an Occupational Health and Safety Management System. This system includes EHS induction programmes, safe operating procedures, tools and equipment inspections, first aid protocols, and processes for reporting near-misses and incidents.

In the event of accidents or incidents, dedicated investigation teams are formed at each site to identify the root cause and recommend corrective and preventive actions. Moreover, the Company has established a comprehensive process for hazard identification and risk assessment, ensuring that all potential hazards related to health, safety, and legal compliance are identified and appropriate control measures are implemented.

To evaluate the effectiveness of the Occupational Health and Safety Management System, LT Foods conducts internal and external audits. These audits assess the Company's compliance with safety standards and identify areas for improvement, ensuring the ongoing enhancement of the workplace safety and well-being of employees.

**Leadership Indicators**
**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

Employees: Yes

Workers: Yes

**2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

The Company goes to great lengths to guarantee that its vendors and suppliers strictly adhere to labour laws, human rights, and regional legislation. It prioritises open communication and cooperation, building a common commitment to ethical business practises.

**3. Provide the number of employees / workers having suffered grave consequences due to work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

Safety Incident /Number	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

NA



## Principle 4

### Business should respect the interests of and be responsive to all its stakeholders

The organisation values and addresses the interests of its diverse stakeholders. Recognising that business success is dependent on meeting the evolving expectations of its diverse stakeholders — customers, suppliers, vendors, governmental bodies, regulatory bodies, investors, and employees — the Company is strongly committed to fostering responsive interaction. This proactive interaction with stakeholders empowers the Company to acquire invaluable insights into their significant concerns and expectations, thus guiding its strategic approach and decision-making processes.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Social and relationship Capital



### Essential indicators:

#### 1. Describe the processes for identifying key stakeholder groups of the Company.

LT Foods prioritises stakeholder engagement as an integral part of their growth strategy. Regular communication with stakeholders, including consumers, investors, suppliers, and partners, provides valuable insights into their needs and expectations. The Company focuses on building long-term relationships with stakeholders, emphasising empathy and respect, active listening and a commitment to sustainable business practices.

The Company has adopted a modern approach to employee engagement through the use of Amber, an AI-based tool. Amber provides a secure and anonymous platform for employees to express their views in real-time, allowing the Company to monitor employee satisfaction and make proactive adjustments.

#### 2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Consumers	No	Customer Satisfaction Surveys, Social media, Website, Consumer Research.	Continuous, Need basis	<ul style="list-style-type: none"> <li>Understanding customer needs and expectations.</li> <li>Product awareness and advertising.</li> <li>Gauging customer satisfaction.</li> <li>Identifying areas for improvement.</li> <li>Collecting and analysing consumer feedback.</li> <li>Conducting Consumer Connect studies to gain insights and enhance consumer engagement.</li> </ul>
Communities	Yes	CSR Initiatives, Satisfaction Survey.	Continuous	<ul style="list-style-type: none"> <li>Establishing positive relationships with local communities.</li> <li>Addressing community concerns and interests.</li> <li>Contributing to the well-being and development of the communities.</li> </ul>
Investors and Shareholders	No	Shareholders Meetings, Investors Meetings and Events, Emails, Website Helpline Number, Social Media, Road Shows, Investor calls.	Quarterly, Annually, Need basis, Continuous	Financial Results, understanding their expectations, communicating the performance of the Company.
Government and Regulatory Bodies	No	Public Disclosures, Newspapers, Email, social media, Website, Statutory Filings.	Continuous, Need basis	Compliance of rules and regulations, tax revenues, change in laws and regulations.
Employees	No	Town Hall Meeting, Internal Grievance Committees, HR Team Meets, Training and Development Activities, Social Media, Internal Communication, Newsletters.	Continuous	Identifying improvement areas, understanding needs of employees, gauging employee satisfaction.
Business Partners, Suppliers and Distributors	No	Supplier / Vendor meets, Contract Meetings, Workshops, Training Sessions.	Continuous, Need basis	Business performance update, understanding improvements areas / bridging gaps in Business activities, product awareness and marketing strategies communication.



Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Supply chain partners and farmers	No	Supplier meets, CSR, awareness camps on sustainable agricultural practices, contract meetings, training sessions and workshops, mobile application.	Continuous, Need basis	Procurement, quality checks, Sustainable Rice Production programme, awareness sessions, modifications in requirements communication.
Banks and Other financial Institutions.	No	Public Disclosures, Email, Regular file updates, Consortium Meetings.	Need basis	Compliance requirements, financial performance, business due diligence.
Media	No	Newspaper ,Brand Building and Marketing Initiatives ,Press Conference,Quarterly/ Annual Results , Social Media, Media Interactions.	Continuous, Need basis	Business performance and updates, new products launched, product modifications, engagement activities conducted with stakeholders.

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

LT Foods has taken a proactive approach towards sustainability by undertaking a materiality assessment to identify the key issues that are material to its business. The Company has taken an interactive and data-driven approach to the evaluation, drawing on best industry practises and engaging with internal and external stakeholders.

The materiality matrix developed by LT Foods reflects the primary areas of focus across Environmental, Social, and Governance parameters, based on two dimensions — importance to stakeholders and importance to the Company. By prioritising the ESG issues that are most significant to both its stakeholders and the Company, LT Foods is better able to align its ESG strategy with its business objectives and enhance its sustainability performance.

The Company has established a CSR & ESG Committee, which includes members of the Board. The Committee is regularly informed about the Company's ongoing initiatives. Additionally, the Company has designated an ESG head who engages with relevant stakeholders and provides updates and feedback to the CSR & ESG Committee.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs

received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder participation and ideas are critical in identifying material subjects, contributing significantly to an organisation's complete and inclusive approach to sustainability. By consulting stakeholders, an organisation can effectively identify and manage environmental and social topics that hold significance.

This collaborative process enables the organisation to benefit from diverse perspectives, ensuring a well-rounded understanding of sustainability issues and their impacts. By valuing stakeholder consultation, the organisation can foster transparency, accountability and informed decision-making, leading to more robust sustainability strategies and outcomes.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

Through its CSR activities, the Company actively engages with vulnerable and marginalised populations, demonstrating its commitment to social responsibility. Notably, the Company has adopted villages located in some of India's most impoverished areas, undertaking initiatives to uplift these communities. By focusing on fundamental needs, the Company ensures the provision of basic infrastructure, access to clean drinking water, and educational opportunities for the adopted villages. This holistic approach aims to improve the overall well-being and quality of life for the communities in need, aligning with the Company's dedication to making a positive impact on society.







## Principle 5

### Business should respect and promote human rights

The organisation upholds a steadfast commitment to upholding and advancing human rights. Fundamental to its operational ethos is a profound reverence for human rights, which underpins the Company's interactions and treatment of its personnel. Firmly dedicated to the betterment of humanity, the Company not only strives to safeguard the planet but also advocates for and champions essential rights such as privacy, safety, freedom of expression and opinion.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Human Capital
- ◆ Social and Relationship Capital



## 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:

LT Foods is developing a comprehensive human rights strategy and framework. Induction workshops are held by the Company to discuss value systems and encourage ethical practises.

The Company also has a Code of Conduct, which is conveyed to workers on their first day and signed by employees to agree to these practises. In addition, the organisation is assessing international human rights standards and frameworks.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1,149	1,149	100	1,030	1,030	100
Other than Permanent	83	83	100	76	76	100
<b>Total Employees</b>	<b>1,232</b>	<b>1,232</b>	<b>100</b>	<b>1,106</b>	<b>1,106</b>	<b>100</b>
<b>Workers</b>						
Permanent	308	178	57.79	279	136	48.75
Other than Permanent	783	267	34.10	546	234	42.86
<b>Total Workers</b>	<b>1,091</b>	<b>445</b>	<b>40.79</b>	<b>825</b>	<b>370</b>	<b>44.85</b>

### 2. Details of minimum wages paid to employees and workers, in the following format:

The Company follows labour employment-related acts that are framed in line with human rights laws and guidelines. This includes paying minimum wages to employees, which is in accordance with human rights requirements.

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)
<b>Employees</b>										
<b>Permanent</b>										
Male	1,091	0	0	1,091	100	985	0	0	985	100
Female	58	0	0	58	100	45	0	0	45	100
<b>Other than Permanent</b>										
Male	83	0	0	83	100	76	0	0	76	100
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	308	16	5.19	292	94.81	279	21	7.53	258	92.47
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>										
Male	762	544	71.39	218	28.61	673	612	90.94	61	9.06
Female	21	21	100	0	0	17	17	100	0	0



**3. Details of remuneration/salary/wages, in the following format:**

Gender	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	2	6,15,000	2	6,75,000
Key Managerial Personnel (KMP)#	4	16,50,000	1	61,35,252
Employees other than BOD and KMP	1,089	5,50,260	57	5,19,996
Workers	308	2,86,908	0	0

\*Remuneration to Independent Director is paid in the form of sitting fees, which is being considered. Remuneration paid to Managing Directors, is considered under the head KMP.

#Remuneration to Mr Surinder Kumar Arora is being paid from DAAWAT Foods Limited (Subsidiary Company).

**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/No)**

Yes. The Company is engaged in the evaluation and deliberation of various human rights standards and frameworks. With the goal of developing a comprehensive human rights policy and framework, the Company is dedicated to proactively addressing any potential impacts or concerns related to human rights. By conducting thorough assessments and discussions, the Company aims to ensure that its policies and practices align with internationally recognised human rights principles. In addition, Human Resource personnel stationed at each plant and office site are responsible for resolving any human rights problems that may emerge.

and measures for POSH (Prevention of Sexual Harassment), fostering a secure and inclusive work environment for all team members.

In line with ethical business practices and International Labour Organisation (ILO) guidelines, the Company emphasises its expectation that suppliers adhere to the same high standards and values. By imposing this policy on its suppliers, the Company ensures that its entire supply chain operates ethically and is in compliance with recognised standards. The point of contact has also been disclosed, along with contact information, as part of the Code of Conduct signed by every employee.

The respective policies can be found on the Company's website and accessed through the following link: <http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines>.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company acknowledges the importance of addressing human rights concerns and has implemented several initiatives to address them effectively. One of the key policies enforced by the Company is the strict prohibition of child labour, ensuring the protection of children's rights and preventing their exploitation for employment purposes. Additionally, the Company has established a non-discrimination policy, ensuring equal and fair treatment of all workers, irrespective of their gender, colour, ethnicity, religion, or other personal attributes.

To promote fair compensation and combat issues related to poverty, income inequality, and economic exploitation, the Company has set minimum wage standards, guaranteeing that employees are justly remunerated for their contributions. In addition the Company has implemented a comprehensive framework that includes a Code of Conduct



**6. Number of complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	-	-	0	-	-
Discrimination at workplace	0	-	-	0	-	-
Child Labour	0	-	-	0	-	-
Forced Labour/ Involuntary Labour	0	-	-	0	-	-
Wages	0	-	-	0	-	-
Other Human rights related issues	0	-	-	0	-	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has established a comprehensive diversity policy that encompasses clear procedures and guidelines for addressing instances of discrimination and harassment within the workplace. Additionally, the Company has implemented a POSH (Prevention of Sexual Harassment) policy, ensuring a safe and respectful working environment for all employees. These policies reflect the Company's commitment to promoting inclusivity, diversity and focuses on a zero-tolerance approach towards any form of discrimination or harassment.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company places a significant emphasis on ensuring that all partners within its value chain uphold the human rights standards outlined by the International Labour Organisation (ILO). This dedication is underscored by the Company's active efforts to propagate and implement these guidelines across its network of suppliers, contractors and other value chain collaborators.

The Company also has a dedicated Code of Conduct for vendors and service providers, which is available on the Company's website. You can access it through the following weblink: <http://www.ltgroup.in/business-and-investors.html#policies-and-guidelines>.

**9. Assessment for the year:**

Case Details	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100
Forced Labour/ Involuntary Labour	100
Sexual Harassment	100
Discrimination at Workplace	100
Wages	100

Note: Both internal and external auditors conduct assessments according to the audit schedule. Additionally, relevant government authorities also

perform their own assessments, and it is noteworthy that the Company has not received any non-compliance certifications to date.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

The Company's unwavering commitment to ethical and responsible business practices is evident through the establishment of comprehensive policies explicitly prohibiting child labour and workplace discrimination. By implementing a robust Code of Conduct and a Whistle-Blower Policy, the Company ensures the maintenance of a healthy working environment, where employees feel secure and encouraged to report any concerns or violations.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The Company is in the process of developing a comprehensive human rights policy that will cover all relevant human rights issues.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Not Applicable.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company is dedicated to providing equal opportunities for individuals with special abilities. Additionally, it is actively shaping an infrastructure that complies with the Rights of Persons with Disabilities Act, 2016. The Bahalgarh and Varpal plants are situated on the ground floor, while the Corporate Office is equipped with a lift for accessibility. The Company has also formulated a Diversity and Equal Opportunity policy, accessible on its website through the following link: [http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy\\_Final.pdf](http://ltgroup.in/pdf/Diversity-and-Equal-Opportunity-Policy_Final.pdf).

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

Note-The Company is in process of conducting assessment for its value chain partners. However, anyone subjected to an audit by SRP will be considered to have undergone assessment.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable







## Principle 6

### Business should respect and make efforts to protect and restore the environment

The Company is dedicated to environmental protection, as seen by its diligent attempts to limit its carbon footprint. The Company carefully reduces its ecological impact and leads projects to restore natural balance through a wide range of initiatives.

In a systematic way, the Company has introduced various measures to support efficient resource usage. It seeks ways to reduce the effects of its operations. This approach displays the Company's natural alignment with environmental sustainability. It reflects the Company's strong dedication to creating a better world for current and future generations.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Natural Capital



## Essential Indicators\*

\*(Approx. numbers)

### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23*	FY 2021-22*
Total electricity consumption (A)	44,323.20	34,466.77
Total fuel consumption (B)	11,669.29	12,151.47
Energy consumption through other sources (C)	5,72,291.84	5,48,810.11
<b>Total energy consumption (A+B+C)</b>	<b>6,28,284.33</b>	<b>5,95,428.35</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees Lakhs)	1.60	2.09
Energy intensity (optional) - the relevant metric may be selected by the Company	-	-

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 Company 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, in the following format:

Parameter	FY 2022-23*	FY 2021-22*
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	3,18,463	3,24,843
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>3,18,463</b>	<b>3,24,843</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>2,26,289.76</b>	<b>2,37,854.58</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover in rupees lakhs)</b>	0.57	0.83
<b>Water intensity (optional) - the relevant metric may be selected by the entity</b>	-	-

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

\*This data is approximate and belongs to the Bahalgarh and Varpal plants only.

### 4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has implemented a Zero Liquid Discharge mechanism in all its plants. This means that the Company's industrial facilities strictly adhere to a policy of not releasing any liquid waste into the environment.

Moreover, the Company presents compliance reports to the appropriate regulatory bodies on a regular basis to establish their compliance with environmental standards governing pollution control, wastewater recycling, responsible effluent treatment, and proper waste disposal.

5. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY 2022-23*	FY 2021-22*
NOx	MT	10.87	6.86
SOx	MT	4.90	3.18
Particulate matter (PM)	MT	26.82	34.58
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). 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*
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tonnes of CO <sub>2</sub> equivalent	1,303	1,145.04
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tonnes of CO <sub>2</sub> equivalent	9,799	7,631.32
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	tonnes of CO <sub>2</sub> equivalent / Rs in lakhs	0.02	0.03
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-
Bio fuel (Husk)		52,732	50,544.22

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 Company have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company is making remarkable progress in adopting sustainable practices by utilising green energy through a husk-powered turbine boasting an impressive capacity of 3.5 MW per hour. Moreover, the use of synchronisation meters demonstrates how cutting-edge energy-efficient technology have been included. These meters efficiently manage power derived from various sources, including diesel generators, turbines, and solar arrays. Notably, the Company's commitment to environmental consciousness extends to operational shifts, such as replacing Diesel Operated Fork Lifts with Battery Operated ones. The company has also embraced afforestation, establishing a new forest that spans approximately 2 acres within its premises. Taking their environmental stewardship further, they engage in carbon markets, providing incentives to farmers for minimising greenhouse gas emissions and water consumption. With a dedicated pledge to reduce their carbon footprint and overall environmental impact, the Company has set clear objectives. By 2025, they aim to increase renewable electricity usage to 56%, contributing significantly to lowering greenhouse gas emissions and combatting climate change. In addition the Company has set an ambitious target of planting 1 million trees by 2030.

8. Provide details related to waste management by the Company, in the following format:

Parameter	FY 2022-23*	FY 2021-22*
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	1,584	1,459.99
E-waste (B)	0.85	0.22
Bio-medical waste (C)	0.72	0.73

Parameter	FY 2022-23*	FY 2021-22*
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous Waste. Please specify, if any. (Waste oil and ETP sludge)(G)	18.80	37.04
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	16.41	36.50
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1,620.78</b>	<b>1,534.48</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2022-23*	FY 2021-22*
(i) Recycled	1,584.85	927.22
(ii) Re-used	0.0	0.0
(iii) Other recovery operations	0.0	0.0
<b>Total</b>	<b>1,584.85</b>	<b>927.22</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2022-23*	FY 2021-22*
(i) Incineration	0.72	0.73
(ii) Landfilling	32.46	61.50
(iii) Other disposal operations	2.75	12.04
<b>Total</b>	<b>35.93</b>	<b>74.27</b>

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 establishment. 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.

The Company knows that its product packaging has a major environmental impact, notably in terms of plastic waste, hazardous waste, and e-waste. To address these concerns, the business assures appropriate plastic waste disposal by continuously monitoring the process via reports supplied by authorised vendors. It also maintains compliance with Extended Producer Responsibility (EPR) regulations through the CPBC portal. Hazardous waste management involves adopting defined measures for disposal, including appropriate handling of fly ash, ETP sludge, plant cleaning dust, black oil, waste oil, bio waste, and operator clothing cleaning and the Company carries out all of these activities through authorised vendors.

Moreover, the Company responsibly manages e-waste by disposing of all electronics and electrical items through authorised channels. These measures reflect the Company's commitment to mitigating its environmental impact and promoting sustainable waste management practices.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

It is not applicable in this case, as the Company has not established any of its operations/offices in proximity to any sensitive area.

S 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.
No. The Company does not have any offices/facilities located around ecologically sensitive areas.			



**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Type of operations	Relevant Web link
-----------------------------------	----------------------	------	---	--------------------	-------------------

As there was no expansion or new project during the year, the Company did not execute an Environmental Impact Assessment (EIA).

**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 (Y/N).**

If not, provide details of all such non-compliances, in the following format:

S. 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
--------	---	---------------------------------------	---	---------------------------------

The Company is in compliance with the applicable provisions of the Air Act, Water Act, and Hazardous Act. It follows the laws established in these acts, ensuring that its operations and practises are in accordance with the prescribed requirements for air quality, water management, and hazardous substance handling.

By maintaining compliance, the Company upholds its commitment to environmental protection and the well-being of surrounding communities. Regular monitoring and adherence to these acts contribute to the Company's responsible and sustainable approach to business operations.

**Leadership Indicators\* -**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format: (In GJ)**

Parameter	FY 2022-23**	FY 2021-22**
<b>From renewable sources</b>		
Total electricity consumption (A)	1,691.98	1,886.83
Total fuel consumption (B)		
Energy consumption through other sources (C)	5,70,599.86	5,46,923.28
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>5,72,291.84</b>	<b>5,48,810.11</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	44,323.20	34,466.77
Total fuel consumption (E)	11,669.29	12,151.47
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>55,992.49</b>	<b>46,618.24</b>

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

\*This data is approximate and belongs to the Bahalgarh and Varpal plants only.

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23*	FY 2021-22*
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment (ETP, STP)	-	-

Parameter	FY 2022-23*	FY 2021-22*
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment (ETP, STP)	92,173.24	86,988.42
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>92,173.24</b>	<b>86,988.42</b>

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

This data is approximate and belongs to the Bahalgarh and Varpal plants only.

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – Sonipat and Varpal

(ii) Nature of operations – Rice processing

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23*	FY 2021-22*
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	3,18,463	3,24,843
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water consumption (in kilolitres)</b>	<b>2,26,289.76</b>	<b>2,37,854.58</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover in rupees lakhs)	<b>0.57</b>	<b>0.83</b>
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment (STP, ETP)	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment (STP, ETP)	92,173.24	86,988.42
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2022-23*	FY 2021-22*
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>92,173.24</b>	<b>86,988.42</b>

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. Please provide details of total Scope 3 emissions and its intensity, in the following format:**

The Company is in the process of accounting the scope 3 emissions.

Safety Incident /Number	Unit	FY 2022-23*	FY 2021-22*
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)			
<b>Total Scope 3 emissions per rupee of turnover</b>	NA	NA	
<b>Total Scope 3 emission intensity</b> (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.

**5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

**6. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Using by-product (Husk) for electricity generation	Harnessing green energy from a turbine that utilises husk, generating an impressive capacity of 3.5 MW per hour.	Utilising less electricity from Power Grid.
2	Renewable (Solar) Energy Generation	Generating Solar Energy 5 L KWH/ yearly.	Energy conservation and emission reduction.
3	Rain Water Harvesting increased	Installed a new Rain water Harvest Well and constructed a Pond within the factory premises, aiming to significantly increase their capacity for Rainwater Harvesting and enhance groundwater recharge.	Water stress reduced due to Rain Water Harvesting recharging the land with rain water.
4	Technology / Machine modification	Implemented advanced energy-efficient technologies by installing synchronisation meters to effectively manage the power generated from DG (Diesel Generator), turbines, and solar sources.	Energy saving and productivity improvement.
5	Electric Fork Lift introduced	Diesel Operated Fork Lift is replaced with Battery Operated fork lift.	Fossil fuel consumption reduction. Reducing air emission inside the plant.
6	New Plantation in Factory Land	Conducted a plantation drive in approximately 2 acres land are within the Company premises.	Healthier environment within the factory premises.

The Company is dedicated to reducing the impact of its packaging on the environment and has implemented a continuous process towards this objective. To achieve this, the Company has focused on reducing the consumption of plastic in their packaging by utilising innovative structures and polymer recipes. By taking this step, the Company has reduced the amount of plastic they need to produce to make their packaging.

Recently, the Company has also re-engineered its tote bag, which is used for bulk shipments, to accommodate 14% more rice. This has enabled the Company to ship more rice in a container or truck, thereby reducing the carbon footprint generated during transit.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes. LT Foods has a robust risk management policy that includes a comprehensive business continuity and disaster management strategy. The Company recognises the potential impact of natural disasters on production and the potential for supply shortages. To mitigate these risks, LT Foods has strategically established operations in multiple locations, ensuring that supplies can be redirected to maintain uninterrupted production and fulfil customer commitments.

In the event of a natural disaster affecting one facility, the Company has contingency plans in place to swiftly assess the situation, activate alternative production sites, and adjust supply chains accordingly. This proactive approach will enable LT Foods to respond quickly and efficiently in minimising any potential disruptions to its operations and ensuring the continued availability of its products to customers. By having operations in various geographic locations, LT Foods enhances its resilience by reducing dependence on a single facility or region. This diversification allows the Company to tap into alternative sources of supply and leverage its extensive network to meet customer demands, even in the face of localised disruptions.

Moreover, LT Foods maintains close relationships with its suppliers, enabling effective coordination

and communication during times of crisis. This collaboration ensures a proactive response to supply shortages, enabling the Company to promptly identify alternative sourcing options and maintain consistent product availability.

The Company has uploaded Risk Management Policy on its website and the same can be accessed through the following web link <http://www.ltgroup.in/pdf/LT-Foods%20Risk-Management.pdf>.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

According to the Company's Code of Conduct for Vendors and Service Providers policy, which is readily accessible on the Company website, suppliers are explicitly obligated to conduct their operations with a strong commitment to environmental responsibility and compliance with all applicable laws and regulations in their respective operating countries. This commitment to sustainability extends beyond our internal practices, as we also ensure that our suppliers uphold these principles and take responsibility for their environmental impact.

In line with this commitment, the Company has actively engaged in educating farmers on the principles and practices of Sustainable Rice Production (SRP). By implementing SRP methods, we are taking proactive measures to effectively manage and minimise any potential environmental repercussions that may arise from our agricultural activities. This approach aligns with the Company's dedication to sustainable practices and reinforces our efforts to protect the environment for future generations.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Zero. The Company is in the process of implementing the system for assessing environmental impacts for value chain partners.





## Principle 7

### Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The Company acknowledges its duty to play a significant role in the formulation of public policy that resonates with its overarching goals of fostering social and environmental well-being. This commitment is manifested through principled actions that contribute positively to policy development.

Moreover, the organisation recognises that responsible and transparent engagement in policy influence not only aligns with its core values but also nurtures public trust, which is fundamental for sustainable partnerships and collaborative progress.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Social and Relationship Capital



### Essential indicators

- a. Number of affiliations with trade and industry chambers/associations.

Yes, the Company is affiliated with six trade and industry chambers and associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	All India Rice Exporters Association (AIREA)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Progress, Harmony and Development Chamber of Commerce and Industry (India)	National
5	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
6	All India Rice Exporters Federation	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

### Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/Others- please specify)	Web Link, if available
-	-	-	-	-	-

The Company collaborates with leading industry institutions such as the Confederation of Indian Industry, Federation of Indian Chambers of Commerce and Industry, Associated Chambers of Commerce and Industry of India, along with other forums, including regional Chambers of Commerce. Its interactions with these entities are characterised by a commitment to integrity, transparency and a thoughtful consideration of all.



## Principle 8

### Businesses should promote inclusive growth and equitable development

LT Foods is deeply committed to fostering inclusive growth and promoting equitable development. The Company recognises the significance of inclusive growth as a cornerstone for achieving corporate success. It is resolutely dedicated to cultivating sustainable value while also advancing societal well-being by ensuring equitable access to developmental prospects.

This commitment is exemplified through purposeful Corporate Social Responsibility (CSR) initiatives designed to cultivate balanced growth. LT Foods intends to achieve positive improvements within its operational territories through these focused activities, hence creating long-term value for its valued stakeholders.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Human Capital
- ◆ Social and Relationship Capital



## Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-----------------------------------	----------------------	----------------------	---	--	-------------------

Not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In ₹)
--------	--	-------	----------	---	--------------------------	--------------------------------------

Not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company receives and addresses community concerns through a feedback method. Members of the community are asked to provide feedback on how the work has been accomplished, and the Company conducts satisfaction surveys to determine the level of satisfaction in the area. The objective of such visits is to discover any gaps or areas for improvement, as well as to ensure that the community's needs and concerns are addressed. The Company devised a pen-and-paper technique to address the community's problems.

Village adoption project was designed following the bottom up approach involving all community members. Based on the suggestions from community members, social development activities were carried out in the villages adopted by the Company. Regular programme meetings were organised to get the feedback and grievances of the community members, if any. Gram Panchayats and head of villages were involved and the Company has received their feedback as well on various activities conducted in those villages. A register in the region's language was established at the project office to record community members' satisfaction and concerns.

4. 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	9.7	6.7
Sourced directly from within the district and neighbouring districts	81.7	74.4

## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
--	-------------------------

Not applicable

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

The Company's CSR initiatives are aimed at benefiting socio-economically marginalised and vulnerable communities who are considered to be among the most marginalised groups in society.

S No.	State	Aspirational District	Amount spent (In ₹)
1.	Madhya Pradesh	Chhatarpur	1,27,20,000



3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No. The Company upholds a non-discriminatory approach towards its suppliers and does not maintain a separate preferential procurement policy. Instead, it has established an integrated procurement process, working closely with farmers to ensure the timely acquisition of high-quality paddy.

(b) From which marginalised /vulnerable groups do you procure?

Not applicable

(c) What percentage of total procurement (by value) does it constitute?

Procurement is carried out by evaluating the quality of raw materials and ensuring that they fulfil the Company's established criteria as indicated in the internal checklist prepared by the Company. The purchasing process is free of prejudice or bias, with an emphasis on fair treatment and equal opportunity for all suppliers.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable

Name of authority	Brief of the Case	Corrective action taken
Not identified		

6. Details of beneficiaries of CSR Projects:

S No.	CSR Project	No. of persons benefitted from CSR Projects	Amount spent (In ₹)	% of beneficiaries from vulnerable and marginalised groups
1	Parivartan Project-Village Adoption Programme	9,200	1,27,20,000	100
2	Vocational Skill and Livelihood Enhancement Programme	1,362	90,00,000	100
3	Promoting Healthcare : Medical Relief	2,000	50,00,000	100
4	Promoting Education: Girl Child	35	6,30,000	100
	<b>Total</b>		<b>2,73,50,000</b>	







## Principle 9

### Businesses should engage with and provide value to their consumers in a responsible manner

The Company works hard to engage with its clients, attempting to understand their needs and aligning its operational objectives to maximise value development. The Company emerges as client-centric organisation, building long-term partnerships by emphasising customer satisfaction and patron loyalty.

#### Sustainable Development Goals Linkage



#### Capitals Linkage

- ◆ Intellectual Capital
- ◆ Social and Relationship Capital



### Essential indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At LT Foods, we cherish our customers' inputs on our product offerings. We make it a point to include a customer service phone number and email address on every product pack so that our customers may simply contact us with their suggestions and feedback. In addition to this, our sales teams are trained to gather information directly from customers about their experiences with our products. This information is then compiled and sent to the relevant teams for review, research and development purposes.

Our dedication to putting our clients first is at the heart of our business. We endeavour to provide high-quality products that satisfy our customers' requirements and expectations, and we are constantly searching for ways to enhance our offers based on their input.

#### 2. 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	0
Safe and responsible usage	0
Recycling and/or safe disposal	0

#### 3. Number of consumer complaints in respect of the following:

Category	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	17	-	-	-	-	-
Cyber- security	-	-	-	-	-	-
Delivery of essential services	2	0	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other: (Customer, Retailer, Distributer, in transit, wholesaler etc.)	1,501	0	-	740	0	-

\* Approx. numbers (Consolidated figures)

#### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0



**5. Does the Company 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. The policy related to the data privacy is available on our website and can be referred using the following web link: <http://www.ltgroup.in/pdf/IT-Privacy-Policy.pdf>.

**6. 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.**

The Company is an active and responsible member of American Standard Code for Information Interchange (ASCAII) and other relevant industry bodies, demonstrating a commitment to ensuring due diligence in its communications. The Company diligently follows the legal and moral frameworks governing its industry, ensuring compliance with industry standards.

### Leadership Indicators

**1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

Information pertaining to the Company's products and range can be accessed from its official website. Web link for the same is as follows: <http://ltgroup.in/index.html>.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

To aid consumers in making informed decisions, every product is accompanied by packaging featuring a clear message about its safety for usage. This packaging also provides details about its nutritional value and instructions for use. Moreover, a recipe section has been introduced on the Company's website, allowing users to explore and learn how to prepare their preferred dishes.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company possesses a comprehensive understanding of the market by diligently evaluating

each batch of paddy and their goods. Through the application of rigorous quality measures, they meticulously examine their items, ensuring that only the finest products reach the consumers. Moreover, they strive to provide a seamless experience, ensuring that customers can access their products without any disruptions throughout the entire process.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)**

Yes. The Company upholds its commitment to transparency by sharing comprehensive product information, including ingredient and nutritional details, in compliance with applicable laws. It maintains a truthful and open approach with customers, ensuring that all necessary information is provided. The Company adheres to the norms set by the Bureau of Indian Standards (BIS) as part of its compliance efforts. Internal meetings are held periodically to address areas for improvement and enhance customer satisfaction.

Consumer satisfaction surveys are conducted on a regular basis by the organisation to gauge customer satisfaction across its core products/services and operating locations. These surveys are useful for gathering feedback, identifying areas for development, and improving the overall quality of products and services. The survey findings are thoroughly examined, and the insights gathered are used to guide strategic decision-making, product development and attempts to improve the customer experience. The Company's dedication to client satisfaction is demonstrated in its proactive approach to collecting and implementing consumer feedback.

**5. Provide the following information relating to data breaches:**

- Number of instances of data breaches, along with impact  
Nil
- Percentage of data breaches involving personally identifiable information of customers  
Nil

## Corporate Governance Report

The Corporate Governance philosophy of LT Foods Limited ("LT Foods" or "the Company" or "We" or "Our") is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance, and ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is an ethically-driven business process that is committed to values aimed at enhancing an organization's capacity to create wealth. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. Your Company subscribes to equitable treatment of all its stakeholders, which has helped in maintaining their trust and appreciation.

As a Company with a strong sense of values and commitment, your Company understands that Corporate Governance is not just a destination, but also a journey to constantly improve sustainable value creation. The Company has over the years, followed the best practices of Corporate Governance. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values.

### Board of Directors:

The Board of LT Foods has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board is at the core of the corporate governance system of the Company. The Board is committed towards compliance of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long-term interests of the members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

LT Foods has a Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Women Directors which meets the requirement specified under Section 149(4) of the Companies Act, 2013 (the "Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations"). Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of Corporate Governance.

Detailed profile of the Board of Directors of the Company is provided separately in the Business Section of this Annual Report and is also available on the Company's website.

The Board operations are duly supported by the Managing Directors, CEO, Key Managerial Personnel and the Senior Management Personnel, while discharging its fiduciary duties and in ensuring effective functioning of your Company.

As on the date of this Report the Board of the Company comprises of three Executive Directors, four Non-Executive-Independent Directors, two of whom are Woman Director and one Non-Executive-Non-Independent Director. None of the Directors is holding directorships in more than 10 public limited companies, and is not holding directorship in more than 7 listed entities or acts as an Independent Director in more than 7 listed entities or 3 listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity, as specified in Regulation 17A of the Listing Regulations. Further, none of the Director of the Company is a member of more than 10 Committees and Chairperson of more than 5 Committees, as specified in Regulation 26 of the Listing Regulations, across all the Indian public limited companies in which he/ she is a Director.

Details pertaining to positions held by the Directors of the Company, in the Board and Board Committee that they occupy in other Companies and changes therein, if any, are being disclosed periodically by each Director. Further, none of the Director of the Company is, *inter-se*, related to each other, except for the Executive Directors.

The Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the Board and Management as of March 31, 2023.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, declarations on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time, regarding the requirement relating to the enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors.

Committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee & Management Committee handle specific responsibilities and empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution on diverse matters.

Your Company and the Board expresses their deep condolences at the untimely and sad demise of Mr. Anil Khandelwal (DIN: 03473632), Independent Director of the Company, on February 22, 2023. Mr. Anil Khandelwal was appointed as an Independent Director of the Company w.e.f. July 22, 2021, during his tenure, he played crucial leadership roles which benefitted the Company immensely. Mr. Anil Khandelwal's sudden and unexpected demise will be an irreparable loss to the Company and the Company convey deep sympathy, sorrow and condolences to his family.

During the financial year ended March 31, 2023, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors subject to the approval of the shareholders of the Company, Mr. Alrumaih Sulaiman Abdulrahman S, (DIN: 09091328) has been appointed as the Non-Executive Non-Independent Director of the Company with effect from February 28, 2023. The approval of the shareholders was taken through Postal Ballot Process.

Further, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors subject to the approval of the shareholders of the Company, Mr. Satish Chander Gupta, (DIN: 00025780) has been appointed as an Independent Director of the Company with effect from June 16, 2023. The approval of the shareholders shall be taken through Postal Ballot Process.

During the year under review, Mr. Ashwani Kumar Arora resigned from the position of Chief Financial Officer and Mr. Sachin Gupta has been appointed as Chief Financial Officer of the Company effective from May 30, 2022.

### Key Functions of the Board of Directors:

The Board performs various statutory and other functions for managing the affairs of the Company. The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The key functions include the following: -

- Reviewing and guiding corporate strategy, major plan of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Exercising appropriate control to ensure that the Company is managed efficiently to fulfil stakeholders' aspirations and societal expectations;
- Selecting, compensating, monitoring and when necessary, replacing key managerial personnel and overseeing succession planning;

- Monitoring effectiveness of the Company's governance practices and making changes as needed;
- Ensuring integrity of the Company's accounting and financial reporting system, financial and operating controls, compliance with applicable laws;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge and gender in the Board;
- Aligning remuneration of key managerial personnel and the Board of Directors with long term interests of the Company and its shareholders;
- Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Overseeing the process of disclosure and communications; and
- Evaluating the performance of Board, its Committees and individual Directors.

### Information shared with the Board on regular basis:

The Board has complete and unfettered access to all relevant information within the Company, to the Senior Management, and all the auditors of the Company. Information is provided to the Board Members on a continuous basis for their review, inputs and approval. At Board meetings, Company external-experts are invited to provide additional insights and clarifications, whenever required. Specific cases of mergers, acquisitions, business-restructurings and fund-raising etc. are presented to the Board Committees and later, with the recommendation of the committees, to the Board for its approval. As a process, information to Directors is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters.

Documents containing Unpublished Price Sensitive Information are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time.

Information w.r.t. Strategic, Operational, Finance and Governance matters:

- Regular updates on business and regulatory environment.

- Details of any acquisition, restructuring, joint venture or collaboration agreement.
- Annual operating plans, capital budgets and updates thereon.
- Update w.r.t. business development initiatives and performance on strategy.
- Information/ approval on Related Party Transactions.
- Quarterly and annual standalone results and financial statements of the Company and its operating divisions or business segments.
- Minutes of meetings of the Board and Board Committees, resolutions passed by circulations.
- Information on recruitment/ remuneration of senior officers just below Board level including appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices, if any.
- Updates on ESG goals, initiatives and best practices and Corporate Social Responsibility activities.
- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems, if any.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods or services provided by the Company.
- Any issue which involves possible public or product liability claims of substantial nature, if any including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Human resource updates and strategies.
- Quarterly treasury reports including foreign exchange exposures.
- Quarterly compliance certificates with the 'Exceptions Reports and Material Litigations', which includes non-compliance of any regulatory, statutory nature or listing requirements.
- Proposals requiring strategic guidance and approval of the Board.

### Composition and Category of Directors:

Composition of the Board of Directors of the Company as on the date of this Report are as follows:

Sl. No.	Name	Category & Designation
1.	Mr. Vijay Kumar Arora	Promoter - Chairman and Managing Director
2.	Mr. Ashwani Kumar Arora	Promoter - Managing Director & CEO
3.	Mr. Surinder Kumar Arora	Promoter - Managing Director
4.	Mr. Abhiram Seth	Non-Executive Independent Director
5.	Mrs. Neeru Singh	Non-Executive Independent Director
6.	Mrs. Ambika Sharma	Non-Executive Independent Director
7.	Mr. Alrumaih Sulaiman Abdulrahman S*	Non-Executive Non-Independent Director
8.	Mr. Anil Khandelwal**	Non-Executive Independent Director
9.	Mr. Satish Chander Gupta***	Non-Executive Independent Director

\*Appointed w.e.f. February 28, 2023.

\*\*Post his demise on February 22, 2023 he ceased to be Director.

\*\*\*Appointed w.e.f. June 16, 2023.

### Skills/Expertise/Competence identified by the Board of Directors:

The Board has identified individuals possessing wide experience and expertise in their areas of functions, viz. Corporate Strategy & Planning, Entrepreneurship, Brand Building, Financial & Accounting, Corporate Governance, Risk & Compliance and Supply Chain Management that allows them to make effective contribution to the Board and its Committees.



In terms of requirements of the Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as on March 31, 2023:

Skills, Expertise and Competencies	Mr. Vijay Kumar Arora	Mr. Ashwani Kumar Arora	Mr. Surinder Kumar Arora	Mr. Abhiram Seth	Mrs. Neeru Singh	Mrs. Ambika Sharma	Mr. Anil Khandelwal *	Mr. Alrumaih Sulaiman Abdulrahman S**	Mr. Satish Chander Gupta
	Corporate Strategy & Planning	✓	✓	✓	✓	⊗	✓	✓	✓
Entrepreneurship	✓	✓	✓	✓	⊗	✓	✓	✓	✓
Brand Building	✓	✓	✓	✓	✓	⊗	⊗	✓	✓
Financial & Accounting	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance, Risk & Compliance	✓	✓	✓	✓	✓	✓	✓	⊗	✓
Supply Chain Management	✓	✓	✓	✓	✓	⊗	⊗	✓	⊗

\*Post demise of Mr. Anil Khandelwal on 22.02.2023, he ceased to be Director of the Company.

\*\*Mr. Alrumaih Sulaiman Abdulrahman S has been appointed as Non-Executive Non-Independent Director w.e.f. 28.02.2023.

\*\*\*Appointed w.e.f. June 16, 2023.

### Directorship and Membership of Committees held by Directors during the year

Sl. No.	Name of the Director	Number of Committee positions held in other Public Companies*		Directorships in other Public Companies including listed entities**
		Chairman	Member (Including Chairperson)	
1.	Mr. Vijay Kumar Arora	0	0	1. Nature Bio Foods Limited 2. Daawat Foods Limited 3. LT International Limited
2.	Mr. Ashwani Kumar Arora	0	2	1. Nature Bio Foods Limited 2. Daawat Foods Limited 3. Ecopure Specialities Limited
3.	Mr. Surinder Kumar Arora	0	0	1. Nature Bio Foods Limited 2. Daawat Foods Limited 3. Ecopure Specialities Limited*** 4. Raghuvesh Foods & Infrastructure Limited 5. LT International Limited
4.	Mr. Abhiram Seth	1	4	1. ION Exchange Enviro Farms Limited 2. ION Exchange (India) Limited 3. ION Exchange Projects & Engineering Limited 4. Varun Beverages Limited#
5.	Mrs. Neeru Singh	1	3	1. Daawat Foods Limited
6.	Mrs. Ambika Sharma	0	2	1. Nature Bio Foods Limited 2. Ecopure Specialities Limited
7.	Mr. Anil Khandelwal##	1	1	-

Sl. No.	Name of the Director	Number of Committee positions held in other Public Companies*		Directorships in other Public Companies including listed entities**
		Chairman	Member (Including Chairperson)	
8.	Mr. Alrumaih Sulaiman Abdulrahman S###	0	1	-
9.	Mr. Satish Chander Gupta####	0	0	1. Prudent ARC Limited

\*Membership(s) / Chairmanship(s) of only audit and stakeholders' relationship committees in all public limited companies are considered.

\*\*Excludes directorships in foreign companies, companies registered under Section 8 of the Act, private companies and alternate directorships.

\*\*\*Appointed w.e.f. May 12, 2023

#Appointed w.e.f. May 02, 2023

##Ceased to be Director post his demise on February 22, 2023.

###Appointed w.e.f. February 28, 2023.

####Appointed w.e.f. June 16, 2023.

### Board Meetings

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. The Board/Committee Meetings are scheduled in consultation with the Board members to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Board business generally includes consideration of important corporate actions and events including-

- quarterly and annual results announcements;
- oversight of the performance of the business;
- declaration of dividends;
- development and approval of overall business strategy;
- board succession planning;
- review of the functioning of the Committees; and
- other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

The notice of Board/Committee Meetings is given well in advance to all the Directors. Usually, Meetings of the Board are held in Gurugram. The Agenda of the Board/Committee Meetings is set by the Company Secretary in

consultation with the Managing Director of the Company. The Agenda is circulated a week prior to the date of the Meeting. The Agenda for the Board meetings covers items set out as per the guidelines in Listing Regulations and Act to the extent it is relevant and applicable. The Agenda for the Board meetings includes detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision. Video/audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the meetings.

Prior approval from the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

### Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting held during the financial year ended March 31, 2023

During the financial year 2022-23, all the Board and Committee meetings were conducted through audio visual means as per the circulars/rules issued by Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") from time to time, for conducting meetings. During the financial year 2022-23, six Board Meetings were held on May 30, 2022, July 29, 2022, October 31, 2022, November 10, 2022, January 30, 2023 and February 28, 2023. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days.

The attendance of the Board members at the Board meetings and the Annual General Meeting ("AGM") of the Company held during the financial year 2022-23 alongwith shareholding as on March 31, 2023, is as follows:

Sl. No.	Name	Attendance in Board Meetings held on						%age	Attendance at Last AGM held on September 30, 2022	%age of Shareholding as on March 31, 2023
		May 30, 2022	July 29, 2022	October 31, 2022	November 10, 2022	January 31, 2023	February 28, 2023			
1.	Mr. Vijay Kumar Arora	No	Yes	Yes	Yes	Yes	Yes	83.33	Yes	6.62
2.	Mr. Ashwani Kumar Arora	Yes	Yes	Yes	Yes	Yes	No	83.33	Yes	6.62
3.	Mr. Surinder Kumar Arora	No	No	Yes	Yes	No	Yes	50	Yes	6.62
4.	Mr. Abhiram Seth	Yes	Yes	Yes	Yes	Yes	Yes	100	Yes	0.01
5.	Mrs. Neeru Singh	Yes	Yes	Yes	Yes	Yes	Yes	100	Yes	Nil
6.	Mrs. Ambika Sharma	Yes.	Yes	Yes	Yes	Yes	Yes	100	Yes	Nil
7.	Mr. Anil Khandelwal*	Yes	Yes	Yes	Yes	Yes	N.A.	100	Yes	Not Applicable
8.	Mr. Alrumaih Sulaiman Abdulrahman S**	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	NA	N.A.	Nil

\*Ceased to be Director post his demise on February 22, 2023.

\*\*Appointed w.e.f. February 28, 2023.

Note: None of the Non-Executive Directors hold any convertible instruments in the Company.

## Independent Directors

As per Nomination and Remuneration Policy of the Company, the Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of Listing Regulations, Section 149(6) of the Act read with rules and Schedule IV thereunder and other applicable regulations.

Each Independent Director of the Company, at the time of appointment, and thereafter at the beginning of each financial year, submits a declaration confirming their independence under Section 149(6) of the Act read with the rules and Schedule IV thereunder and Regulation 16 of the Listing Regulations. Such declarations of independence received from the Independent Directors are noted and taken on record by the Board.

Accordingly, based on the declarations received from all Independent Directors and in the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Act and Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

The Company issues formal letter of appointment to the Independent Directors at the time of their appointment/re-appointment. The terms and conditions of the appointment of Independent Directors are available

on the Company's website at <http://ltgroup.in/pdf/terms-and-conditions-of-appointment-of-independent-director.pdf>.

The Company has received a Certificate from CS Debasis Dixit, a Practising Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/MCA or any such statutory authority. The Certificate is attached as Annexure 'I' forming an integral part of this Report.

## Directors' Performance Evaluation

Pursuant to the provisions of the Act and Regulation 17(10), 19(4) and Part D of Schedule II of the Listing Regulations, a Board Performance Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee and by the Board.

Board Committees were evaluated by the respective Committee members, Directors were also evaluated individually by all other Directors (except the Director himself) on the parameters such as his/her preparedness at the Board Meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board Meetings, etc.

Meeting of Independent Directors without the attendance of Non-Independent Directors and members of the management of the Company was held on March

27, 2023. The Independent Directors, inter-alia, evaluated performance of Non-Independent Directors, the Chairperson of the Company and the Board as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably. The Directors expressed their satisfaction with the entire evaluation process.

Performance Evaluation criteria for all the Directors have been laid down and posted on the Company's website. It is available on <http://ltgroup.in/pdf/LT-Foods-Board-evaluation.pdf>

## Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company without the presence of the Executive Directors and the Management representatives was held on March 27, 2023, as required under Schedule IV to the Act and Regulation 25 (3) of the Listing Regulations. The Independent Directors expressed their satisfaction with the desired level of the governance of the Board as captured in the Board effectiveness review exercise. At the said meeting, the Independent Directors:

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

## Familiarization Programme:

The Company has an orientation process/familiarization programme for its Independent Directors that includes:

- Briefing on their role, responsibilities, duties, and obligations as a member of the Board.
- Nature of business and business model of the Company, Company's strategic and operating plans.
- Update on the business operations covering all business verticals of the Company and its subsidiaries, by the Senior Management.
- Matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole.

To this end, the Directors were given presentations on the business environment, as well as all business areas of the Company including business strategy, environmental and social impact of the business, risks opportunities, new products, market share, policies, performance, investor relations and regulatory changes. Quarterly updates on performance/developments giving highlights of performance of the Company during each quarter including the developments/ events having impact on the business of the Company are presented to all the Directors. The details of familiarization programmes imparted to Independent Directors is disclosed on the company's website: <http://ltgroup.in/pdf/familiarization-programme-for-independent-directors.pdf>.

## COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable rules and regulations, which concern the Company and need a closer review. Each Committee of the Board is guided by its terms of reference, which defines the scope, powers, responsibilities and composition of the Committee. The Chairperson of the respective Committee(s) brief the Board about the summary of the discussions held at the Committee meetings. The minutes of the meetings of all Committees are placed before the Board for its review and noting. The Board Committees request special invitees to join the meeting, as and when appropriate.

During the year, all recommendations of the Committees of the Board have been accepted by the Board.

The terms of reference of the mandatory Committees are in line with the applicable provisions of the Listing Regulations, the Act and the Rules issued thereunder.

As on March 31, 2023, the Company had 8 (Eight) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee, Governance Committee, Capital Raising Committee and Management Committee.

The Company has closed the Governance Committee and Capital Raising Committee on July 28, 2023, since these were incorporated for specific reasons and the Company do not anticipate the requirement of these committees in near future.

Brief details on the mandatory committees of the Board of Directors of the Company is as follows:

## Audit Committee

The Audit Committee is primarily responsible for accurate financial reporting and strong internal controls. The Audit Committee through regular interaction with the external



and internal auditors and review of various financial statements ensures that the interests of stakeholders are protected. All the members of the Audit Committee are financially literate and has accounting and financial management expertise.

The composition of the Audit Committee meets the requirements as per Section 177 of the Act and Regulation 18(1) of the Listing Regulations. The Audit Committee comprises of four Non-Executive Directors, of whom three are Independent Directors.

Senior Management Personnel including Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings. The Company held minimum one Audit Committee Meeting in each quarter and maximum gap between two consecutive meetings did not exceed one hundred and twenty days. During the financial year 2022-23, five Audit Committee meetings were held on May 30, 2022, July 29, 2022, October 31, 2022, November 11, 2022 and January 30, 2023. All recommendations made by the Audit Committee were accepted by the Board. The Chairman of the Committee was present at the last Annual General Meeting ("AGM"), held on September 30, 2022.

Composition of the Audit Committee alongwith number of meetings & attendance details are mentioned below-

S No.	Name	Designation	Attendance in Audit Committee Meetings held on				
			May 30, 2022	July 29, 2022	October 31, 2022	November 10, 2022	January 30, 2023
1.	Mr. Abhiram Seth	Chairman	Yes	Yes	Yes	Yes	Yes
2.	Mrs. Ambika Sharma	Member	Yes	Yes	Yes	Yes	Yes
3.	Mrs. Neeru Singh	Member	Yes	Yes	Yes	Yes	Yes
4.	Mr. Anil Khandelwal*	Member	Yes	Yes	Yes	Yes	Yes
5.	Mr. Alrumaih Sulaiman Abdulrahman S**	Member	N.A.	N.A.	N.A.	N.A.	N.A.

\*Post his demise on February 22, 2023 he ceased to be a Director.

\*\*Appointed as a member of Audit Committee w.e.f. February 28, 2023.

### Role / Terms of Reference of Audit Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice.

The role / terms of reference of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of the 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 and quarterly financial statements and auditors' report before submission to the Board for approval.

5. Review and monitor the auditors' independence and performance and effectiveness of the audit process.
6. Reviewing with the management the performance of statutory and internal auditors and adequacy of the internal control systems.
7. 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 for monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter.
8. Approval of transactions of the Company with related parties and any subsequent modification of such transactions.
9. Approve the appointment of Company's Chief Financial Officer after assessing the qualifications, experience and background, among others, of the candidate.
10. Scrutiny of inter-corporate loans and investments.

11. Valuation of undertakings or assets of the Company, wherever it is necessary.
12. Evaluation of internal financial controls and risk management systems.
13. Reviewing the adequacy of the internal audit function 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. Discussions 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 and resolve any areas of concern.
17. Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. Review the functioning of the whistle blower mechanism.
19. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

### Internal Controls and Risk Management

The Company has robust system for Internal Audit and Corporate Risk assessment and mitigation. The Company has an independent Internal Audit Department assisted by outsourced audit teams. The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and covers plants, offices, warehouses and centrally controlled businesses and functions. Every quarter, the Audit Committee is presented with a summary of significant audit observations and follow-up actions thereon.

Business Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans. A comprehensive Enterprise Risk Management ("ERM") framework has been established by the Company, to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks.

Risk Management Committee has been formulated by the Board of Directors, in compliance with Regulation 17 and 21 of the Listing Regulations. Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company has also been adopted. The Board, Audit and the Risk Management Committee's is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. The Board, Audit and the Risk Management Committee's of the Company periodically reviews the process for measuring the effectiveness of mitigation plans as per the policy.

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with the requirements of the Act. The Company has laid down Standard Operating Procedures and policies to guide the operations of the business. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the Management. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory Auditors and Internal Auditors undertake rigorous testing of the control environment of the Company.

### Whistle Blower Policy / Vigil Mechanism

The Company has a whistle blower mechanism wherein the Directors/Employees/Associates can approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Company's Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he/she becomes aware of that could affect the business or reputation of the Company.

The Company has zero tolerance towards breach of Code of Conduct and to this extent, the Company has built a robust framework around the Whistle Blower mechanism to actively address complaints received, if any.

No complaints were received under whistle blower mechanism, during the financial year 2022-23. The Audit Committee is periodically briefed about status of complaints received, if any.

Further, the said Policy has been disseminated within the organisation and has also been posted on the Company's website and can be accessed through the following Web-link: [http://ltgroup.in/pdf/Whistle-Blower%20Policy\\_August%202021.pdf](http://ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf)

## Related Party Transactions

All related party transactions undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules made thereunder and Regulation 23 of the Listing Regulations. During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were in the ordinary course of business and on an arm's length basis. Prior approval is obtained for unforeseen related party transactions which would be in the ordinary course of business and on an arm's length basis. Also, the Company has taken prior approval of the shareholders on the recommendation of the Board and Audit Committee, for all material related party transactions. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report.

The Board has also formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Act and the Listing Regulations. The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. The Policy also provides that concerned or interested Director(s) shall not participate in any discussion or approval of any contracts or arrangements with related parties. The Related Party Policy of the Company can be accessed on the Company's website at <http://www.ltgroup.in/pdf/LT-Food-Related-Party-Transactions-2021.pdf>.

The Audit Committee, during the financial year 2022-23, has approved related party transactions along with granting omnibus approval in line with the Policy on dealing with and materiality of related party transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force). The Audit Committee reviews at least on a quarterly basis, the details of related party transactions, if any, entered into by the Company pursuant to the approval granted.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronize and synergise with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in the Annual Financial Statements, forming part of the Annual Report.

Details of Directors who are members of the NRC Committee and their attendance in the meetings held during the financial year 2022-23 is as follows:

S No.	Name	Designation	Attendance in Audit Committee Meetings held on			
			May 30, 2022	July 29, 2022	January 30, 2023	February 28, 2023
1.	Mr. Abhiram Seth	Chairman	Yes	Yes	Yes	Yes
2.	Mrs. Ambika Sharma	Member	Yes	Yes	Yes	Yes
3.	Mrs. Neeru Singh	Member	Yes	Yes	Yes	Yes

## Fees paid to Statutory Auditor

During the financial year 2022-23, Company had paid an amount of Rs. 202.03 lacs, as fees, on a consolidated basis, to the Statutory Auditors including all entities in their network firm/ network entity of which it is a part.

## Nomination and Remuneration Committee:

The constitution of the Nomination and Remuneration Committee ("NRC Committee") is in conformity with the requirements of Section 178 of the Act and also as per the requirements of Regulation 19 of the Listing Regulations. The broad terms of reference of the NRC Committee *inter alia* include recommending to the Board of Directors the selection and appointment or reappointment of Independent Directors in the Board and its Committees which shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". The NRC Committee also decides whether to extend or continue the terms of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors, which includes overseeing the performance review process of the key managerial personnel's (KMP) and the executive team of the Company, recommending to the Board the remuneration policy for Directors, Executive team/KMPs as well as the rest of the employees, identifying and recommending to the Board, including their remuneration, the appointment and removal of persons for the positions/offices one level below the Chief Executive Officer / Managing Director / Whole-Time Director/Manager, specifically including the position of the Company Secretary and the Chief Financial Officer.

The NRC Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures. The NRC Committee also recommends the total remuneration payable to Non-Executive Directors, KMP and senior management personnel.

The NRC Committee met four times during the financial year 2022-23. The NRC Committee meetings were held on May 30, 2022, July 29, 2022, January 30, 2023 and February 28, 2023. The Chairperson of the NRC Committee was present at the last AGM, held on September 30, 2022.

## Role / Terms of Reference of Nomination and Remuneration Committee

The role / terms of reference of the NRC Committee include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Senior Management Personnel.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. 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 their appointment and removal.
4. To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
5. To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
6. To see that 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.
7. To decide 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.
8. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

## Nomination and Remuneration Policy

In accordance with the provisions of the Act and the Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management of the Company including criteria for determining qualifications, positive attributes, and independence of a Director as well as a policy on Board Diversity. The said policy is available at the website of the Company and the weblink for the same is <http://ltgroup.in/pdf/LT-Foods-Remuneration-Policy.pdf>. The said policy provides as follows:

1. The NRC Committee shall take into consideration the following criteria for recommending to the Board for appointment of a Director of the Company: (a)

Qualifications & Experience (b) Positive attributes like respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as an Independent Director as per the provisions of the Act, Listing Regulations and other applicable laws & regulations and should have the capabilities identified in the description of the role and capabilities required of an independent director as may be prepared by the Committee. (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

2. The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
3. The evaluation of performance of the Board, its Committees and individual Directors will be carried out by the Board, in the manner specified by the Committee from time to time and in accordance with other applicable provisions of the Act and the Listing Regulations, in this regard.
4. The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.
5. The eligibility criteria for appointment of KMPs and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by Senior Personnel having relevant qualifications and experience.

## Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.



## Remuneration of Directors:

### All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity:

No pecuniary relationship or transaction happened between the Non-Executive Directors vis-à-vis the Listed entity, during the financial year ended March 31, 2023, except for the sitting fees for attending meetings of the Board and other Committees.

### Criteria of making payments to Non-Executive Directors:

Payment in the form of Sitting Fees is paid to the Non-Executive Directors. The details of sitting fees paid to the Non-Executive Directors for attending the meetings of the Board(s) and Committee(s) during the financial year ending March 31, 2023 is as follows:

(INR in Lakhs)	
Name of the Director	Sitting fees paid
Mr. Abhiram Seth	7.55
Mrs. Ambika Sharma	6.35
Mr. Anil Khandelwal	4.75
Mrs. Neeru Singh	7.15
<b>Total</b>	<b>25.80</b>

Note: Amount of Rs. 6.80 has been adjusted from Securities Premium Account

The details of remuneration paid to the Executive Directors during the financial year ending March 31, 2023 are as under:

Name of Director	Vijay Kumar Arora*	Ashwani Kumar Arora*
<b>Salary Components(INR)</b>		
Salary	16,500,000	1,61,21,424
Benefits(perquisites)	39,600	Nil
Bonuses	11,000	11,000
Pension	NIL	NIL
Fixed Component and performance linked incentives, along with the performance criteria	NIL	NIL
Fixed Commission	50,00,000	50,00,000
Notice Period	As per terms and conditions of appointment.	As per terms and conditions of appointment.
Severance Fee	Nil	Nil
Stock Options	Nil	Nil
No. of shares held	2,29,86,920	2,29,86,920

Mr. Surinder Kumar Arora, Managing Director of the Company draws salary from Daawat Foods Limited, subsidiary company.

## Senior Management Personnel

As per the provisions of Regulation 34 (3) read with Para C (5B) of Schedule V of the Listing Regulations, details of Senior Management are as follows:

S. No.	Name	Designation
1	Mr. Ashok Kumar Arora	President- Punjab Operations
2	Mr. Ritesh Arora	CEO- India & Far East Business
3	Mr. Amit Mehta	Business Head - Foods
4	Mr. Palash Aggrawal	Chief Human Resource Officer
5	Mr. K Ganapathy Subramaniam	Vice President & Head of Marketing
6	Mr. Sanjeev Uppal	Vice President and Head of Product Delivery

S. No.	Name	Designation
7	Mr. Manoj Chugh	Vice President and Head of RM Procurement
8	Mr. Varun Sharma	Vice President & Chief Digital Officer
9	Ms. Anu Sharma	Assistant Vice President & Head of Legal & Insurance
10	Mr. Namit Mehra	Assistant Vice President & Head of Ocean Freight Buying

Note: There is no change in the above list from the end of the financial year 2022-23 till the date of this report.

## Corporate Social Responsibility and Environment, Social and Governance Committee:

The Corporate Social Responsibility Committee was formed pursuant to Section 135 of the Act, as amended, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities, action plan and to monitor the Corporate Social Responsibility Policy of the Company from time to time. Board of Directors in its meeting dated May 30, 2022, extended the scope of the Corporate & Social Responsibility Committee and included Environment, Social & Governance as a part of it, and renamed the Corporate Social Responsibility Committee as Corporate Social Responsibility and Environment, Social and Governance Committee.

Details of the Company's spend on CSR activities are available in CSR Report, as approved by the CSR&ESG Committee, attached to the Director's Report and also available on the website of the Company.

During the financial year 2022-23, the Committee met three times i.e. on May 30, 2022, July 29, 2022 and January 30, 2023. The Chairperson of the CSR & ESG Committee was present at the last AGM, held on September 30, 2022.

Details of Directors who are members of the CSR & ESG Committee and their attendance in the meetings held during the financial year 2022-23 is as follows:

Sl. No.	Name	Designation	Attendance in Corporate Social Responsibility Committee Meetings held on		
			May 30, 2022	July 29, 2022	January 30, 2023
1.	Mrs. Neeru Singh	Chairperson	Yes	Yes	Yes
2.	Mr. Vijay Kumar Arora	Member	No	Yes	Yes
3.	Mr. Ashwani Kumar Arora	Member	Yes	Yes	Yes
4.	Mr. Abhiram Seth	Member	Yes	Yes	Yes

## Corporate Social Responsibility Policy

The Company has a Policy on Corporate Social Responsibility which outlines the Company's philosophy and responsibility of aspiring to be a responsible corporate citizen, behave ethically & endeavors to contribute towards sustainable development with the strategies, policies and actions aligned with the wider social, economic & environmental concerns. The Policy strives towards welfare and sustainable development of the different segments of the community, specifically the deprived and underprivileged segment.

The Corporate Social Responsibility Policy of the Company ("**CSR Policy**") is available on the website of the Company and can be accessed at: <http://ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>

## Role / Terms of Reference of CSR & ESG Committee

The role / terms of reference of the CSR & ESG Committee include the following:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Act;
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause above;
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time;
4. To recommend the amount to be spent by the Company towards CSR activities;

5. To review the progress made at least once a year;
6. To formulate and recommend Annual Action Plan to the Board which shall include:
  - a. the list of CSR projects or programs 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 programs;
  - c. the modalities of utilization of funds and implementation schedules for the projects or programs;
  - d. monitoring and reporting mechanism for the projects or programs; and
  - e. details of need and impact assessment, if any, for the projects undertaken by the company.
7. Overseeing the ESG Strategy, goals and roadmap for the Company
8. Oversight on ESG Ratings and Disclosures
9. Decision making on sustainability related issues
10. To frame policies as are important as an ESG perspective and keep monitoring them.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Company has set ESG targets, details of which alongwith the its journey is covered in the business section, forming part of this Annual Report.

### Risk Management Committee:

Understanding the importance of managing and pre-empting risks effectively for having a sustainable business, the Board has constituted a Risk Management Committee ("**Committee**"), in line with the Listing Regulations, to identify elements of risk in different areas of operations and to develop a policy for actions associated to mitigate the risks. Focus of the Committee is on functions relating to risk management such as determination of Company's risk appetite, risk tolerance and regular risk assessments including risk identification, quantification and evaluation etc.

The Committee on a timely basis inform the members of the Board of Directors about risk assessment and mitigation procedures. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Listing Regulations.

The Risk Management Committee comprises of four Directors out of whom one is Managing Director & CEO, one Independent, one Non-Executive Director and one senior management personnel of the Company. The Company Secretary of the Company acts as the Secretary to the Committee.

During the financial year 2022-23, the Committee met two times i.e. on October 28, 2022 and January 30, 2023. Further, the time gap between two consecutive meetings did not exceed 180 days. The Chairman of the Risk Management Committee was present at the last AGM, held on September 30, 2022.

A comprehensive risk management policy is formulated to notify members of the Board of Directors about effective risk assessment and minimization procedures. The policy is available at weblink: <http://www.ltgroup.in/pdf/LT-Foods%20Risk-Management.pdf>

Details of Directors who are members of the Risk Management Committee and their attendance in the meetings held during the financial year 2022-23 is as follows:

S No.	Name	Designation	Attendance in Risk Management Committee Meetings held on	
			October 28, 2022	January 30, 2023
1.	Mr. Ashwani Kumar Arora	Chairman	Yes	Yes
2.	Mr. Abhiram Seth	Member	Yes	Yes
3.	Mr. Ashok Kumar Arora	Member	Yes	Yes
4.	Mr. Alrumaih Sulaiman Abdulrahman S*	Member	NA	NA

\* Appointed as member of Risk Management Committee w.e.f. February 28, 2023.

### Role / Terms of Reference of Risk Management Committee

The terms of reference of the Committee is in line with the regulatory requirements mandated by Regulation 21 and Part D of Schedule II of the Listing Regulations which *inter alia* includes the following:

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 Company, 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.
7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Details of Directors who are members of the Stakeholders' Relationship Committee and their attendance in the meetings held during the financial year 2022-23 is as follows:

S No.	Name	Designation	Attendance in Stakeholder's Relationship Committee Meetings held on July 27, 2022
1.	Mrs. Neeru Singh	Chairperson	Yes
2.	Mr. Ashwani Arora	Member	Yes
3.	Mr. Surinder Arora	Member	Yes
4.	Mr. Abhiram Seth	Member	Yes

Please refer Business Responsibility and Sustainability Report for status of other stakeholder's complaints received, if any.

### Stakeholders Relationship Committee:

Section 178(5) of the Act prescribes that a company that consists of more than one thousand shareholders, debenture holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee.

The Board of Directors of the Company has constituted Stakeholders Relationship Committee ("**Committee**"). The role of the Committee includes resolving the grievances of stakeholders ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company. The present Committee comprises of four Board members out of which two are executive and two are Independent Directors. Pursuant to Regulation 6 of Listing Regulations, Company Secretary of the Company acts as the Compliance Officer of the Company and Secretary to the Committee.

During the financial year 2022-23, the Committee met one time i.e. on July 27, 2022. The Chairman of the Stakeholders Relationship Committee was present at the last AGM, held on September 30, 2022.

#### Name and designation of compliance officer:

Mrs. Monika Chawla Jaggia, Vice President – Finance & Strategy is the Company Secretary & Compliance Officer of the Company.

#### Number of shareholders' complaints received so far:

The number of shareholders' complaints received and resolved during financial year 2022-23 is given below:

Number of shareholders' complaints received:	2
Number of shareholders' complaints resolved:	2
Number not solved to the satisfaction of shareholders:	None
Number of pending complaints:	Nil



## Terms of Reference of Stakeholders' Relationship Committee

The roles and responsibilities of the Stakeholders Relationship Committee as prescribed under Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as applicable are mentioned under the terms of reference of the Committee.

The role / terms of reference of the Stakeholder's Relationship Committee include the following:

1. Resolve 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 the measures taken for effective exercise of voting rights by shareholders.
3. Review the adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent.
4. Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

## General Body Meetings:

Particulars of past three Annual General Meetings and the summary of Special Resolutions passed therein are as follows:

Year Ended	General Meeting	Location	Date	Time	Special Resolution passed
March 31, 2022	32 <sup>nd</sup> AGM	Through Audio Visual Means at Unit No. 134, 1 <sup>st</sup> Floor, Rectangle - I, Saket District Centre, New Delhi - 110017.	September 30, 2022	12:00 Noon	No Special resolution was passed.
March 31, 2021	31 <sup>st</sup> AGM	Through Audio Visual Means at Unit No. 134, 1 <sup>st</sup> Floor, Rectangle - I, Saket District Centre, New Delhi - 110017.	September 30, 2021	12:00 Noon	No Special resolution was passed.
March 31, 2020	30 <sup>th</sup> AGM	Through Audio Visual Means at Unit No. 134, 1 <sup>st</sup> Floor, Rectangle - I, Saket District Centre, New Delhi - 110017.	September 30, 2020	12:00 Noon	Continuation of directorship of Mr. Suparas Bhandari (DIN:0159637), Independent Director in terms of Regulation 17(1A) of the Listing Regulations, 2015.

## Extra Ordinary General Meeting

Year ended	General Meeting	Location	Date	Time	Special Resolution passed
March 31, 2023	1 <sup>st</sup> EGM for the financial year 2022-23	Through Audio Visual Means at Unit No. 134, 1 <sup>st</sup> Floor, Rectangle - I, Saket District Centre, New Delhi - 110017.	December 07, 2022	12:00 Noon	<ol style="list-style-type: none"> <li>1. Issuance of Equity Shares to Salic International Investment Company.</li> <li>2. Adoption of the Amended and Restated Articles of Association of the Company.</li> <li>3. Amendment of the Memorandum of Association of the Company.</li> <li>4. Approve the increase in the limits applicable for making investments /extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate</li> </ol>

All the above resolutions as placed before the shareholders of the Company were passed with the requisite majority.

## Postal Ballot

During the financial year 2022-23 and till the date of this Report, Company approached the members twice for passing of resolutions through Postal Ballot. The details including voting pattern of the said Postal Ballot's are mentioned below:

### 1<sup>st</sup> Postal Ballot

<b>Date of Postal Ballot Notice:</b> January 30, 2023	<b>Voting period:</b> February 27, 2023 to March 28, 2023
<b>Date of declaration of result:</b> March 29, 2023	<b>Effective date of approval:</b> March 28, 2023

Particulars	Type of Resolution	Votes Polled	Votes in Favour (No. & %)	Votes Against (No. & %)
Approval of Material Related Party Transactions with Daawat Foods Limited for the Financial Year 2023-24	Ordinary Resolution	3,42,24,765	3,25,85,352 95.21%	16,39,413 4.79%
Approval of Material Related Party Transactions of the Subsidiaries of LT Foods Limited with LT Foods Americas Inc. (Wholly Owned Subsidiary of LT Foods Limited) for the Financial Year 2023-24	Ordinary Resolution	3,42,25,860	3,25,87,533 95.21%	16,38,327 4.79%
To increase remuneration of Mr. Ritesh Arora, CEO-India & Far East Business of the Company	Ordinary Resolution	3,42,29,160	2,08,76,904 60.99%	1,33,52,256 39.01%

### 2<sup>nd</sup> Postal Ballot

<b>Date of Postal Ballot Notice:</b> May 18, 2023	<b>Voting period:</b> May 23, 2023 to June 21, 2023
<b>Date of declaration of result:</b> June 22, 2023	<b>Effective date of approval:</b> June 21, 2023

Particulars	Type of Resolution	Votes Polled	Votes in Favour (No. & %)	Votes Against (No. & %)
Appointment of Mr. Alrumaih Sulaiman Abdulrahman S as Non-Executive Non-Independent Director of the Company.	Ordinary Resolution	18,31,89,539	17,08,68,572 93.27%	1,23,20,967 6.73%

In terms of Board approval Mr. Debasis Dixit, Company Secretary in Practice (Membership No. FCS 7218), of M/s. D Dixit & Associates, Company Secretaries, acted as Scrutinizer for conducting aforementioned Postal Ballots through e-Voting in accordance with the provisions of the Act and the Rules made thereunder and the Listing Regulations in a fair and transparent manner.

### Procedure followed for Postal Ballot

1. The Postal Ballot was carried out in compliance with Regulation 44 of the Listing Regulations and as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars

issued by the MCA. The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing e-voting facility to all its shareholders, to enable them to cast their votes electronically. In accordance with the circulars issues by MCA, physical ballot papers were not provided to the shareholders.

2. The Notice also specified the procedure for registering the email addresses and obtaining the Notice of postal ballot and remote e-voting instructions by the shareholders whose email addresses were not registered with the depositories.
3. An advertisement was published in the Newspapers viz. 'Financial Express' (English) and 'Jansatta' (Hindi)

on February 28, 2023 (1<sup>st</sup> Postal Ballot) and May 24, 2023 (2<sup>nd</sup> Postal Ballot) giving the requisite details as per the provisions of the Act, MCA circulars and Secretarial Standard - 2.

4. The Scrutinizer submitted his report on March 29, 2023 (1<sup>st</sup> Postal Ballot) and June 22, 2023 (2<sup>nd</sup> Postal Ballot) to the Chairman, as authorised by the Board. Based on the report the Company Secretary announced the results.
5. The result of the Postal Ballot along with the Scrutinizer's report was placed on the website of the Company (<http://ltgroup.in/index.html>), NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) and was also communicated to the Stock Exchanges.

As on the date of this report, there is one special resolution, pertaining to approval of appointment of an Independent Director, for which the Company need to seek shareholders' approval through postal ballot. Mr Satish Chandra Gupta was appointed as an Additional Director on June 16, 2023 in the capacity of Independent Director. As per regulation 17(1C) of the Listing Regulations the Company will be seeking shareholder's approval for appointing him as an Independent Director of the Company within a period of three months from the date of appointment.

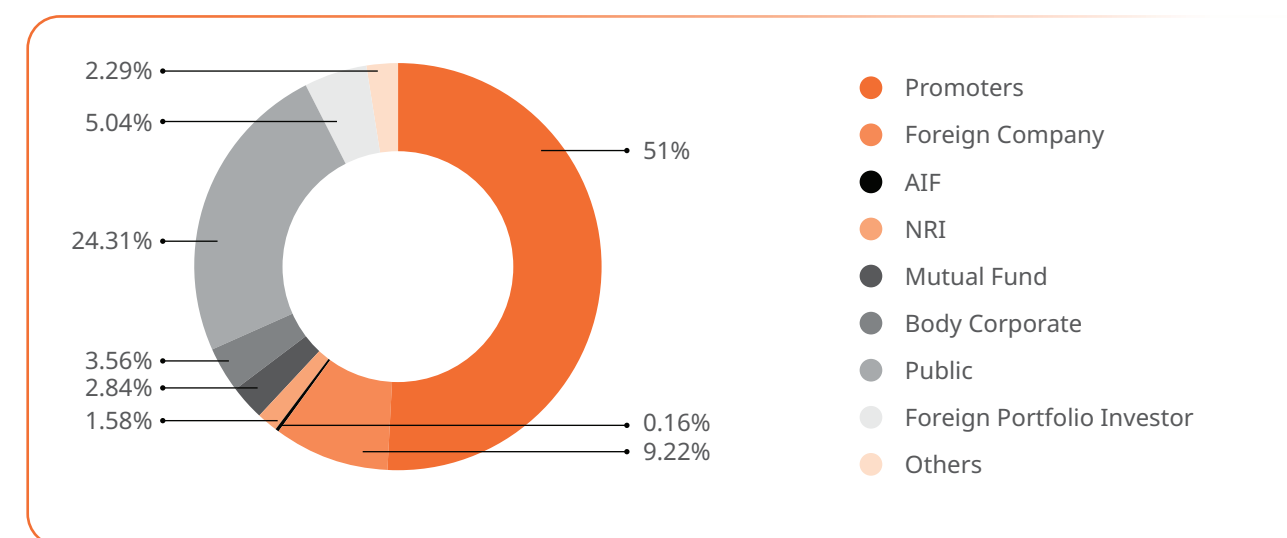
### General Shareholder Information

<b>AGM Date, Time &amp; Venue</b>	Friday, September 29, 2023, at 12 Noon, through Video Conferencing/ Other Audio - Visual Means , deemed to be held at Unit No. 134, 1 <sup>st</sup> Floor, Rectangle - I, Saket District Centre, New Delhi - 110017
<b>Financial Year</b>	April 01 to March 31
<b>Book Closure Date for AGM and Final Dividend</b>	Friday, September 22, 2023 to Friday, September 29, 2023 (Both days inclusive)
<b>Listing of Equity Shares on Stock Exchanges</b>	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; and National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051
<b>Stock Code</b>	BSE Limited: 532783 National Stock Exchange of India Ltd.: DAAWAT
<b>ISIN</b>	INE818H01020
<b>Listing Fees</b>	Listing fees as prescribed have been paid to the above stock exchanges for the financial year ended March 31, 2023.
<b>Share Registrar and Transfer Agents</b>	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai Pin Code-400072. Contact Person: Mr. N. V. K. Mohan Tel No. 022-28470652 Fax No. 022-28475207 Email id: <a href="mailto:mohan@bigshareonline.com">mohan@bigshareonline.com</a> and <a href="mailto:bssdelhi@bigshareonline.com">bssdelhi@bigshareonline.com</a>
<b>Company Secretary &amp; Contact Address</b>	Mrs. Monika Chawla Jaggia, Company Secretary & Compliance Officer MVL - 1 Park, 4 <sup>th</sup> Floor, Sector - 15, Gurugram-122001 Haryana, India E-mail: <a href="mailto:ir@ltgroup.in">ir@ltgroup.in</a>

### Category of shareholding as on March 31, 2023

Category	Total Shareholders	Total Shares	%
PROMOTER & PROMOTER GROUP	18	177099002	51.0000
ALTERNATE INVESTMENT FUND	2	558756	0.1609
CLEARING MEMBER	69	513274	0.1478
CORPORATE BODIES	339	12350482	3.5566
EMPLOYEE	58	3118728	0.8981
FOREIGN COMPANY	1	32025784	9.2226
FOREIGN PORTFOLIO INVESTOR	88	16109623	4.6392
CORPORATE - CATEGORY I FOREIGN PORTFOLIO INVESTOR	11	1398298	0.4027
IEPF	1	638826	0.1840
KEY MANAGERIAL PERSONNEL	3	275925	0.0795
MUTUAL FUND	1	9878878	2.8449
NON RESIDENT INDIANS	1968	5490113	1.5810
OTHER BODIES CORPORATE	1	100	0.0000
OVERSEAS CORPORATE BODIES	1	500000	0.1440
PUBLIC	153755	87291497	25.1377
TRUSTS	2	3658	0.0011
<b>TOTAL</b>	<b>156321</b>	<b>347252944</b>	<b>100.0000</b>

### Shareholding Pattern as on March 31, 2023:





### Distribution of Shareholding according to size, class and categories of shareholders as on March 31, 2023

SHAREHOLDING OF NOMINAL	NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL	
1	5000	154148	98.61	34349270	9.89
5001	10000	1046	0.67	7865599	2.27
10001	20000	512	0.33	7349621	2.12
20001	30000	181	0.12	4503626	1.30
30001	40000	91	0.06	3183817	0.92
40001	50000	61	0.04	2763150	0.80
50001	100000	112	0.07	8172057	2.35
100001	99999999	170	0.11	279065804	80.36
		<b>156321</b>		<b>347252944</b>	<b>100.00</b>

### Top ten Shareholders as on March 31, 2023

Sl. No.	Name	Shares	Percentage
1.	Raghuvesh Holdings Private Limited	33384472	9.61
2.	Salic International Investment Company	32025784	9.22
3.	Surinder Arora	22986920	6.62
4.	Ashwani Kumar Arora	22986920	6.62
5.	Vijay Kumar Arora	22986920	6.62
6.	Ashok Kumar Arora	22986920	6.62
7.	Gurucharan Dass Arora	21286920	6.13
8.	Dsp Small Cap Fund	9878878	2.84
9.	Sakshi Arora	8371500	2.41
10.	Anita Arora	7611500	2.19
	<b>TOTAL</b>	<b>204506734</b>	<b>58.89</b>

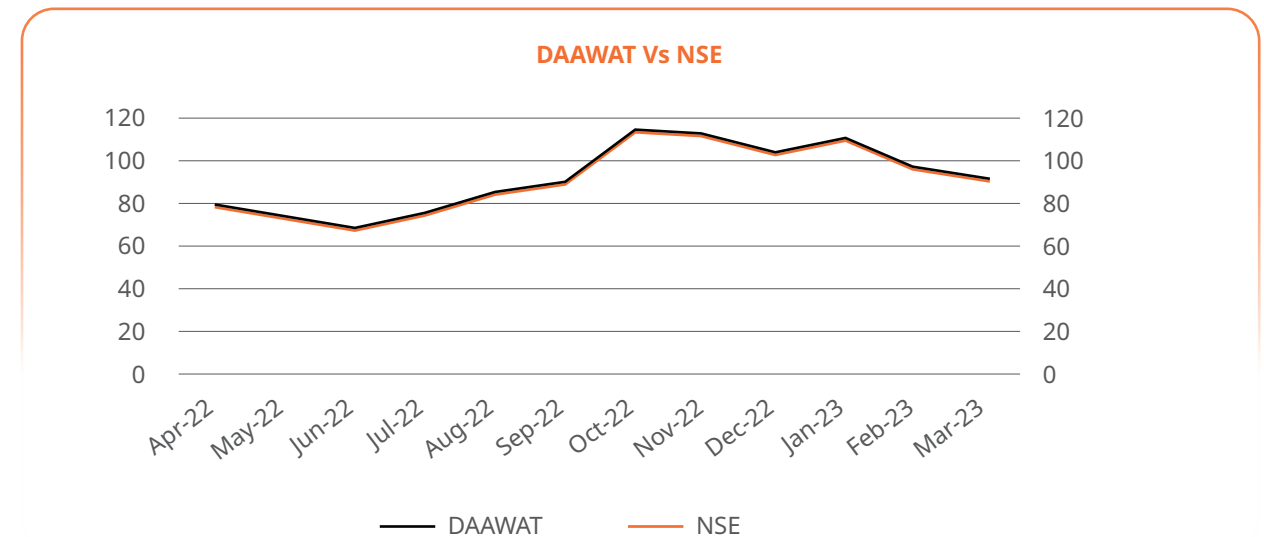
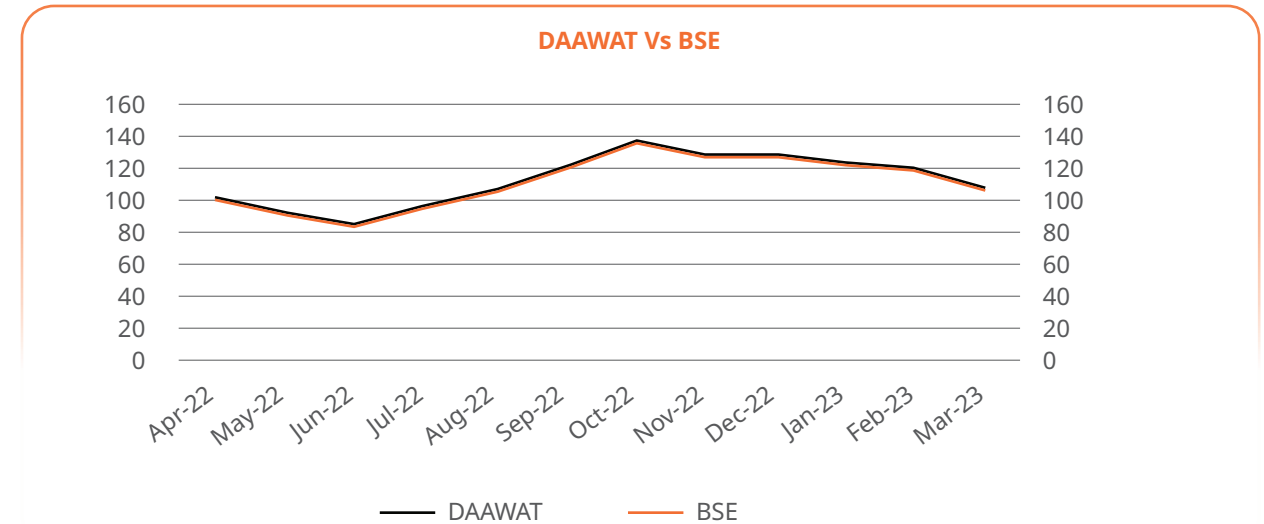
### Dematerialization of shares and liquidity:

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the NSDL and Central Depository Services (India) Limited (CDSL). As at March 31, 2023, 8,97,269 Equity shares out of 34,72,52,944 Equity Shares of the Company, forming 0.26% of the Company's paid-up capital is held in the rematerialized form. Majority of demat shares are with NSDL. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the NSE and BSE. Effective from April 01, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with the transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

During the financial year ended March 31, 2023, there were no outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

### Stock Performance

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
Apr-22	100.55	77.70	87.15	100.70	77.55	87.20
May-22	90.70	72.90	80.55	90.70	72.90	80.60
Jun-22	83.20	66.50	75.55	82.80	66.50	75.50
Jul-22	95.30	73.95	91.00	95.35	74.00	90.95
Aug-22	103.65	85.00	95.25	103.65	85.00	95.15
Sep-22	119.05	88.55	116.15	119.15	88.50	116.10
Oct-22	135.85	112.85	126.60	135.85	112.80	126.55
Nov-22	127.00	110.60	114.85	127.10	110.50	114.55
Dec-22	127.40	102.00	115.60	127.45	102.25	115.55
Jan-23	121.70	109.10	115.05	121.80	109.20	115.30
Feb-23	118.35	95.05	96.80	118.40	95.00	96.55
Mar-23	105.8	90.11	96.73	105.90	90.00	96.50



## Shareholder Transaction

In terms of requirements of Regulation 40 of the Listing Regulations, the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. While the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form:

1. Issue of duplicate securities certificate;
2. Claim from Unclaimed Suspense Account;
3. Renewal/Exchange of securities certificate;
4. Endorsement;
5. Sub-division/Splitting of securities certificate;
6. Consolidation of securities certificates/folios;
7. Transmission; and
8. Transposition.

Transmission, dematerialisation of shares, dividend payment and all other investor related matters are attended to and processed through the Company's RTA.

The manner and process of making application as per the revised framework and operational guidelines thereto is available on the website of the Company at <http://www.ltgroup.in/index.html>.

Requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of share certificates after due verification. A summary of approved transmissions, dematerialisation of shares, etc. is placed before the Board of Directors from time to time as per the Listing Regulations.

Trading in equity shares of the Company is permitted only in dematerialised form.

As per the requirement of Regulation 40(9) of Listing Regulations, the Company has obtained the yearly certificate from the Company Secretary in practice for due compliance of share transfer formalities.

## Updation of PAN, KYC and Nomination details

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 has

provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details. As per the said Circular, it is mandatory for the shareholders holding securities in physical form to inter alia furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details are not available on or after April 01, 2023, shall be frozen by the RTA and will be eligible for lodging any service request or receiving payment including dividend only after registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <http://www.ltgroup.in/index.html>.

Members are advised to register their details with the RTA, in compliance with the said Circular for smooth processing of their service requests.

## Investor Grievance & Investor Contacts

The Board of the Company has constituted Stakeholders' Relationship Committee to examine and redress complaints by shareholders and investors. The status of quarterly complaints is reported to the Stakeholders' Relationship Committee and the Board. The Stakeholders' Relationship Committee meets as and when required to resolve shareholder grievances.

Shareholders may note that the share transfers, dividend payments and all other investor-related activities are attended to and processed at the office of the Company's RTA. For any grievances/complaints, shareholders may contact the RTA at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com). For any escalations, shareholders may write to the Company at [ir@ltgroup.in](mailto:ir@ltgroup.in).

## SCORES - SEBI Complaints Redress System

The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are as stated under:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

## Dividend Declared

The Board of Directors of your Company at its meeting held on October 31, 2022 declared an interim dividend of Re. 0.50 per equity share of Re. 1/- each i.e. @50% during the financial year 2022-23. Payment of dividend was done within 30 days from date of declaration i.e. November 30, 2022. Further, the Board of Directors, in their meeting held on July 28, 2023, recommended a final dividend of Rs. 0.50 per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the AGM of the Company to be held on September 29, 2023 and shall be payable within a period of 30 days from the date of declaration i.e. October 29, 2023. The Board had also declared an Interim Dividend for the financial year 2023-24, at its meeting held on July 28, 2023, of Re. 0.50 per equity share of Re. 1/- each i.e. @50%, which shall also be paid within a period of 30 days from the date of declaration i.e. August 27, 2023.

The Company provides the facility for remittance of dividend to members through DC (Direct Credit)/ NACH (National Automated Clearing House)/NEFT (National Electronic Funds Transfer). In cases where the core banking account details are not available, the Company issues the dividend demand drafts mentioning the existing bank details available with the Company.

Shareholders who have not opted for remittance of dividend through electronic mode and wish to avail the same are required to provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants ("DPs") for shares held in electronic form or to the Company's RTA for shares held in physical form, as the case may be, in order to ensure safe and speedy credit of their dividend into their bank account.

Dividend income is taxable in the hands of shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Further details in this regard have been made available in the Notice for the Company's ensuing 33<sup>rd</sup> AGM.

The Company sends TDS certificate to the shareholders at their registered email id or postal address, as the case may be, post payment of the dividend in terms of applicable provisions of the law.

## Transfer to Investor Education and Protection Fund

In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/or re-

enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not paid or claimed for a period of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at <http://www.ltgroup.in/index.html>.

The details of the unclaimed dividends transferred to IEPF, against the shares transferred to IEPF, during the financial year 2022-23 are as follows:

Particulars	Amount of unclaimed dividend transferred (in Rs.)
Interim Dividend 2022-23	2,42,315.50
<b>Total</b>	<b>2,42,315.50</b>

The members who have a claim on the dividends and shares transferred to the IEPF Authority may claim the same by submitting an online application in web Form No. IEPF-5 available on the IEPF website viz. [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend so transferred.

To ensure maximum disbursement of unclaimed dividend, the Company regularly sends reminder to the relevant investors.

Unclaimed Dividend in respect of the financial year 2015-16 and the shares in respect of which dividend entitlements remain unclaimed for 7 (Seven) consecutive years will be due for transfer to the IEPF in October, 2023 in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members who have not encashed their Final Dividends in respect of the financial year 2015-16 or any subsequent year(s) are requested to lodge their claims with the Company.

A separate communication in this regard has already been sent to the Shareholders of the Company who have not encashed their dividend warrants, providing them details of the unencashed warrants and requesting them to comply with the procedure for seeking payment of the same.



The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Dividend Type	Dividend per Share (Rs.)	Date of Declaration	Due Date for transfer to IEPF
2015-16	Final	1.50	21.09.2016	28.10.2023
2016-17	Final	0.15	19.09.2017	25.10.2024
2017-18	Final	0.15	24.09.2018	30.10.2025
2018-19	Final	0.15	30.09.2019	05.11.2026
2019-20	Interim	0.50	12.02.2020	21.03.2027
2019-20	Final	0.50	30.09.2020	05.11.2027
2020-21	Interim	0.50	29.01.2021	06.03.2028
2020-21	Final	0.50	30.09.2021	05.11.2028
2021-22	Interim	0.50	29.10.2021	04.12.2028
2021-22	Interim	0.50	31.01.2022	08.03.2029
2022-23	Interim	0.50	31.10.2022	07.12.2029

### Nodal Officer

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed the Company Secretary & Compliance Officer of the Company as the Nodal Officer. Details of the Nodal Officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company at <http://www.ltgroup.in/index.html>.

### Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

As per the provisions of Regulations 34 and 39 read with Schedule V(F) of Listing Regulations, there are no unclaimed shares of the Company, lying in the Demat Suspense Account/ Unclaimed Suspense Account, at the beginning and end of the financial year.

### Plant and Office locations

#### Registered Office:

Unit No. 134, 1<sup>st</sup> Floor, Rectangle – I, Saket District Centre, New Delhi – 110017.

#### Corporate Office:

4<sup>th</sup> Floor, MVL-I-Park, Sector – 15, Gurgaon – 122001

#### Plants Locations of the Company including that of its Subsidiaries:

43 K. Stone, GT Road, Bahalgarh, Sonapat  
Phoola Road, Distt. Amritsar, Punjab  
Mandideep, Bhopal, Madhya Pradesh  
Kamaspur, Bahalgarh, Sonapat  
Varpal, Punjab  
Rotterdam, Netherland  
Cypress, Texas

### CODES AND POLICIES

#### Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and senior management personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti-competitive practices.

The Code of Conduct enjoins that the Board and senior management personnel must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The Code of Conduct for the Board and senior management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any. The Code of Conduct is available on the website of the Company at <http://www.ltgroup.in/pdf/6.LT-Food-Code-of-Conduct.pdf>

All members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2022-23. A declaration to this effect duly signed by Mr. Ashwani Kumar Arora, Managing Director & CEO of the Company is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2022-23."

**Ashwani Kumar Arora**  
Managing Director & CEO

### Code for prevention of Insider Trading

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has a Code of Conduct to Regulate, Monitor and Report trading by Designated Person ("Code for Prevention of Insider Trading") and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure"). Further, the Company has established systems and procedures to prohibit insider trading activity.

The Board have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure as per the requirements of the PIT Regulations. The Code for Prevention of Insider Trading and Code of Fair Disclosure have been uploaded on the Company's website at <http://www.ltgroup.in/pdf/LT-Foods-Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information.pdf>

### Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in compliance of Regulation 43A of Listing Regulations which inter-alia specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend. Dividend Distribution Policy is available on the website of the Company and can be accessed through the Web-link: [http://www.ltgroup.in/pdf/Dividend-Policy\\_Final.pdf](http://www.ltgroup.in/pdf/Dividend-Policy_Final.pdf).

### Means of Communication

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

- As per Regulation 47(1)(b) of the Listing Regulations, an extract of the detailed format of Quarterly/Annual Financial Results is filed with the Stock Exchanges under Regulation 33 of the Listing Regulations. The results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Jansatta (Regional Daily). The Quarterly/Annual Financial Results are also available on the Company's website and Stock Exchange websites [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).
- The presentations on performance of the Company are placed on the Company's website and intimated to the stock exchanges, for the

benefit of the institutional investors, analysts and other shareholders. The Company also conducts Investor calls on half yearly basis with investors after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Managing Director & CEO, VP-Finance & Strategy and the Chief Financial Officer of the Company. The Company promptly uploads on its website transcript and audio recordings of such calls.

- In view of the circulars issued by MCA the Companies are directed to send the Annual Report by e-mail to all the Shareholders of the Company except to those Shareholders who request for hard copy. Therefore, the Annual Report for the financial year 2022-23 and Notice of the AGM of the Company is being sent to the Shareholders at their registered e-mail addresses in accordance with MCA and SEBI Circulars. The Notice of Annual General Meeting alongwith Annual Report containing, *inter-alia*, Audited Financial Statement, Consolidated Financial Statement, Board's Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report and other important information are also displayed on the Company's website viz. <http://www.ltgroup.in/index.html>.

- NSE Electronic Application Processing System (NEAPS)- is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS.

BSE Listing Centre (Listing Centre)- BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance related filings are filed electronically on the listing centre.

- SEBI Complaints Redress System (SCORES): The investors' complaints are also being processed through the centralized web-based complaint redressal system. The salient features of SCORES are availability of centralized database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.
- Investor Relations (IR)- Your Company continuously strives for excellence in its IR engagement with its investors. Structured conference calls and periodic investor/analyst interactions, half yearly earnings calls were organized during the year. Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with investor/analysts.

## OTHER DISCLOSURES

### Compliance with Discretionary Requirements

The status of compliance with the discretionary requirements under the Listing Regulations is provided below:

#### 1. Separate posts of Chairman and the Managing Director & CEO.

Mr. Vijay Kumar Arora, is the Chairman and the Managing Director of the Company.

#### 2. Shareholders' Rights:

The quarterly, half-yearly and annual financial results of the Company are posted on the Company's website and extracts of these results in the prescribed format are published in the newspapers on an all India basis. Significant events are also posted on the Company's website under the 'News & Media' section. The complete Annual Report and the financial results, along with the Media Statements and presentations on such results, are also available on the website of the Company.

#### 3. Audit Opinion

It has always been the Company's endeavour to present Financial Statements with unmodified audit opinion, i.e. without any qualification. The Statutory Auditors have issued an unmodified audit opinion on the Company's Financial Statements for the financial year ended March 31, 2023.

#### 4. Internal Audit

The Internal Audit Team reports to the Chief Financial Officer who reports to the Audit Committee of the Board.

### Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

For the purpose of strengthening of the balance sheet, to act on any organic and inorganic growth opportunities across geographies and product categories Company has acquired 29.52% stake in its material subsidiary Daawat Foods Limited. Post this transaction, Daawat Foods Limited has become a wholly owned subsidiary of the Company.

For the said purpose Company has, during the financial year 2022-23, issued 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) equity shares of face value of INR 1/- (Rupee One) per equity share at the premium of 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share for an aggregate subscription amount of INR 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Paise Seven Two) to Salic International Investment Company,

a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia with registration number 1010769582.

### Disclosures relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has adopted a Policy Framework for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace, for the prevention of sexual harassment which is aimed at providing every woman at the workplace a safe, secure and dignified work environment and constituted an Internal Complaints Committee to deal with complaints relating to sexual harassment at workplace.

Internal Complaints Committees (ICC) have been constituted as per procedure prescribed in the law. Any complaint, if received, shall be investigated and conducted as per the tenets of the law and Company policy. The details of ICC members have been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions about the Prevention of Sexual Harassment at workplace are being conducted.

The ICC administers a formal process to review and investigate all concerns and undertakes appropriate actions required to resolve the reported matters. The details relating to the number of complaints received and disposed off during the financial year 2022-23 are as under:

Number of complaints filed during the financial year - Nil

Number of complaints disposed off during the financial year - Nil

Number of complaints pending as at the end of the financial year - Nil

### Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

### Commodity Price Risk and Foreign Exchange Risk & Hedging Activities

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with its policies. The Company uses forward exchange contracts

to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. Company has a robust framework and governance mechanism in place to ensure that the organisation is reasonably protected from the market volatility in terms of price and availability. The aim of the Company's approach to manage currency risk is to leave the Company with the no material residual risk.

For more details on foreign currency exposure please refer notes to the Financial Statements forming part of this Annual Report.

### Disclosures by Management to the Board

All disclosures related to financial and commercial transactions where Directors & Promoters may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

### Compliance by the Company

The Company has materially complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years.

During the last three financial years there were following instances of non-compliances basis which the Stock exchanges have imposed fines as per their defined SOP's viz. Non-compliance under Regulation 17(1) of the Listing Regulations pertaining to the composition of the Board including failure to appoint Women Director during the financial year 2020-21 and under Regulation 23 of the Listing Regulations pertaining delay in filing of half - yearly Related Party Transaction Report by the Company during the financial year 2022-23.

### Governance of Subsidiary Companies

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit

Committee. The Board has appointed an independent Director of the Company on the Board of directors of unlisted material subsidiary. The Company have material subsidiaries as on the date of this Report details of which are provided in the Notes to the financial statements for the financial year ended 2022-23 alongwith the information in respect of the loans and advances in the nature of loans to subsidiaries/firms/companies in which directors are interested pursuant to Regulation 34 of the Listing Regulations. Further, details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as follows:

Particulars of Company	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
DAAWAT Foods Limited (Subsidiary)	MSKA & Associates	30.11.2019
LT Foods Americas, Inc. (Fellow Subsidiary)	BDO India LLP	10.03.2021

The policy for determining 'material' subsidiaries is available on the website of the Company under "Policies & Guidelines" section and can be accessed at: <http://ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

### Disclosure of certain types of agreements binding listed entities

Pursuant to the provisions of clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations Company was already in compliance with the requirement of disclosing details of all binding agreements. Details of agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon it, including



disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements, which are not in the normal course of business are as follows, and are active as on the date of this report are as follows:

Name of the Parties	Type of Agreements	Brief details of Arrangement
Nature Bio Foods Limited (NBFL) (Wholly Owned Subsidiary) and Rabobank's India Agri Business Fund II Ltd.	Joint Agreement	Board of Directors of the Company at its meeting held on August 31, 2018 approved the infusion of equity capital by Rabobank's India Agri Business Fund II Ltd. into NBFL. This facilitates investment of up to Rs.140 crore (initial investment of Rs. 60 crores) in the global organic foods business in one or multiple stages, subject to concerned parties meeting predefined conditions in the joint agreement.
LT Foods Americas Inc. (LTFA) (Fellow Subsidiary) and Golden Star Trading Inc.	Acquisition Agreement	Company on March 03, 2022, acquired a stake of 51% in Golden Star Trading Inc. along with brand Golden Star via its subsidiary LTFA with a call option to further acquire 49% stake at the end of 3 years. This acquisition will further help in strengthening share of LTFA in another growing category i.e. Jasmine rice.
LT Foods Limited and Saudi Agricultural and Livestock Investment Company (SALIC)	Preferential Allotment	The Board of Directors of the Company at its meeting held on November 10, 2022, approved the preferential issuance of 27,408,164 equity shares, i.e. 7.89% equity stake in LT Foods, at Rs. 142.23 per share to SALIC, a Saudi Joint Stock Company that is owned by the Public Investment Fund of the Kingdom of Saudi Arabia. In addition, SALIC acquired 1.33% equity stake through a secondary share purchase from the Promoters Group. Post this transaction, SALIC holds 9.22% equity stake in the Company.

Note : The Company has at the time of occurrence of the aforesaid events has disclosed all the relevant details to the stock exchanges and therefore the disclosure requirement did not arose post issuance of notifications issued by SEBI.

### Credit Rating

CRISIL Limited has upgraded the rating for its Long- term rating to CRISIL A+/Stable and reaffirmed the short term ratings of CRISIL A1. The details on credit ratings are also available on the website of the Company under the Investors Update section.

### Reconciliation of share capital audit

Reconciliation of Share Capital Audit Report in terms of SEBI Circular No. CIR/MRD/ DP/30/2010 dated September 06, 2010 and SEBI Directive no. D&CC/FITTC/ CIR-16/2002 dated December 31, 2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed. The quarterly audit of the Company's share capital is being conducted by the Secretarial Auditor of the Company.

### Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/ guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report by Practicing Company Secretary under Form No. MR-3 and is required to be submitted to the Stock Exchanges within 60 days from the end of the financial year.

The Company has engaged the services of D Dixit & Associates, Practicing Company Secretary and Secretarial Auditor of the Company, for providing this certification.

### CEO & CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the CEO/CFO certificate for the financial year 2022-23 signed by Mr. Ashwani Kumar Arora, Managing Director & CEO, and Mr. Sachin Gupta, CFO of the Company was placed before the Board of Directors of the Company at its meeting held on May 18, 2023 and is annexed to this Report as **Annexure II**.

### Confirmation of Compliance

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Secretarial Auditors' Certificate certifying that the Company has complied with the conditions of Corporate Governance is annexed to this Report as **Annexure III**.

For and on behalf of  
Board of Directors of **LT Foods Limited**

Gurugram  
July 28, 2023

**Vijay Kumar Arora**  
Chairman and Managing Director

**PRACTICING COMPANY SECRETARY'S CERTIFICATE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTOR OF THE COMPANIES BY THE BOARD /MINISTRY OF CORPORATE AFFAIRS OR ANY STATUTORY AUTHORITY.**

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I certify that none of the directors on the board of LT Foods Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority as on 31<sup>st</sup> March 2023.

For **D Dixit & Associates**  
Company Secretaries

**Debasis Dixit**

FCS-7218, CP-7871  
UDIN- F007218E000573014  
PR- 1823/2022

Date: 10<sup>th</sup> July 2023  
Place: New Delhi

**CEO/ CFO CERTIFICATION**

(As per Regulation 17(8) of the Listing Regulations)

We, Managing Director & CEO and Chief Financial Officer, certify to the Board of Directors of LT Foods Limited (the "Company") that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2023 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the 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 the 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 and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. that there are no significant changes in internal control during the year;
  - ii. that there are no significant changes in accounting policies during the year other than those which have been disclosed in the notes to the financial statements; and
  - iii. that there are no instances of significant fraud of which we became aware or the involvement therein, of any member of management or an employee having a significant role in the Company's internal control system over financial reporting.

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Financial Officer  
M. No. 99415

Date: May 18, 2023



## PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

I have examined the compliance of conditions of Corporate Governance by LT Foods Limited, for the year ended March 31, 2023 as stipulated in applicable Regulations 17, 18, 19, 20, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

I 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.

In my opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 except the following:

Due to appointment of one Non-executive non-independent Director in the Board on 28<sup>th</sup> February 2023, company's Board composition was not as required under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **D Dixit & Associates**  
Company Secretaries

**Debasis Dixit**  
FCS-7218, CP-7871  
UDIN- F007218E000572970  
PR- 1823/2022

Date: 10<sup>th</sup> July 2023  
Place: New Delhi

# Independent Auditor's Report

To the Members of **LT Foods Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of LT Foods Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, total comprehensive income (comprising of its profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report (Refer Annexure 'A'). We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 obtained by us 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 financial statements for the year ended March 31, 2023. 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue recognition – Sale of goods:</b></p> <p>Refer Note 1 of standalone financial statements with respect to the accounting policies followed by the Company for recognizing revenue from sale of manufactured goods (rice) and by products.</p> <p>The Company recognised revenues amounting to Rs. 3,91,459.99 lakhs for the year ended March 31, 2023, as disclosed in Note 30 and Note 53 to the standalone financial statements.</p> <p>Revenue comprises of sale of manufactured goods (rice) and by products – which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers. 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.</p> <p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of the multiplicity of Company's products, multiple channels for sales, transactions with subsidiaries and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<p><b>Our audit procedures in respect of this area, among others, included the following:</b></p> <ul style="list-style-type: none"> <li>Understood the business process of revenue and receivables process for evaluating the design effectiveness of internal financial controls;</li> <li>Validated the operating effectiveness of internal financial controls in revenues and receivables process;</li> <li>Assessed the appropriateness of the accounting policies relating to revenue recognition by ensuring their compliance with Ind AS 115 ("Revenue from Contracts with Customers");</li> <li>Performed substantive analytical procedures on revenue which includes margins analysis (corroboration between revenues and costs for current year and its comparison with last year), analysis for key customers etc.;</li> <li>Evaluated the terms and conditions of the Key contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards;</li> <li>Performed substantive testing on test check basis for revenue transactions recognised during the year by testing their underlying documents which include purchase orders from customers, proof of deliveries (bill of lading for export sales and lorry receipts etc for domestic sales), invoices and collection of money from the customers (as applicable). Considering different categories of customers, the nature of documents supporting accuracy and occurrence of transactions varies. Our testing methodology was designed and implemented considering these facts and circumstances;</li> <li>Reviewed reconciliation of revenues between books and revenues disclosed in statutory returns (i.e., GST returns);</li> <li>Performed other substantive audit procedures including obtaining debtor confirmations on test check basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors; and</li> <li>Assessed the adequacy and appropriateness of the disclosures made in financial statements in compliance with the requirements of Ind AS 115 - 'Revenue from contracts with customers'.</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Inventory – existence and valuation</b></p> <p>Refer Note 1 to the standalone financial statements which includes the accounting policies followed by the Company for valuation of inventory.</p> <p>The Company's inventory is valued at the lower of cost or Net Realizable Value (NRV).</p> <p>The Company is engaged in the business of manufacturing and selling rice and the Company's inventory primarily comprises of raw material i.e., paddy, semifinished rice, finished rice, stores and spares and packing material. Such inventory is stored in plant, rented warehouses, silos and storage bags. Inventory holding is generally significant at the end of the financial year considering seasonality of the agricultural produce of paddy and natural ageing process followed by the Company for getting desired level of quality. High quantity of inventory at the year-end makes inventory physical verification an extensive procedure for the management.</p> <p>The valuation of raw material, semi-finished and finished rice is a comprehensive exercise and is carried out manually. The valuation process involves estimation around determination of:</p> <ul style="list-style-type: none"> <li>Allocable overheads and their absorption rates;</li> <li>Determination of net realisable value of by-products;</li> <li>Capitalisation of borrowing costs to paddy, semi-finished and finished rice, given significant holding period between acquisition and production. Period and rate of finance costs to be capitalised.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Company, it is considered to be one of the areas which requires significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation. Hence, we have identified Inventory Valuation as a key audit matter.</p>	<p><b>Our audit procedures in respect of this area, among others, included the following:</b></p> <p><b>Existence:</b></p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the accounting policies relating to valuation of Inventory by ensuring their compliance with Ind AS 2 ("Inventories") and Ind AS 23 ("Borrowing Costs");</li> <li>Obtained inventory records and results of management conducted count and reviewed reconciliation of differences, if any, between management physical count and inventory records. Verified the necessary adjustments made in the inventory records by the management on test check basis;</li> <li>Reviewed reconciliation of inventory quantitative details in general ledger/ valuation workings with reports obtained from the management, as retrieved from SAP i.e., the integrated ERP used by the Company. Understood and verified the reconciling items on test check basis;</li> <li>Obtained independent confirmations, on sample basis, for inventory lying with third parties, if any as at year-end;</li> <li>Observed physical verification done by the management as at year-end and also, independently verified few items physically on test check basis for locations scoped-in, basis materiality of stock lying at such locations to overall inventory balance of the Company as at year-end;</li> <li>Corroborated the results of our physical verification procedures, on test check basis, with valuation workings obtained from the management; and</li> <li>Presented our approach and results of physical verification, including but not limited to scoped-in locations, methodology followed for verification of inventory stored in bags and silos and confirmation procedures, to the audit committee.</li> </ul> <p><b>Valuation:</b></p> <ul style="list-style-type: none"> <li>Obtained an understanding of management process of inventory valuation;</li> <li>Evaluated design effectiveness of controls over inventory valuation process and key controls for their operating effectiveness;</li> <li>Verified inputs into the valuation process from source documents/ general ledger accounts on test check basis;</li> <li>Verified, on test check basis, quantitative reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the rice yield during the year and to identify any abnormal production loss. Compared the yield between current year and prior year to identify abnormalities, if any;</li> <li>Compared basis of key estimates, including those involved in computation of allocable overheads and borrowing costs, to prior year and enquired reasons for any significant variations;</li> <li>Verified net realisable value of by-products from supporting documents and arithmetical accuracy of valuation calculations on test check basis; and</li> <li>Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework</li> </ul>



## 2) Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

When we read the Annual Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## 4) Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the standalone financial statements.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" 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 Flow dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
  - iv. a. The Management has represented that, to the best of its 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other person(s) or entity(ies) 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 the audit procedures as considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under sub clause (iv)(a) and (iv)(b) above, contain any material misstatement.
- v. The dividend declared and paid by the Company during the year is in compliance with section 123 of the Act.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information and explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the act and the rules thereunder.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner  
Membership No. 505676  
UDIN: 23505676BGXENY5498

Place: Gurugram  
Date: May 18, 2023

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LT FOODS LIMITED FOR THE YEAR ENDED MARCH 31, 2023**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events

or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2023 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.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner  
Membership No. 505676  
UDIN: 23505676BGXENY5498

Place: Gurugram  
Date: May 18, 2023

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LT FOODS LIMITED FOR THE YEAR ENDED MARCH 31, 2023**

**[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]**

- (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
    - The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
  - (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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Accordingly, the reporting under paragraph 3(i)(d) of the Order is not applicable to the Company.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- (a) The inventory (except for goods in transit) has been physically verified by the management during the year. In our opinion, the coverage and

procedure of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) According to the information and explanations given to us and on the basis of our examinations of records of the company, the company has been sanctioned working capital limit in excess of Rs 5 Crores, in aggregate, from bank or financial institutions on the basis of security of current assets. The Quarterly revised returns and statements filed by the company with such bank and financial institutions on aggregate basis are, except for few immaterial difference, in agreement with the unaudited books of account of the company. Also refer note no 60 to the standalone financial statement.
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investment in and granted loans or given guarantee or provided security to companies during the year. The Company has granted advances in the nature of loans to other entities during the year.
    - The Company has given guarantee to its subsidiaries during the year amounting to Rs. 7,132.00 lakhs and the balance outstanding of such guarantees given as at March 31, 2023 amounts to Rs. 61,120.00 lakhs (March 31, 2022: Rs. 57,802.68 lakhs). Further, the Company has provided loans to its associates amounting to Rs. 80 lakhs during the year and the outstanding balance of such loans provided as at March 31, 2023 amounts to Rs. 35.86 lakhs (March 31, 2022: Rs. 229.64 lakhs).
    - According to the information and explanations given to us, in relation to entities other than subsidiaries, joint ventures and associates, the Company has not provided any loans, guarantees or securities or advances in the nature of loans, except advance paid to suppliers against procurement of material amounting to Rs. 3,706.79 lakhs during the year, which got settled against supply of such material during a period ranging from 90 days to 220 days. These advances have been substantially adjusted against procurement of material during the year and the corresponding balance outstanding as at March 31, 2023 is Rs. 837.68 lakhs (March 31, 2022: Rs. 145.51 lakhs).



- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made during the year and terms and conditions of the loans granted and guarantees given are not prejudicial to the interest of the Company. Regarding advances against supply of material (advances in the nature of loans) granted by the Company to other entities during the year, considering interdependence between various factors which are proprietary in nature including period of advance and its impact on pricing, if any, availability of wide variety of similar material and volumes, we are unable to comment whether the terms and conditions of such advances are prima facie prejudicial to the interest of the Company.
- (c) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest. Regarding supplier advances (advances in the nature of loans), the advances are granted interest-free and delivery terms are specified in the agreement against each advance given.
- (d) There are no amounts overdue for more than ninety days in respect of loans granted to companies.
- (e) According to the information and explanations provided to us, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties. As mentioned in clause (a) above, the suppliers' advances were settled within a period ranging from 90 days to 220 days which were generally beyond normal supply terms and constitute most of the population of such advances during the year.
- (f) According to the information and explanations provided to us, the Company has granted loans
- and/ or advances in the nature of loans during the year. These are not repayable on demand/ have stipulated the schedule for repayment of principal and interest/ delivery terms. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the directors is interested, accordingly provision of Section 185 of the Act are not applicable to the Company. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provisions stated in paragraph 3(v) of the Order are not applicable to the Company.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, goods and services tax and income tax, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities.

Statutory dues which were outstanding, as at March 31, 2023 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (in INR lakhs)	Period to which the amount relates	Due Date	Date of payment
Income Tax Act, 1961	Advance tax	213.31	Jun-22	June 15, 2022	Not yet paid
Income Tax Act, 1961	Advance tax	326.62	Sep-22	September 15, 2022	Not yet paid

- (b) According to the information and explanations given to us and the records of the Company examined by us. The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount (in INR lakhs)	Amount paid under dispute (in INR lakhs)	Unpaid Amount (in INR lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Penalty	36.27	36.27	-	1998-99	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	57.54	-	57.54	2002-03	Assessing Officer
Income tax Act, 1961	Income tax demand	4.84	-	4.84	2006-07	Assessing Officer
Income tax Act, 1961	Income tax demand	327.62	327.62	-	2007-08	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	235.95	223.95	12	2008-09	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	346.01	103.39	242.62	2009-10	Income Tax Appellate Tribunal
Income tax Act, 1961	Penalty	177.42	10	167.42	2009-10	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	142.68	19.5	123.18	2011-12	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	175.62	108.15	67.47	2012-13	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	90.43	90.43	-	2013-14	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax demand	466.81	100	366.81	2014-15	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	599.12	-	599.12	2016-17	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax demand	375.57	-	375.57	2018-19	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessments of the Company. Also,

there are no previously unrecorded income which has been now recorded in the books of account.

- ix. (a) In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.

- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans during the year. Accordingly, the provisions stated under Clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture 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) during the year. Accordingly, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of equity shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised, though idle funds which were not required for immediate utilization have been invested in readily realisable liquid investments. During the year, the Company did not make preferential allotment/private placement of fully/partly or optionally convertible debentures.
- 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, we have neither come across any instance of material fraud by the Company nor on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in Clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in Clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by internal auditors during our audit.
- xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of Section 192 of the Act are not applicable to Company. Accordingly, the provisions stated in Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions stated in Clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. According to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated in Clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under Clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner  
Membership No. 505676  
UDIN: 23505676BGXENY5498

Place: Gurugram  
Date: May 18, 2023



**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LT FOODS LIMITED FOR YEAR ENDED MARCH 31, 2023**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

**Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Opinion**

We have audited the internal financial controls with reference to standalone financial statements of LT Foods Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 prescribed under section 143(10) of the Act, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls With reference to Standalone Financial Statements**

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

and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference

to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**

Partner  
Membership No. 505676  
UDIN: 23505676BGXENY5498

Place: Gurugram  
Date: May 18, 2023

# Standalone Balance Sheet

as at March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	24,796.54	22,095.08
Capital work-in-progress	2	736.38	1,142.47
Right of use assets	2	210.18	379.08
Goodwill	3	0.24	0.27
Other intangible assets	3	79.38	106.71
Financial assets			
Investments	4	31,500.64	12,349.30
Loans	5	41.41	257.44
Other financial assets	6	534.48	695.80
Deferred tax assets (net)	7	96.58	-
Other non-current assets	8	231.98	478.46
Non-current tax assets	9	3,107.63	3,097.16
<b>Total non-current assets</b>		<b>61,335.44</b>	<b>40,601.77</b>
<b>Current assets</b>			
Inventories	10	1,10,325.06	1,14,926.04
Financial assets			
Trade receivables	11	19,069.24	23,525.03
Cash and cash equivalents	12	230.18	1,275.31
Bank balances other than cash and cash equivalents	13	632.08	647.11
Loans	14	130.22	134.61
Other financial assets	15	474.54	916.04
Other current assets	16	7,810.06	6,987.71
<b>Total current assets</b>		<b>1,38,671.38</b>	<b>1,48,411.85</b>
<b>Total assets</b>		<b>2,00,006.82</b>	<b>1,89,013.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	3,472.53	3,198.45
Other equity	18	1,53,254.54	1,01,226.31
<b>Total equity</b>		<b>1,56,727.07</b>	<b>1,04,424.76</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	19	119.38	187.94
Lease liabilities	20	35.73	201.75
Provisions	21	986.87	819.72
Deferred tax liabilities (net)	7	-	51.12
Other non-current liabilities	22	92.93	123.22
<b>Total non-current liabilities</b>		<b>1,234.91</b>	<b>1,383.75</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	23	4,312.85	28,904.47
Lease liabilities	26	185.65	181.24
Trade payables	24		
Due to micro and small enterprises		618.66	1,452.95
Due to others		30,314.08	48,816.12
Other financial liabilities	25	3,221.86	1,686.71
Other current liabilities	27	2,244.78	1,664.13
Provisions	28	294.59	259.41
Current tax liabilities (net)	29	852.37	240.08
<b>Total current liabilities</b>		<b>42,044.84</b>	<b>83,205.11</b>
<b>Total liabilities</b>		<b>43,279.75</b>	<b>84,588.86</b>
<b>Total equity and liabilities</b>		<b>2,00,006.82</b>	<b>1,89,013.62</b>
<b>Statement of significant accounting policies</b>	1		

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 18, 2023

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	30	3,91,459.99	2,83,999.61
Other income	31	3,682.45	2,358.76
<b>Total income</b>		<b>3,95,142.44</b>	<b>2,86,358.37</b>
<b>Expenses</b>			
Cost of materials consumed	32	2,22,329.54	1,64,073.14
Purchases of stock-in-trade	33	82,065.56	54,435.78
Changes in inventories of semi-finished goods, finished goods and stock-in-trade	34	(2,369.11)	1,804.17
Employee benefits expenses	35	8,844.74	7,801.54
Finance costs	36	2,396.79	2,278.55
Depreciation and amortization expenses	37	2,889.97	3,246.54
Other expenses	38	57,916.90	37,842.95
<b>Total expenses</b>		<b>3,74,074.39</b>	<b>2,71,482.67</b>
<b>Profit before tax</b>		<b>21,068.05</b>	<b>14,875.70</b>
Tax expense			
Current tax	39	5,061.71	3,768.31
Deferred tax credit	39	(24.88)	(227.21)
Tax pertaining to prior years	39	-	110.00
<b>Total tax expense</b>		<b>5,036.83</b>	<b>3,651.10</b>
<b>Profit for the year</b>		<b>16,031.22</b>	<b>11,224.60</b>
<b>Other comprehensive income</b>			
1) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of net defined benefit plans		(148.09)	(93.80)
Tax on above	7	37.27	23.21
2) Items that will be reclassified to Statement of Profit and Loss			
Loss on cash flow hedge reserve		(339.64)	(155.61)
Tax on above	7	85.48	39.16
<b>Other comprehensive loss for the year</b>		<b>(364.98)</b>	<b>(187.04)</b>
<b>Total comprehensive income for the year</b>		<b>15,666.24</b>	<b>11,037.56</b>
<b>Earnings per equity share</b>			
-Basic and diluted	40	4.98	3.51
Statement of significant accounting policies	1		

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150



# Standalone Cash Flow Statement

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flow from operating activities:</b>		
<b>Net Profit before tax</b>	<b>21,068.05</b>	<b>14,875.70</b>
<b>Adjustments for:-</b>		
Depreciation and amortisation expenses	2,889.97	3,246.54
Loss/(Profit) on sale of property, plant and equipment	11.24	(42.68)
Unrealised foreign exchange (gain)/loss	(314.24)	170.11
Trade receivables and other amounts written off	-	93.59
Finance cost	2,396.79	2,278.55
Interest income	(43.50)	(76.49)
Dividend income	(1,386.84)	(915.46)
Liabilities written back	(34.32)	-
Provision for doubtful debts	101.00	129.08
Fair valuation of investments	(3.64)	(12.51)
Impairment in value of investments	719.85	320.01
<b>Operating profit before working capital changes</b>	<b>25,404.36</b>	<b>20,066.44</b>
<b>Adjustments for (increase)/decrease in operating assets</b>		
Trade receivables	4,639.57	(10,932.81)
Inventories	4,600.98	(19,980.58)
Other financial assets (current and non-current)	648.79	(333.64)
Other assets (current and non-current)	(814.67)	459.21
<b>Adjustments for increase/(decrease) in operating liabilities</b>		
Trade payables	(19,300.79)	32,513.26
Other liabilities and provisions (current and non-current)	638.91	372.80
Other financial liabilities (current and non-current)	1,373.53	1.84
<b>Cash generated from operations</b>	<b>17,190.68</b>	<b>22,166.52</b>
Income tax paid (net of refunds)	(4,459.96)	(3,545.08)
<b>Net cash generated from operating activities (A)</b>	<b>12,730.72</b>	<b>18,621.44</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including CWIP and capital advances)	(4,772.23)	(4,803.44)
Proceeds from sale of property, plant and equipment	10.72	253.24
Purchase of non-current investments	(59.47)	(42.64)
Investment in subsidiaries	(19,314.17)	-
Investment in joint venture	(511.43)	-
Interest received	42.23	101.40
Proceeds from sale/maturity of investments	17.52	-
Withdrawal of fixed deposits	13.16	268.91
Dividends received	1,386.84	1,108.27
<b>Net cash used in investing activities (B)</b>	<b>(23,186.83)</b>	<b>(3,114.26)</b>

# Standalone Cash Flow Statement

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from preferential issue of equity shares (net of share issue expenses)	38,235.29	-
Proceeds from long-term borrowings	-	226.41
Repayment of long-term borrowings	(77.87)	(133.06)
Repayment of short term borrowings (net)	(24,582.31)	(9,086.59)
Finance charges paid	(2,386.81)	(2,326.31)
Payment of lease liabilities	(181.24)	(244.92)
Dividends paid on equity shares	(1,596.08)	(3,182.59)
<b>Net cash generated/(used) from financing activities (C)</b>	<b>9,410.98</b>	<b>(14,747.06)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A + B + C)</b>	<b>(1,045.13)</b>	<b>760.12</b>
Cash and cash equivalents at the beginning of the year	1,275.31	515.19
<b>Cash and cash equivalents at the end of the year</b>	<b>230.18</b>	<b>1,275.31</b>
<b>Components of cash and cash equivalents (Refer note 12)</b>		
Cash on hand	65.46	66.65
Balances with banks		
- on current accounts	164.72	1,208.66
<b>Total cash and cash equivalents</b>	<b>230.18</b>	<b>1,275.31</b>
<b>Statement of significant accounting policies (Refer note 1)</b>		

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements. This is the Standalone Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Standalone Statement of Changes in Equity

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## A. Equity share capital (Refer note 17)

Particulars	Amount
<b>Balance as at April 01, 2021</b>	<b>3,198.45</b>
Changes during the year	-
<b>Balance as at March 31, 2022</b>	<b>3,198.45</b>
Changes during the year	274.08
<b>Balance as at March 31, 2023</b>	<b>3,472.53</b>

## B. Other equity

Particulars	Reserves and surplus				Total
	Retained earnings	General reserve	Securities premium reserve	Cash flow hedge reserve	
<b>Balance as at April 01, 2021</b>	<b>48,200.11</b>	<b>1,698.31</b>	<b>43,240.01</b>	<b>248.76</b>	<b>93,387.19</b>
Profit for the year	11,224.60	-	-	-	11,224.60
<b>Items of other comprehensive income for the year :-</b>					
Loss on cash flow hedge (net of tax)	-	-	-	(116.45)	(116.45)
Remeasurement of defined benefit obligations (net of tax)	(70.59)	-	-	-	(70.59)
<b>Total Comprehensive Income for the year</b>	<b>11,154.01</b>	<b>-</b>	<b>-</b>	<b>(116.45)</b>	<b>11,037.56</b>
<b>Transaction with owners</b>					
Interim dividend	(3,198.44)	-	-	-	(3,198.44)
<b>Balance as at March 31, 2022</b>	<b>56,155.68</b>	<b>1,698.31</b>	<b>43,240.01</b>	<b>132.31</b>	<b>101,226.31</b>
<b>Balance as at April 01, 2022</b>	<b>56,155.68</b>	<b>1,698.31</b>	<b>43,240.01</b>	<b>132.31</b>	<b>101,226.31</b>
Additions	-	-	37,961.21	-	37,961.21
Profit for the year	16,031.22	-	-	-	16,031.22
<b>Items of OCI for the year :-</b>					
Loss on cash flow hedge (net of tax)	-	-	-	(254.16)	(254.16)
Remeasurement of defined benefit obligations (net of tax)	(110.82)	-	-	-	(110.82)
<b>Total Comprehensive Income for the year</b>	<b>15,920.40</b>	<b>-</b>	<b>37,961.21</b>	<b>(254.16)</b>	<b>53,627.45</b>
Interim dividend	(1,599.22)	-	-	-	(1,599.22)
<b>Balance as at March 31, 2023</b>	<b>70,476.86</b>	<b>1,698.31</b>	<b>81,201.22</b>	<b>(121.85)</b>	<b>153,254.54</b>

## Statement of significant accounting policies (Refer note 1)

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements. This is the Standalone Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 1. i) Corporate Information

LT Foods Limited (the 'Company') is a public company with its registered office in Unit No. 134, 1st floor, Rectangle-1, Saket District Center, New Delhi-110017 domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. LT Foods Limited is primarily in the business of milling, processing and marketing of branded and non-branded basmati rice and manufacturing of rice food products in the domestic and overseas market. LT Foods Limited operations include procurement, storage, processing, packaging and distribution. LT Foods Limited is also engaged in research and development to add value to rice and rice food products. The Company's rice product portfolio comprises brown rice, white rice, steamed rice, parboiled rice, organic rice, quick cooking rice, value added rice and flavored rice in the ready to cook segment.

## ii) Basis of preparation

a) The standalone financial statements ('financial statements') of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

## b) Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

\*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## iv) Significant Accounting Policies

### a) Inventory

#### Inventories are valued as follows:

#### Raw materials, stores and spares and packing materials

Raw materials, stores and spares and packing material are valued at lower of cost and net realisable value. Cost of raw materials, stores and spares and packing material is determined on a 'First in First Out' basis and includes freight costs, interest expense where such materials are stored for a substantial period of time and other expenditure incurred in bringing such inventories to their present location and conditions.

Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

#### Work in progress

Work in progress is valued at lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion and interest expense where such materials are stored for a substantial period of time.

#### Finished goods

Finished goods is valued at lower of cost and net realisable value. Cost includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition and also includes interest as a carrying cost of goods where such goods are stored for a substantial period of time.

### b) Property, Plant and Equipment

#### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (against which input

has not been availed), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

#### Subsequent measurement (depreciation and useful lives)

Depreciation on Property, plant and equipment is provided on the written down value arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. However, for the following classes of assets the Company has adopted useful life which are different from those prescribed in Schedule II of the Act.

Category	Asset type	Useful life adopted	Useful life as per Schedule II
Plant and machinery	Other than continuous plants	1 - 40 years	15 years

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### De-recognition

An item of Property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### c) Intangible assets

#### Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortization and useful lives)

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible assets	Useful life (in years)
Brand	20
Software	03

#### De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

### d) Capital Work in Progress

Capital work in progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises purchase cost, related acquisition expenses and other direct expenses.

### e) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value

in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

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

### f) Borrowing costs

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

### g) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

#### Foreign Currencies

#### Transactions and balances

##### Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

##### Subsequent measurement

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

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

### h) Leases

#### Where the Company is the lessee

Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. 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 obtains 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.

#### Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the Standalone balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

#### Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

#### Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

### i) Fair value measurement

The Company measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

sell the asset or transfer the liability takes place either:

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

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.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

### j) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as,

or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer.

#### Sale of goods:

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. The Company considers whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the sale of goods. Revenue from such transactions where the Company is acting as an agent is recognized on net basis i.e. after deducting the amount contractually payable to vendor out of the total consideration received and is recognized once the facilitation of such service is done as the Company does not assume any performance obligation.

#### Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of the goods and the fulfillment of the Company's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Company transfers control at the point in time the customer takes undisputed delivery of the goods.



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

### Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 0-180 days. No element of financing is deemed present as the sales are made with a credit term of 180 days, which is consistent with market practice.

### Rental income:

Rental income for operating lease is recognized on straight line basis with reference to terms of the agreements.

### Interest income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

### k) Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique

that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

### Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Financial assets at amortized cost** – a financial instrument is measured at amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.

- Investments in equity instruments of subsidiaries, associates and joint venture** - Investments in equity instruments of subsidiaries, associates and joint venture are accounted for at cost less accumulated impairment in accordance with Ind AS 27 Separate Financial statements.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### iii. Financial assets at fair value

- **Investments in equity instruments other than above** - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

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

- **Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

### De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from assets have expired or the Company has transferred its rights to receive cash flows from the asset.

### Financial liabilities

#### Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the Statement of Profit and Loss.

**Derivative liabilities** - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

### De-recognition of financial liabilities

The Company de-recognises financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire.

### 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 recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Impairment of financial assets

- The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109. Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

- **Other financial assets:**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## l) Hedge accounting

### Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income ("OCI") and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk associated with recognized liabilities in the financial statements.

### When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the standalone statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the standalone statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the standalone statement of profit and loss as and when they arise.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

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).

## m) Investment in subsidiaries, associates and joint venture

Investments in subsidiaries, associates and joint venture 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 these investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## n) Retirement and other employee benefits

### Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

### Defined benefit plans

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan

is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise. Gratuity fund is administered through Life Insurance Corporation of India.

### Other Employee Benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

### Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

## o) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognized as interest expense.

### p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

### q) Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other

comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

### r) Government grants and subsidies

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### s) Segment reporting

In terms of Paragraph 4 of Ind AS 108 'Operating Segments', entity wide disclosures have been presented in the consolidated financial statements.

### t) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Commission charged from the entity on whose behalf the guarantee has been issued is taken as commission income in the Statement of profit and loss.

### u) Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks 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.

### v) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize contingent liability but discloses its existence in the financial statements.

### v) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of

applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### a. Impairment of trade receivables -

The impairment for trade receivables reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.

### b. Defined benefit obligation (DBO) -

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

### c. Evaluation of indicators for impairment of assets -

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

### d. Recognition of deferred tax assets -

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

### e. Contingent liabilities -

The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

**f. Inventory** – The valuation of finished rice involves estimations around determination of overhead absorption rates, rice yield from paddy and quantum of purchased rice and manufactured rice forming part of closing inventory. The production process also involves ageing the paddy/ rice to achieve the desired

quality of rice and thus calculation of holding period and determination of weighted average borrowing cost involves management estimation. Further, management estimates the net realisable values of inventories including by-products, taking into account the most reliable evidence available at each reporting date.

**g. Impairment of Investments-** The Company estimates the value in use of the investments based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value. Further details of the Company's impairment review and key assumptions are set out in note 3 of accompanying financial statements.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 2 (i) Property, plant and equipment

Particulars	Freehold land	Building	Plant and machinery	Furniture and fixture	Office equipment	Vehicle	Grand Total
<b>Gross carrying value</b>							
As at April 01, 2021	3,543.44	13,201.97	26,425.59	984.31	1,080.71	1,895.66	47,131.68
Additions	278.51	1,614.70	2,940.14	75.21	162.43	500.33	5,571.32
Disposals	(6.62)	-	(274.55)	-	(99.68)	(310.42)	(691.27)
<b>As at March 31, 2022</b>	<b>3,815.33</b>	<b>14,816.67</b>	<b>29,091.18</b>	<b>1,059.52</b>	<b>1,143.46</b>	<b>2,085.57</b>	<b>52,011.73</b>
Additions	258.66	1,302.59	3,111.20	353.33	273.72	123.08	5,422.58
Disposals	-	-	(38.57)	(89.38)	(105.33)	(123.30)	(356.58)
<b>As at March 31, 2023</b>	<b>4,073.99</b>	<b>16,119.26</b>	<b>32,163.81</b>	<b>1,323.47</b>	<b>1,311.85</b>	<b>2,085.35</b>	<b>57,077.73</b>
<b>Accumulated depreciation</b>							
As at April 01, 2021	-	5,281.54	19,053.46	782.75	916.70	1,457.94	27,492.39
Charge for the year	-	649.17	1,932.67	49.48	85.12	188.55	2,904.99
Disposals	-	-	(165.28)	-	(95.74)	(219.71)	(480.73)
<b>As at March 31, 2022</b>	<b>-</b>	<b>5,930.71</b>	<b>20,820.85</b>	<b>832.23</b>	<b>906.08</b>	<b>1,426.78</b>	<b>29,916.65</b>
Charge for the year	-	691.44	1,592.09	75.49	138.25	201.89	2,699.16
Disposals	-	-	(31.05)	(86.08)	(100.34)	(117.15)	(334.62)
<b>As at March 31, 2023</b>	<b>-</b>	<b>6,622.15</b>	<b>22,381.89</b>	<b>821.64</b>	<b>943.99</b>	<b>1,511.52</b>	<b>32,281.19</b>
<b>Net carrying value as at March 31, 2022</b>	<b>3,815.33</b>	<b>8,885.96</b>	<b>8,270.33</b>	<b>227.29</b>	<b>237.38</b>	<b>658.79</b>	<b>22,095.08</b>
<b>Net carrying value as at March 31, 2023</b>	<b>4,073.99</b>	<b>9,497.11</b>	<b>9,781.92</b>	<b>501.83</b>	<b>367.86</b>	<b>573.83</b>	<b>24,796.54</b>

#### a. Contractual obligations

Refer note 41(B) for disclosure of capital commitments for the acquisition of property, plant and equipment.

#### b. Property, plant and equipment pledged as security

Refer note 45 for information on property, plant and equipment pledged as security by the Company.

c. The Company has not revalued its Property, plant and equipments (including Right of use assets) and Intangible assets during the current and previous year.

#### (ii) Right of use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	379.08	188.62
Addition	-	475.03
Amortisation	(168.90)	(284.57)
<b>Net carrying value</b>	<b>210.18</b>	<b>379.08</b>



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### (iii) Capital work-in-progress ("CWIP")

	As at March 31, 2023	As at March 31, 2022
<b>Capital work-in-progress</b>	<b>736.38</b>	<b>1,142.47</b>

#### Movement in capital work in progress:

Particulars	Amount
<b>Balance as at April 01, 2021</b>	<b>2,222.34</b>
Additions during the year	852.32
Capitalisation during the year	(1,932.19)
<b>Balance as at March 31, 2022</b>	<b>1,142.47</b>

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>1,142.47</b>
Additions during the year	733.97
Capitalisation during the year	(1,140.06)
<b>Balance as at March 31, 2023</b>	<b>736.38</b>

Capital work in progress as on March 31, 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	736.38	-	-	-	736.38
Projects temporarily suspended	-	-	-	-	-
	<b>736.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>736.38</b>

Capital work in progress as on March 31, 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	342.77	799.70	-	-	1,142.47
Projects temporarily suspended	-	-	-	-	-
	<b>342.77</b>	<b>799.70</b>	<b>-</b>	<b>-</b>	<b>1,142.47</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 3 Intangible assets

Particulars	Goodwill	Brand	Software	Grand Total
<b>Gross carrying value</b>				
As at April 01, 2021	12.11	310.28	1,185.12	1,507.51
Additions	-	-	1.41	1.41
<b>As at March 31, 2022</b>	<b>12.11</b>	<b>310.28</b>	<b>1,186.53</b>	<b>1,508.92</b>
Additions	-	-	0.65	0.65
Disposals	-	-	(145.03)	(145.03)
<b>As at March 31, 2023</b>	<b>12.11</b>	<b>310.28</b>	<b>1,042.15</b>	<b>1,364.54</b>
<b>Accumulated Amortization</b>				
As at April 01, 2021	11.78	285.53	1,047.65	1,344.96
Charge for the year	0.06	4.54	52.38	56.98
<b>As at March 31, 2022</b>	<b>11.84</b>	<b>290.07</b>	<b>1,100.03</b>	<b>1,401.94</b>
Charge for the year	0.03	2.20	19.68	21.91
Disposals	-	-	(138.93)	(138.93)
<b>As at March 31, 2023</b>	<b>11.87</b>	<b>292.27</b>	<b>980.78</b>	<b>1,284.92</b>
<b>Net carrying value as at March 31, 2022</b>	<b>0.27</b>	<b>20.21</b>	<b>86.50</b>	<b>106.98</b>
<b>Net carrying value as at March 31, 2023</b>	<b>0.24</b>	<b>18.01</b>	<b>61.37</b>	<b>79.62</b>

### 4 Investments - Non-current

	As at March 31, 2023	As at March 31, 2022
<b>Investments carried at cost</b>		
(i) In subsidiary companies		
- in Equity instruments	26,891.24	7,577.07
- in Preference instruments	2,000.00	2,000.00
(ii) In associate companies	321.50	321.50
(iii) In joint venture	2,917.07	2,405.64
Less: Impairment in value of investment in equity instrument of Joint venture*	(1,038.86)	(319.01)
	<b>31,090.95</b>	<b>11,985.20</b>
<b>Investments at fair value through Statement of Profit and Loss</b>		
Key man insurance policies	409.43	363.84
Equity instruments - Quoted	0.21	0.21
Equity instruments - Unquoted	0.05	0.05
	<b>409.69</b>	<b>364.10</b>
<b>Total Investments</b>	<b>31,500.64</b>	<b>12,349.30</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
<b>Aggregate amount of</b>		
Quoted investments	0.21	0.21
Unquoted investments	32,539.29	12,668.10
Less: Impairment in value of investment	(1,038.86)	(319.01)
<b>Total</b>	<b>31,500.64</b>	<b>12,349.30</b>

### Details of investment is as follows:

	As at March 31, 2023	As at March 31, 2022
<b>Investments carried at cost</b>		
<b>Equity instruments - Unquoted</b>		
<b>(i) in subsidiary companies</b>		
- Nature Bio Foods Limited 2,000,000 (March 31, 2022: 2,000,000) fully paid up equity shares of ₹10 each	200.00	200.00
- Sona Global Limited 1,32,900 (March 31, 2022: 65,200) fully paid up equity shares of AED 100 each	2,505.07	907.73
- Daawat Foods Limited 18,905,286 (March 31, 2022: 13,249,945) fully paid up equity shares (with voting rights) of ₹10 each	19,041.82	1,324.99
250,049 (March 31, 2022: 250,049) fully paid up equity shares (without voting rights) of ₹10 each	25.01	25.01
- LT Overseas North America, Inc 338,500 (March 31, 2022: 338,500) shares fully paid up equity shares of USD 20 each	2,822.31	2,822.31
- Raghunath Agro Industries Private Limited 4,078,020 (March 31, 2022: 4,078,020) equity shares fully paid up of ₹10 each	2,296.03	2,296.03
- Deva Singh Sham Singh Exports Private Limited 10,000 (March 31, 2022: 10,000) shares fully paid up equity shares of ₹ 10 each	1.00	1.00
<b>Total (A)</b>	<b>26,891.24</b>	<b>7,577.07</b>
<b>Investment in subsidiary company carried at cost</b>		
<b>Preference shares - Unquoted</b>		
- Daawat Foods Limited 1,562,500 (March 31, 2022: 1,562,500) 10% Non cumulative redeemable preference shares fully paid of ₹ 10 each	2,000.00	2,000.00
<b>Total (B)</b>	<b>2,000.00</b>	<b>2,000.00</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
<b>(ii) In associate companies</b>		
- Raghuvesh Warehousing Private Limited 1,600,000 (March 31, 2022: 1,600,000) equity shares of ₹10 each fully paid up	160.00	160.00
- Raghuvesh Agri Foods Private Limited 1,600,000 (March 31, 2022: 1,600,000) equity shares of ₹10 each fully paid up	160.00	160.00
- Raghuvesh Infrastructure Private Limited 15,000 (March 31, 2022: 15,000) equity shares of ₹10 each fully paid up	1.50	1.50
<b>Total (C)</b>	<b>321.50</b>	<b>321.50</b>
<b>(iii) In joint venture</b>		
- Daawat Kameda India Private Limited 29,170,673 (March 31, 2022: 24,056,359) equity shares of ₹10 each fully paid up	2,917.07	2,405.64
Less: Impairment in value of investment	(1,038.86)	(319.01)
<b>Total (D)</b>	<b>1,878.21</b>	<b>2,086.63</b>
<b>Total investments carried at cost (A + B + C + D)</b>	<b>31,090.95</b>	<b>11,985.20</b>
<b>Investments at fair value through statement of profit and loss</b>		
Key man insurance policies	409.43	363.84
<b>Equity instruments - Quoted</b>		
2,300 (March 31, 2022: 2,300) equity shares - Union bank of India of ₹10 each fully paid up	0.21	0.21
<b>Equity instruments - Unquoted</b>		
500 (March 31, 2022: 500) equity shares of India International Marketing Limited of ₹ 10 each fully paid up	0.05	0.05
<b>Total</b>	<b>409.69</b>	<b>364.10</b>
<b>Total investments - non-current</b>	<b>31,500.64</b>	<b>12,349.30</b>

\*The Company has long-term investments in subsidiaries, associates and joint ventures which are measured at cost less accumulated impairment. During the year ended March 31, 2023, the Company considered indicators of impairment such as operational losses in previous years, changes in outlook of future profitability for its investment in Daawat Kameda India Private Limited.

The management assesses the performance of these entities including the future projections and relevant economic and market conditions in which they operate to identify if there is any indicator of impairment in the carrying value of the investments. In case indicators of impairment exist, the impairment loss is measured by estimating the recoverable amounts based on the higher of (i) 'fair value less cost of disposal' determined using market price information, where available, and (ii) 'value-in-use' estimates determined using discounted cash flow projections, where available. The fair value less costs of disposal is determined using the market approach. The future cash flow projections are specific to the entity based on its business plan and may not be the same as those of market participants. The future cash flows consider key assumptions such as volume projections, margins, terminal growth rates, etc. with due consideration for the potential risks given the current economic environment



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

in which the entity operates. The discount rates used are pre-tax rates based on weighted average cost of capital and reflects market's assessment of the risks specific to the asset as well as time value of money. The recoverable amount estimates are based on judgments, estimates, assumptions and market data as on reporting date and ignore subsequent changes in the economic and market conditions. During the year ended March 31, 2023, the performance of joint venture along with the relevant economic and market indicators and uncertainties arising from continued impact of Covid-19, supply chain challenges and unprecedented rise in commodity prices resulted in indicators of impairment.

The estimated value in use is based on the future cash flows using annual growth rate for future period of 8 years, weighted average cost of capital is 20.30% (March 31, 2022: 17%) and the terminal growth rate of 5% (March 31, 2022: 5%).

Accordingly, the Company determined the recoverable amount of its investment in joint venture and other exposures related to this entity and recorded a provision of ₹ 719.85 lakhs (March 31, 2022: Rs. 319.01) for the year ended March 31, 2023.

### Impact of possible changes in key assumptions

If the weighted average cost of capital applied to the cash flow projections of this investment had been 1% higher than management's estimates with all other variables held constant, the Company would have had to recognise an additional impairment loss of ₹ 174.98 (March 31, 2022: ₹ 246.19).

If the terminal growth rate applied to the cash flow projections of this investment had been 1% lower than management's estimates with all other variables held constant, the Company would have had to recognise an additional impairment loss of ₹84.10 (March 31, 2022: ₹ 136.95).

## 5 Loans

	As at March 31, 2023	As at March 31, 2022
<b>Loan receivable considered good-Unsecured</b>		
Loans and advances to related parties*	-	179.64
Loan to employees	41.41	77.80
	<b>41.41</b>	<b>257.44</b>

### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Loans considered good -Secured	-	-
Loans considered good -Unsecured	41.41	257.44
Loan which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	<b>41.41</b>	<b>257.44</b>
*Includes loans given to related parties (refer note 50)		
Raghuvesh Agri Foods Private Limited	-	179.64

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 6 Other financial assets

	As at March 31, 2023	As at March 31, 2022
Security deposits	534.48	695.80
	<b>534.48</b>	<b>695.80</b>

## 7 Deferred tax assets/(liabilities) (net)

	As at March 31, 2023	As at March 31, 2022
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax liability arising on account of :</b>		
Property, plant and equipment and intangible assets	(258.71)	(298.75)
Key man insurance policy	(103.05)	(91.57)
Unrealised foreign exchange gain on forward contracts	-	(44.95)
	<b>(361.76)</b>	<b>(435.27)</b>
<b>Deferred tax asset arising on account of :</b>		
Provision for employee benefits	170.07	112.85
Impairment of trade receivables	81.77	56.35
Impairment in value of investment	74.32	74.32
Lease liabilities	55.72	96.39
Unrealised foreign exchange loss on forward contracts	40.60	-
Others	35.86	44.24
	<b>458.34</b>	<b>384.15</b>
<b>Deferred tax assets/(liabilities)</b>	<b>96.58</b>	<b>(51.12)</b>

### Movement in deferred tax assets/(liabilities) (net)

Particulars	As at April 01, 2022	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2023
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and intangible assets	(298.75)	-	40.04	<b>(258.71)</b>
Key man insurance policy	(91.57)	-	(11.48)	<b>(103.05)</b>
Unrealised foreign exchange (gain)/loss on forward contracts	(44.95)	85.55	-	<b>40.60</b>
	<b>(435.27)</b>	<b>85.55</b>	<b>28.56</b>	<b>(321.16)</b>
<b>Deferred tax assets arising on account of:</b>				
Provision for employee benefits	112.85	37.27	19.95	<b>170.07</b>
Impairment of trade receivables	56.35	-	25.42	<b>81.77</b>
Impairment in value of investment	74.32	-	-	<b>74.32</b>
Lease liabilities	96.39	-	(40.67)	<b>55.72</b>
Others	44.24	-	(8.38)	<b>35.86</b>
	<b>384.15</b>	<b>37.27</b>	<b>(3.68)</b>	<b>417.74</b>
<b>Net Deferred tax (liabilities)/assets</b>	<b>(51.12)</b>	122.82	24.88	<b>96.58</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at April 01, 2021	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2022
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and intangible assets	(369.04)	-	70.29	<b>(298.75)</b>
Key man insurance policy	(77.94)	-	(13.63)	<b>(91.57)</b>
Unrealised foreign exchange (gain)/loss on forward contracts	(82.40)	37.45	-	<b>(44.95)</b>
	<b>(529.38)</b>	<b>37.45</b>	<b>56.66</b>	<b>(435.27)</b>
<b>Deferred tax assets arising on account of:</b>				
Provision for employee benefits	79.00	23.21	10.64	<b>112.85</b>
Impairment of trade receivables	23.86	-	32.49	<b>56.35</b>
Impairment in value of investment	-	-	74.32	<b>74.32</b>
Lease liabilities	34.25	-	<b>62.14</b>	<b>96.39</b>
Others	53.28	-	(9.04)	<b>44.24</b>
	190.39	23.21	170.55	<b>384.15</b>
<b>Net Deferred tax (liabilities)/assets</b>	<b>(338.99)</b>	60.66	227.21	<b>(51.12)</b>

### 8 Other non-current assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	14.51	22.19
Capital advances (considered good -Unsecured)	217.47	456.27
	<b>231.98</b>	<b>478.46</b>

### 9 Non-current tax assets

	As at March 31, 2023	As at March 31, 2022
Income tax assets (Net of provision)	3,107.63	3,097.16
	<b>3,107.63</b>	<b>3,097.16</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 10 Inventories

	As at March 31, 2023	As at March 31, 2022
Raw material* (Refer Note (a) below)	37,924.19	45,028.24
Semi-finished goods* (Refer Note (a) below)	52,473.90	53,649.62
Finished goods* [including goods in transit of ₹ 3,284.97 (March 31, 2022: ₹ 2,889.40)]	14,201.05	9,939.35
Traded goods	2,091.18	2,808.05
Stores and spares	799.36	686.00
Packing material		
Bardana	1,005.24	1,028.79
Others	1,830.14	1,785.99
	<b>1,10,325.06</b>	<b>1,14,926.04</b>

\* The interest capitalised as at March 31, 2023 is ₹ 2,215.16 (March 31, 2022 ₹ 2,023.60).

Note (a):- Includes Inventory lying with third parties ("Suppliers") on behalf of the Company Nil (March 31, 2022: ₹ 20,770.00) under agency relationship against which the Company had paid advance amounting to Nil (March 31, 2022: ₹ 8,364.80) and remaining amount of Nil (March 31, 2022: ₹ 12,405.20) is classified under trade payables as at March 31, 2023 and March 31, 2022 respectively.

### 11 Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade receivables*	19,394.13	23,748.92
Less: Allowance for expected credit loss	(324.89)	(223.89)
	<b>19,069.24</b>	<b>23,525.03</b>

#### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	19,069.24	23,525.03
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	324.89	223.89
<b>Total</b>	<b>19,394.13</b>	<b>23,748.92</b>
Less: Loss allowance	(324.89)	(223.89)
<b>Total trade receivables</b>	<b>19,069.24</b>	<b>23,525.03</b>

**Note:-** No trade receivables are due from directors or other officers of the Company either severally or jointly with any other persons or from the companies in which Directors hold directorship other than below.

The Company's exposure to customers is diversified and no single customer other than subsidiaries, contributes more than 10% of the outstanding receivables except for one customer whose balance amounts to 2,445.22 and Nil as at March 31, 2023 and March 31, 2022 respectively.



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

\*Includes receivables from related parties (refer note 50)

	As at March 31, 2023	As at March 31, 2022
LT Foods Americas Inc.	2,756.70	7,045.51
LT Foods Middle East DMCC	2,603.19	-
LT Foods Europe B.V.	1,463.14	3,307.36
Ecopure Specialities limited	184.02	-
Deva Singh Sham Singh Exports Private Limited	-	2.82
LT Foods International Limited	22.71	20.20
Nature Bio Foods Limited	243.91	138.79
Global Foods Trading Gmbh	834.92	951.08
Global Foods Trading Ltd.	192.73	246.43
Global Foods Trading Spain S.L	304.45	400.05
GFT France SARL	267.48	508.18
Nature Bio Foods Inc.	27.11	-
Nature Bio Foods BV	140.27	-

## Ageing of Trade Receivables

March 31, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					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	-	17,060.70	1,899.51	109.03	-	-	-	19,069.24
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	12.13	128.76	169.78	14.22	324.89
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(12.13)	(128.76)	(169.78)	(14.22)	(324.89)
	-	<b>17,060.70</b>	<b>1,899.51</b>	<b>109.03</b>	-	-	-	<b>19,069.24</b>

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2022

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					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	-	16,716.46	6,695.87	92.12	20.58	-	-	23,525.03
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	187.47	17.81	18.61	223.89
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	(187.47)	(17.81)	(18.61)	(223.89)
	-	<b>16,716.46</b>	<b>6,695.87</b>	<b>92.12</b>	<b>20.58</b>	-	-	<b>23,525.03</b>

Refer Note 48 for expected credit loss

## 12 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks on current accounts	164.72	1,208.66
Cash on hand		
In Indian currency	63.28	64.30
In foreign currencies	2.18	2.35
	<b>230.18</b>	<b>1,275.31</b>

## 13 Bank balances other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts (earmarked)	24.63	27.77
Deposits with original maturity more than 3 months and less than 12 months	607.45	619.34
	<b>632.08</b>	<b>647.11</b>

(i) ₹ 607.45 (March 31, 2022: ₹ 619.34) represents deposits with maturity more than 3 months but less than 12 months as at year end, held by the entity and are not available for use by the Company, as these are pledged.

(ii) Refer note 47 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 48 - Financial risk management for assessment of expected credit losses.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 14 Loans

	As at March 31, 2023	As at March 31, 2022
<b>Loan receivable considered good-Unsecured</b>		
Loans to related parties*	35.86	50.00
Loan to employees	94.36	84.61
	<b>130.22</b>	<b>134.61</b>

#### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Loans considered good- Secured	-	-
Loans considered good- Unsecured	130.22	134.61
Loan which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
	<b>130.22</b>	<b>134.61</b>
<b>*Includes loans given to related parties (refer note 50)</b>		
Raghuvesh Agri Foods Private Limited	35.45	46.35
Raghuvesh Warehousing Private Limited	0.41	3.65

### 15 Other current financial assets

	As at March 31, 2023	As at March 31, 2022
Derivative assets	-	174.45
Insurance claim recoverable	-	7.02
Security deposits	103.09	82.38
Export incentive recoverable	339.64	630.00
Others	31.81	22.19
	<b>474.54</b>	<b>916.04</b>

### 16 Other current assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	1,771.78	2,863.83
Balances with government authorities	458.65	317.81
Advance to suppliers*	5,579.63	3,806.07
	<b>7,810.06</b>	<b>6,987.71</b>
<b>*Includes advances given to related parties (refer note 50)</b>		
Raghunath Agro Industries Private Limited	2,943.62	3,422.71

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 17 Equity share capital

	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
36,00,00,000 Equity shares of ₹ 1 each (March 31, 2022 : 36,00,00,000 equity shares of ₹ 1 each)	3,600.00	3,600.00
<b>Issued, subscribed and paid up</b>		
34,72,52,944 Equity shares of ₹ 1 each (March 31, 2022 : 31,98,44,780 equity shares of ₹ 1 each)	3,472.53	3,198.45
	<b>3,472.53</b>	<b>3,198.45</b>

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	31,98,44,780	3,198.45	31,98,44,780	3,198.45
Changes during the year (refer footnote)	2,74,08,164	274.08	-	-
Equity shares at the end of the year	<b>34,72,52,944</b>	<b>3,472.53</b>	<b>31,98,44,780</b>	<b>3,198.45</b>

#### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 1 per share (March 31, 2022: ₹ 1 per share). Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2023 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 0.50 per share (March 31, 2022: ₹ 1 per share).

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	No of shares	% holding	No of shares	% holding
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.85%
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	10.44%
SALIC International Investment Company	3,20,25,784	9.22%	-	-
	<b>17,92,78,196</b>	<b>51.62%</b>	<b>14,72,52,412</b>	<b>46.05%</b>



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

(d) The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

(e) Details of promoters holding in the Company

Details of promoters holding in the Company	As at March 31, 2023			As at March 31, 2022		
	No of shares	% holding	% Change during the year	No of shares	% holding	% Change during the year
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	-0.54%	2,19,20,260	6.85%	-
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Ms. Vandana Arora	60,87,690	1.76%	-0.87%	83,96,500	2.63%	-
Ms. Sakshi Arora	83,71,500	2.41%	-0.21%	83,71,500	2.62%	-
Mr. Munish Kumar Arora	6,43,660	0.19%	-0.01%	6,43,660	0.20%	-
Ms. Anita Arora	76,11,500	2.19%	-0.19%	76,11,500	2.38%	-
Mr. Vaneet Arora	1,60,000	0.05%	0.00%	1,60,000	0.05%	-
Ms. Ranju Arora	54,29,350	1.56%	-0.86%	77,38,160	2.42%	-
Mr. Aditya Arora	6,33,340	0.18%	-0.02%	6,33,340	0.20%	-
Mr. Abhinav Arora	6,33,340	0.18%	-0.02%	6,33,340	0.20%	-
Mr. Gursajan Arora	1,26,660	0.04%	0.00%	1,26,660	0.04%	-
Mr. Ritesh Arora	41,700	0.01%	0.00%	41,700	0.01%	-
Mr. Anmol Arora	1,07,850	0.03%	0.00%	1,07,850	0.03%	-
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	-0.83%	3,33,84,472	10.44%	-
	<b>17,70,99,002</b>	<b>51.00%</b>	<b>-5.83%</b>	<b>18,17,16,622</b>	<b>56.83%</b>	-

#### Footnote:

The Shareholders at its meeting (Extra Ordinary General Meeting) held on December 07, 2022, approved the proposal to issue, offer and allot on preferential and private placement basis, for cash, to SALIC International Investment Company ("Salic") a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia with registration number 1010769582, of 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) ("Equity Shares") at face Value of 1/- per Equity Share and Securities Premium of 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share aggregating 142.23/- (Rupees One Hundred and Forty Two and Twenty Three Paise) per Equity Share amounting to 7.89% (Seven point Eight Nine Percent) of the share capital of the Company on a fully diluted basis for an aggregate subscription amount of 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Seven Two Paise). The Board of Directors, thereafter, in its meeting held on February 28, 2023, allotted aforementioned equity shares to Salic on Preferential basis. Post allotment of 27,408,164 equity shares the paid-up share capital of the Company has been increased to 34,72,52,944/- of face value of 1/- each. The preferential issue of equity shares was completed with due approval of statutory authorities concerned and the amount raised has been utilised for the purpose for which the funds were raised.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 18 Other equity

	As at March 31, 2023	As at March 31, 2022
<b>(i) Retained earnings</b>		
Opening balance	56,155.68	48,200.11
Add: Net profit for the year	16,031.22	11,224.60
<b>Add : Other comprehensive income (OCI)</b>		
- Remeasurements of post-employment benefits obligation (net of taxes)	(110.82)	(70.59)
Less : Equity dividend	(1,599.22)	(3,198.44)
<b>Profit available for appropriation</b>	<b>70,476.86</b>	<b>56,155.68</b>
<b>(ii) General reserve</b>		
Opening balance	1,698.31	1,698.31
Change during the year	-	-
<b>Closing balance</b>	<b>1,698.31</b>	<b>1,698.31</b>
<b>(iii) Securities premium reserve</b>		
Opening balance	43,240.01	43,240.01
Change during the year (net of issuance cost)*	37,961.21	-
<b>Closing balance</b>	<b>81,201.22</b>	<b>43,240.01</b>
<b>(iv) Cash flow hedging reserve</b>		
Opening balance	132.31	248.76
Change during the year	(254.16)	(116.45)
<b>Closing balance</b>	<b>(121.85)</b>	<b>132.31</b>
<b>Total other equity</b>	<b>1,53,254.54</b>	<b>1,01,226.31</b>

#### Nature and purpose of other reserves

##### General reserve:

The Company had transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

##### Securities premium reserve:

Securities premium reserve represents premium received on issue of shares. The reserve is to be utilized in accordance with the provisions of the Companies Act.

##### Cash flow hedging reserve:

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

\* Total costs related to the issuance of shares amounting to ₹ 747.34 have been recognised against equity.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 19 Long-term borrowings

	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
<b>Vehicle loans</b>		
From banks	51.23	96.02
From Others	68.15	91.92
	<b>119.38</b>	<b>187.94</b>
<b>Current maturities of long-term borrowings</b> (Refer note 23)		
<b>Vehicle loans</b>		
From banks	32.12	43.27
From Others	23.66	21.82
	<b>55.78</b>	<b>65.09</b>
	<b>175.16</b>	<b>253.03</b>

Details of borrowings are as follows:

Name of the bank / financial institution	Repayments*	Total amount of installment	As at March 31, 2023	As at March 31, 2022
<b>a) Vehicle loans (Refer point A part (i) for interest rate and point B part (i) for security)</b>				
HDFC Bank	36 - 60 months	1.41	15.29	24.79
Yes Bank	60 months	1.04	-	23.51
ICICI Bank	60 months	2.41	67.96	90.99
BMW Financial Services India	60 months	2.52	91.91	113.74
			<b>175.16</b>	<b>253.03</b>

\* From the date of disbursement

### A. Details of interest rate for each type of borrowings

- The interest on above vehicle loans from banks are fixed in nature. As at March 31, 2023 the interest rates ranges from 7.35% to 8.35% per annum (March 31, 2022: 7.35% to 8.88% per annum).

### B. Details of security for each type of borrowing :

- Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.  
Refer note 45 for assets pledged as security

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## C. Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Liabilities from financing activities			Total
	Lease Liability	Long-term borrowings	Short-term borrowings	
<b>Net debt as at April 01, 2021</b>	<b>136.08</b>	<b>159.68</b>	<b>37,909.45</b>	<b>38,205.21</b>
<b>Cash movement:</b>				
- Proceeds from long term borrowings	-	226.41	-	226.41
- Repayment of long term borrowings	-	(133.06)	-	(133.06)
- Payment of lease liabilities	(244.92)	-	-	(244.92)
- Repayment of short term borrowings (net)	-	-	(9,086.59)	(9,086.59)
- Interest paid	-	(23.79)	(2,302.52)	(2,326.31)
<b>Non cash movement</b>				
- Addition during the year	475.02	-	-	475.02
- Impact of currency restatement on packing credit foreign currency (gain)	-	-	81.09	81.09
- Interest expense	16.81	23.79	2,237.95	2,278.55
<b>Net debt as at March 31, 2022</b>	<b>382.99</b>	<b>253.03</b>	<b>28,839.38</b>	<b>29,475.40</b>

Particulars	Liabilities from financing activities			Total
	Lease Liability	Long-term borrowings	Short-term borrowings	
<b>Net debt as at April 01, 2022</b>	<b>382.99</b>	<b>253.03</b>	<b>28,839.38</b>	<b>29,475.40</b>
<b>Cash movement:</b>				
- Repayment of long term borrowings	-	(77.87)	-	(77.87)
- Payment of lease liabilities	(181.24)	-	-	(181.24)
- Repayment of short term borrowings (net)	-	-	(24,582.31)	(24,582.31)
- Interest paid	-	(16.35)	(2,370.46)	(2,386.81)
<b>Non cash movement</b>				
- Impact of currency restatement on packing credit foreign currency/working capital demand loan (loss)	-	-	9.65	9.65
- Interest expense	19.63	16.35	2,360.81	2,396.79
<b>Net debt as at March 31, 2023</b>	<b>221.38</b>	<b>175.16</b>	<b>4,257.07</b>	<b>4,653.61</b>



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 20 Lease liabilities

	As at March 31, 2023	As at March 31, 2022
Lease liabilities	35.73	201.75
	<b>35.73</b>	<b>201.75</b>

#### i) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	185.65	181.24
Non-current lease liabilities	35.73	201.75
<b>Total</b>	<b>221.38</b>	<b>382.99</b>

#### The following is the movement in lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	382.99	136.08
Add: Additions	-	475.02
Add: Finance cost accrued during the year	19.63	16.81
Less: Payment of lease liabilities	(181.24)	(244.92)
<b>Balance at the end of the year</b>	<b>221.38</b>	<b>382.99</b>

The Company has lease for laboratory equipments and building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Company has considered automatic extension option available for laboratory equipment in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period.

#### ii) Nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right to use	Laboratory equipments	Building
Number of right-of-used assets leased	3	7
Range of remaining lease term	21 months	26 to 33 months
Average of remaining lease term	21 months	28 months
No. of lease with extension options	0	7
No. of lease with options to purchase	0	0
No. of lease with variable payments linked to an index	0	0
No. of lease with termination option	3	7

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### iii) The following are amounts recognised in profit or loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amortisation expense of right-of-use assets	168.90	284.57
Interest expense on lease liabilities	19.63	16.81

#### iv) Total cash outflow for leases for the year ended March 31, 2023 was ₹ 181.24 (March 31, 2022: ₹ 244.92)

### 21 Long-term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provisions for employee benefits</b>		
Provision for gratuity	690.81	590.48
Provision for compensated absences	296.06	229.24
	<b>986.87</b>	<b>819.72</b>

Refer note 46 on Employee benefit obligations

### 22 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred government grant	92.93	123.22
	<b>92.93</b>	<b>123.22</b>

Refer note 44 on Deferred government grant

### 23 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
-Rupee working capital loans	4,257.07	25,073.40
-Packing credit in foreign currency	-	5.95
-Foreign currency loans	-	3,760.03
-Current maturities of long-term borrowings	55.78	65.09
	<b>4,312.85</b>	<b>28,904.47</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

i)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>a) Rupee working capital loans</b>		
The rupee working capital loans are secured by hypothecation of all current assets, personal guarantee of Directors of the Company and their relatives and First Pari-Passu Charge over the office property at Gurugram, factory land and building at Bahalgarh and Varpal, lien of cash deposit of ₹ 541.36 lakhs (March 31, 2022: ₹ 524.52 lakhs) with Punjab National Bank for and on behalf of the consortium and on entire moveable fixed assets of the Company except vehicle financed. The rupee working capital loans are repayable on demand and interest on the above loans from banks are linked to the respective bank MCLR/Repo/T-Bills/CD Rate which are floating in nature. The interest rate ranges from 5.30% to 9.69% (March 31, 2022: 5.25% to 10.00%) on rupee working capital loans.	4,257.07	25,073.40
<b>b) Packing credit in foreign currency</b>		
The packing credit in foreign currency loans are secured by hypothecation of all current assets, personal guarantee of Directors of the Company and their relatives and First Pari-Passu Charge over the office property at Gurugram, factory land and building at Bahalgarh and Varpal, lien of cash deposit of ₹ 541.36 lakhs (March 31, 2022: ₹ 524.52 lakhs) with Punjab National Bank for and on behalf of the consortium and on entire moveable fixed assets of the Company except vehicle financed. The interest rate for the year is SOFR + 75 basis points (March 31, 2022: Libor + 125 basis points to Libor + 325 basis).	-	5.95
<b>c) Foreign currency loans</b>		
The foreign currency loans are secured by hypothecation of all current assets, personal guarantee of Directors of the Company and their relatives and First Pari-Passu Charge over the office property at Gurugram, factory land and building at Bahalgarh and Varpal, lien of cash deposit of ₹ 541.36 lakhs (March 31, 2022: ₹ 524.52 lakhs) with Punjab National Bank for and on behalf of the consortium and on entire moveable fixed assets of the Company except vehicle financed. The interest rate on the above loans from banks are linked to the respective Libor/MCLR which are floating in nature. The interest rate is 1.70% (March 31, 2022: 1.60% to 4.16%) in case of foreign currency loans.	-	3,760.03

ii) Refer note 45 for assets pledged as security

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 24 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Dues to</b>		
Micro and small enterprises	618.66	1,452.95
Others*	30,314.08	48,816.12
	<b>30,932.74</b>	<b>50,269.07</b>
<b>*Includes payable to related parties (refer note 50)</b>		
Daawat Foods Limited	1,790.44	10,637.83
Daawat Kameda India Private Limited	280.13	228.93
Ecopure Specialities limited	-	20.95
Super Texfab Private Limited	-	353.75
Deva Singh Sham Singh Exports Private Limited	100.28	-

a) Due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent information available with the management is given below:

i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year

Particulars	As at March 31, 2023	As at March 31, 2022
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount remaining unpaid	618.66	1,452.95
- Interest accrued and remaining unpaid as at year end	0.37	-
ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
iii) Amount paid to the suppliers beyond the respective due date.	96.59	-
iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	0.73	-
v) Amount of interest accrued and remaining unpaid at the end of accounting period.	1.10	-
vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	2.70	1.60



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	615.98	2.68	-	-	-	618.66
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	27,651.23	2,511.85	143.84	2.46	4.70	30,314.08
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>28,267.21</b>	<b>2,514.53</b>	<b>143.84</b>	<b>2.46</b>	<b>4.70</b>	<b>30,932.74</b>

### March 31, 2022

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,261.29	191.66	-	-	-	1,452.95
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	47,079.44	1,727.49	5.97	2.61	0.61	48,816.12
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>48,340.73</b>	<b>1,919.15</b>	<b>5.97</b>	<b>2.61</b>	<b>0.61</b>	<b>50,269.07</b>

### 25 Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	22.99	32.65
Unclaimed dividend*	67.55	61.77
Derivative liabilities	165.24	-
Other liabilities	2,966.08	1,592.29
	<b>3,221.86</b>	<b>1,686.71</b>

\* Not due for deposit to Investor education and protection fund.

### 26 Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (refer note 20)	185.65	181.24
	<b>185.65</b>	<b>181.24</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 27 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	1,153.18	1,153.18
Statutory liabilities	983.52	401.64
Deferred government grant (Refer note 44)	51.43	51.43
Other liabilities	56.65	57.88
	<b>2,244.78</b>	<b>1,664.13</b>
*Includes advances from related parties (refer note 50)		
LT Foods Middle East DMCC	-	122.94

### 28 Short-term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>		
Provision for gratuity	228.71	202.91
Provision for compensated absence	65.88	56.50
	<b>294.59</b>	<b>259.41</b>

### 29 Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (Net of advance tax)	852.37	240.08
	<b>852.37</b>	<b>240.08</b>

### 30 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sale of products *</b>		
Export	1,21,372.23	1,12,734.38
Domestic	1,59,296.13	1,15,915.02
<b>Sale of traded goods *</b>		
Export	51,589.34	16,263.83
Domestic	55,512.05	36,956.08
<b>Other operating revenue</b>		
Service charges	1,480.98	945.74
Processing charges	16.70	18.67
Rental income (refer note A below)	102.74	102.74
Export Incentives	2,059.53	1,026.16
Government grant income (refer note 44)	30.29	36.99
	<b>3,91,459.99</b>	<b>2,83,999.61</b>

\*Details of products sold

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sale of products</b>		
Rice	2,41,046.13	2,13,210.10
By products	8,192.44	5,779.14
Paddy	-	6,674.95
Bardana	442.21	369.75
Others	30,987.58	2,615.46
<b>Sale of traded goods</b>		
Rice	79,023.36	52,953.26
Paddy*	25,815.90	-
Others	2,262.13	266.65
	<b>3,87,769.75</b>	<b>2,81,869.31</b>

(A) The Company has entered into rent agreements as a lessor for Silos, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2023 and March 31, 2022 was ₹ 102.74 and ₹ 102.74 respectively. The Company has not executed any non-cancellable operating leases.

\* Under the agency relationship (refer note 10), the Company has procured paddy amounting to ₹ 25,185.72 during the current period which has been directly sold to Daawat Foods Limited (wholly owned subsidiary) for ₹ 25,815.90.

### 31 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Other Incomes</b>		
Liabilities written back	34.32	-
Rental income (refer note A below)	157.48	153.46
Dividend from non trade investments	1,386.84	915.46
<b>Interest income on:</b>		
Fixed deposits with banks	24.06	45.25
Others	19.44	31.24
Corporate service charges	748.14	228.51
Corporate guarantee charges	356.50	393.96
Gain from sale of property, plant and equipment (net)	-	42.68
Gain on investments carried at fair value through profit and loss	3.64	12.51
Net gain on foreign currency transactions	845.56	81.52
Miscellaneous income	106.47	454.17
<b>Total other income</b>	<b>3,682.45</b>	<b>2,358.76</b>

A. The Company has entered into rent agreements as a lessor for area of premises owned by the Company, which are in the nature of operating lease. Rental income for operating lease for the period ended March 31, 2023 and March 31, 2022 was ₹ 157.48 and ₹ 153.46 respectively. The Company has not executed any non-cancellable operating leases.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 32 Cost of materials consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening stock</b>		
Raw Material	24,258.24	20,118.34
Bardana	1,028.79	1,091.98
Packing material	1,785.98	1,458.40
	<b>27,073.01</b>	<b>22,668.72</b>
<b>Add: purchases</b>		
Raw Material	1,27,722.60	95,321.43
Bardana	1,203.72	461.28
Packing material	9,237.32	8,408.06
Rice	97,852.46	64,286.67
	<b>2,36,016.10</b>	<b>1,68,477.44</b>
<b>Less: closing stock</b>		
Raw Material	37,924.19	24,258.24
Bardana	1,005.24	1,028.79
Packing material	1,830.14	1,785.99
	<b>40,759.57</b>	<b>27,073.02</b>
	<b>2,22,329.54</b>	<b>1,64,073.14</b>
<b>Consumption details</b>		
Raw Material	1,14,056.65	91,181.53
Bardana	1,227.27	524.47
Packing material	9,193.16	8,080.47
Rice	97,852.46	64,286.67
	<b>2,22,329.54</b>	<b>1,64,073.14</b>

### 33 Purchases of stock in trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rice	54,277.43	52,935.04
Paddy	25,185.72	-
Others	2,602.41	1,500.74
	<b>82,065.56</b>	<b>54,435.78</b>



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 34 Changes in inventories of semi-finished goods, finished goods and stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Stock</b>		
Semi-finished goods	53,649.62	54,347.54
Finished goods	9,939.35	11,921.39
Traded goods	2,808.05	1,932.26
<b>Closing stock</b>		
Semi-finished goods	52,473.90	53,649.62
Finished goods	14,201.05	9,939.35
Traded goods	2,091.18	2,808.05
	<b>(2,369.11)</b>	<b>1,804.17</b>

### 35 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, bonus and other allowances	7,914.87	6,966.04
Contribution to provident and other fund (Refer note 46)	408.41	406.17
Staff welfare expenses	521.46	429.33
	<b>8,844.74</b>	<b>7,801.54</b>

### 36 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on working capital loans	1,970.85	1,783.54
Interest on term loans	16.35	23.79
	<b>1,987.20</b>	<b>1,807.33</b>
Other borrowing costs	409.59	471.22
	<b>2,396.79</b>	<b>2,278.55</b>

**Note:** The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 6.25% p.a. (March 31, 2022 - 7.39% p.a.). Also, refer note 10.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 37 Depreciation and amortization expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment	2,699.16	2,904.99
Depreciation of right-of-use-assets	168.90	284.57
Amortization of intangible assets	21.91	56.98
	<b>2,889.97</b>	<b>3,246.54</b>

### 38 Other Expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Warehouse rent (Refer note A)	892.24	878.97
Wages and other manufacturing expenses	1,465.16	1,273.60
Factory insurance	423.45	332.22
Power and fuel	1,062.28	859.81
Security services	219.31	263.31
Packing expenses	758.79	630.67
Repairs & maintenance to:		
- Plant and machinery	144.48	159.54
- Building	119.68	92.97
- Others	133.51	104.73
Stores and spares consumed	2,375.07	1,743.64
Advertisement	5,578.71	3,737.03
Insurance	390.36	292.19
Legal and professional charges	2,111.83	1,789.03
Rates and taxes	854.80	532.46
Donation and charity	65.50	85.36
Corporate social responsibility expense (refer note C)	273.50	229.61
Directors' sitting fees	19.60	20.25
Auditors' remuneration (refer note B)	47.00	48.68
Vehicle running and maintenance	262.72	194.46
Travelling and conveyance	1,408.57	937.34
Commission to selling agents	379.38	552.84
Clearing, forwarding and freight charges	26,602.16	13,172.87
Impairment of trade receivables	101.00	180.00
Loss from sale of property, plant and equipment (net)	11.24	-
Freight outward	8,515.95	7,090.97

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Write off/ impairment in the value of investment	719.85	320.01
Amounts written off	-	42.67
Business promotion expenses	187.82	182.44
Other selling expenses	1,718.84	1,141.33
Other administrative expenses	1,074.10	953.95
	<b>57,916.90</b>	<b>37,842.95</b>

A. The Company has entered into rent agreements as a lessee for warehouses and office premises, which are in the nature of short-term leases. These leases has been accounted for applying Paragraph 6 of Ind AS 116 - Leases and accordingly recorded as an expense amounting to ₹ 892.24 and ₹ 878.97 for the years ended March 31, 2023 and March 31, 2022 respectively.

### B. Auditors' remuneration (exclusive of applicable goods and service tax)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statutory audit (including fees for limited reviews)	47.00	47.00
Out of pocket expenses	-	1.68
	<b>47.00</b>	<b>48.68</b>

### C. Corporate social responsibility expenditure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Companies Act, 2013	270.73	229.61
ii) Amount spent (in cash) during the year on:		
-Construction/acquisition of an asset	-	-
-on purpose other than above	273.50	229.61
<b>(Excess)/unspent amount</b>	<b>(2.77)</b>	<b>-</b>

## 39 Tax expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>The income tax expense consists of the following :</b>		
Current tax expense for the current year	5,061.71	3,768.31
Current tax expense pertaining to previous years	-	110.00
Deferred tax credit	(24.88)	(227.21)
<b>Total income tax</b>	<b>5,036.83</b>	<b>3,651.10</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before income taxes	21,068.05	14,875.70
At India's statutory income tax rate of 25.168% (March 31, 2022: 25.168%)	5,302.41	3,743.92
<b>Adjustments in respect of current income tax</b>		
Timing difference on account of depreciation and amortisation		
Keyman insurance policy including premium paid		
Tax expense related to earlier years	-	110.00
Donation and charities	85.32	79.27
Fines, penalties and interest on statutory dues	18.03	4.44
Expenses on preferential issue of equity share	(187.38)	-
Deduction under chapter VI-A	(363.19)	(228.95)
Impairment of investments	181.17	-
Others	0.47	(57.58)
<b>Total income tax expense</b>	<b>5,036.83</b>	<b>3,651.10</b>

## 40 Earnings per equity share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to equity shareholders	16,031.22	11,224.60
Numbers of weighted average equity share outstanding at the year end for basic and diluted EPS	32,21,72,597	31,98,44,780
Nominal value per share	1.00	1.00
<b>Earnings per equity share</b>		
Basic and diluted	4.98	3.51

Note: There are no potential equity shares in the Company.



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 41 Contingencies and commitments

### (A) Contingent liabilities

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i Income-tax demands (refer point a)	3,260.32	2,550.32
ii Demand from Food Corporation India for differential price /freight / taxes	75.69	75.69
iii Claims on Company	30.77	30.77
iv Duty saved under EPCG licenses (export obligation outstanding ₹ 1,044.32 (March 31, 2022: ₹ 153.14)	174.05	25.52
v Bank guarantees	12.60	17.60
vii Guarantee given by Company to bank on behalf of subsidiaries (refer point b)	24,755.63	30,838.51
viii Guarantee given by Company on the behalf of subsidiaries for export obligation under EPCG scheme	-	14.68
<b>Total</b>	<b>28,309.06</b>	<b>33,553.09</b>

- a. The Company has pending appeals at Income Tax Appellate Tribunal (ITAT) for the AY 2008-09 to AY 2010-11 and AY 2012-13 to AY 2014-15 and for AY 2016-17 on the matters over which no relief was provided by CIT (Appeals) amounting to ₹ 1,208.31 (March 31, 2022: ₹ 1,208.31).

The Company's appeals at Income Tax Appellate Tribunal (ITAT) for the AY 2003-04 and AY 2007-08 have been concluded for amounting to ₹ 62.38 (March 31, 2022: ₹ 62.38). However, appeal effect of the same is yet to be processed by the Ld. Assessing Officer.

The Company's appeal for AY 1999-00 and AY 2010-11 against the demand under section 271(1)(c) amounting to ₹ 36.27 and ₹ 177.43 respectively (March 31, 2022: ₹ 36.27 and ₹ 177.43) are pending at Income Tax Appellate Tribunal (ITAT) and CIT (Appeals) respectively.

The Company has received demands during the FY 2019-20, under section 147 for the Assessment Year 2015-16 for ₹ 466.81 (March 31, 2022: ₹ 466.81). The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The Company has received demands during the FY 2021-22, under section 143(3) for the Assessment Year 2017-18 for ₹ 599.12 (March 31, 2022: ₹ 599.12). The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The Company has received demand during the FY 2023-24 vide order dated 18.04.2023, under section 143(3) for the Assessment Year 2018-19 for ₹ 375.57 (March 31, 2022: ₹ Nil). The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The Company has received demands during the FY 2023-24 vide orders dated 17.05.2023, under section 147 for the Assessment Years 2014-15 and 2015-16, which is subject to rectification u/s 154 of the IT Act. The company is expecting the demands shall be reduced to ₹ 43.97 & ₹ 290.46 after rectification, against which the company is in process of filing appeals before the CIT (Appeals).

The Company has paid ₹ 1,651.26 (March 31, 2022: ₹ 1,651.26) as per the directions of the Income Tax Department against the outstanding demands of various assessment years and the same will be adjusted/ refunded, once the appeals are final. The amount paid includes ₹ 631.95 lakhs deposited against cases in respect of which favourable order has been received.

The management is confident that its position is likely to be upheld in the appeals pending before various appellate authorities and no liability could arise on the Company on account of these proceedings.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

- b. The guarantees given by LT Foods Limited on behalf of subsidiary companies against the loan availed by subsidiaries for their business purposes.

Name of bank	Name of subsidiary company	Sanction limit (In ₹ Lakhs)	As at March 31, 2023	As at March 31, 2022	Purpose
SBICAP Security Trustee Company Limited	Daawat Foods Limited	33,300.00 (March 31, 2022: 28,368.00)	16,659.60	20,803.43	Working capital loan
Kotak Mahindra Bank Limited	Daawat Foods Limited	Nil (March 31, 2022: 4,000.00)			
DGFT, Ministry of Commerce and Industry	Daawat Foods Limited	Nil (March 31, 2022: 14.68)	-	14.68	For Export obligation under EPCG Scheme
Oriental Bank of Commerce	Raghunath Agro Industries Private Limited	6,980.00 (March 31, 2022: 6,980.00)	871.54	2,001.25	Working capital loan
Kotak Mahindra Bank Limited	Nature Bio Foods Limited	3,200.00 (March 31, 2022: 3,200.00)			
IDFC First Bank Limited	Nature Bio Foods Limited	Nil (March 31, 2022: 2,500.00)			
CTBC Bank	Nature Bio Foods Limited	2,900.00 (March 31, 2022: Nil)	5972.02	5733.83	Working Capital Loan
Indusind Bank Limited	Nature Bio Foods Limited	5,200.00 (March 31, 2022: 5,200.00)			
Indusind Bank Limited	Ecopure Specialities Limited	4,240.00 (March 31, 2022: 5,540.00)	1,252.47	2,300.00	Working capital loan
SBM Bank (India) Ltd.	Ecopure Specialities Limited	2,000.00 (March 31, 2022: 2,000.00)			
SBI Bank	Ecopure Specialities Limited	3,300.00 (March 31, 2022: Nil)			
<b>Grand Total</b>		<b>61,120.00 (March 31, 2022: 57,802.68)</b>	<b>24,755.63</b>	<b>30,853.19</b>	

### (B) Capital commitments

Capital commitments remaining to be executed and not provided for, net of capital advances ₹ 788.18 (March 31, 2022: ₹ 490.46).

## 42 Segment information

In terms of Paragraph 4 of Ind AS 108 'Operating Segments', entity wide disclosures have been presented in the consolidated financial statements.

## 43 Transfer pricing

As per the international transfer pricing norms introduced in India with effect from April 01, 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the Company and its associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the Management the same would not have a material impact on these standalone financial statements. Accordingly, these financial standalone statements do not include any adjustments for the transfer pricing implications, if any.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 44 Deferred government grants

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	174.65	211.64
Released during the year	(30.29)	(36.99)
<b>At the end of the year</b>	<b>144.36</b>	<b>174.65</b>

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Government grants	51.43	92.93	51.43	123.22

### 45 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current assets</b>		
<b>First charge</b>		
Property, plant, and equipments and CWIP	21,856.38	21,657.48
<b>Total non-current assets pledged as security</b>	<b>21,856.38</b>	<b>21,657.48</b>
<b>Current assets</b>		
<b>First charge</b>		
Inventories	1,10,325.06	1,14,926.04
Trade receivables	19,069.24	23,525.03
Cash and cash equivalents	230.18	1,275.31
Other bank balances	632.08	647.11
Loans	130.22	134.61
Other financial assets	474.54	916.04
Other current assets	7,810.06	6,987.71
<b>Total current assets pledged as security</b>	<b>1,38,671.38</b>	<b>1,48,411.85</b>
<b>Total assets pledged as security</b>	<b>1,60,527.76</b>	<b>1,70,069.33</b>

### 46 Employee benefit obligations

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Gratuity	228.71	690.81	202.91	590.48
Compensated absences	65.88	296.06	56.50	229.24
<b>Total</b>	<b>294.59</b>	<b>986.87</b>	<b>259.41</b>	<b>819.72</b>

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### A Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. The planned assets are managed by Life Insurance Corporation of India. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognized funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

#### Disclosure of gratuity

#### (i) Amount recognised in the Statement of Profit and Loss is as under:

Description	March 31, 2023	March 31, 2022
Current service cost	102.35	129.47
Interest cost (net)	48.95	38.79
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>151.30</b>	<b>168.26</b>

#### (ii) Breakup of actuarial loss recognised in other comprehensive income (OCI)

Description	March 31, 2023	March 31, 2022
<b>Remeasurement on the net defined benefit obligation</b>		
Actuarial (gain)/loss arising from change in demographic assumption	(26.02)	8.48
Actuarial loss arising from change in financial assumption	7.42	62.12
Actuarial loss/(gain) arising from change in experience assumption	163.94	(7.04)
<b>Remeasurement on plan assets</b>		
Return on plan assets (excluding interest)	2.75	30.24
<b>Total actuarial loss recognised in OCI</b>	<b>148.09</b>	<b>93.80</b>

#### (iii) Movement in the defined benefit obligation during the year is as under:

Description	March 31, 2023	March 31, 2022
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>1,164.37</b>	<b>968.98</b>
Current service cost	102.35	129.47
Interest cost	73.36	69.35
Actuarial loss recognised during the year	145.34	63.56
Benefits paid	(64.69)	(66.99)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>1,420.73</b>	<b>1,164.37</b>



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### (iv) Change in fair value of assets:

Description	March 31, 2023	March 31, 2022
<b>Fair value of plan assets* at the beginning of the year</b>	370.98	432.24
Interest income on plan assets*	24.42	30.56
Contribution	173.25	5.41
Actuarial loss	(2.75)	(30.24)
Benefits paid	(64.69)	(66.99)
<b>Fair value of plan assets at the end of the year</b>	<b>501.21</b>	<b>370.98</b>

\*from Assets Consist of 100% non-Quoted insure Managed fund and T-Bill

### (v) Actuarial assumptions

Description	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.58%
Retirement age	58 years	58 years
Employee turnover:	8.00%	16.70%
Rate of increase in compensation	8.00%	7.00%
Mortality rate	(IALM) 2012-2014 Ultimate	(IALM) 2012-2014 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### (vi) Movement in provision recognised in balance sheet

Description	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation	1,420.73	1,164.37
Fair value of Plan Assets	(501.21)	(370.98)
<b>Provision recognised in the Balance Sheet</b>	<b>919.52</b>	<b>793.39</b>

### (vii) Sensitivity analysis for gratuity liability

Description	As at March 31, 2023	As at March 31, 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	1,420.73	1,164.37
- Impact due to increase of 1 %	(85.56)	(49.16)
- Impact due to decrease of 1 %	96.66	53.84
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	1,420.73	1,164.37
- Impact due to increase of 1 %	69.35	46.53
- Impact due to decrease of 1 %	(66.67)	(45.52)

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

### (viii) Maturity profile of defined benefit obligation (undiscounted)

Description	As at March 31, 2023	As at March 31, 2022
Within next 12 months	236.93	207.98
Between 2-5 years	577.88	640.49
Between 6-10 years	637.78	443.12

### B Compensated absence

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

### (i) Actuarial assumptions

Description	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.58%
Future basic salary increase	8.00%	7.00%
Employee turnover/ Withdrawal rate	8.00%	16.70%
Retirement age	58 years	58 years

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

### C Provident fund and ESI fund

Contribution made towards provident fund by the Company during the year is ₹ 236.11 (March 31, 2022: ₹ 216.92)

Contribution made towards ESI fund by the Company during the year is ₹ 21.00 (March 31, 2022: ₹ 20.99)

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 47 Fair value disclosures

### i) Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	409.69	-	-	364.10	-	-
Trade receivables	-	-	19,069.24	-	-	23,525.03
Cash and cash equivalents	-	-	230.18	-	-	1,275.31
Other bank balances	-	-	632.08	-	-	647.11
Loans	-	-	171.63	-	-	392.05
Other financial assets	-	-	1,009.02	174.45	-	1,437.39
<b>Total</b>	<b>409.69</b>	<b>-</b>	<b>21,112.15</b>	<b>538.55</b>	<b>-</b>	<b>27,276.89</b>
<b>Financial liabilities</b>						
Borrowings	-	-	4,432.23	-	-	29,092.41
Lease Liability	-	-	221.38	-	-	382.99
Trade payable	-	-	30,932.74	-	-	50,269.07
Other financial liabilities	165.24	-	3,056.62	-	-	1,686.71
<b>Total</b>	<b>165.24</b>	<b>-</b>	<b>38,642.97</b>	<b>-</b>	<b>-</b>	<b>81,431.18</b>

Investment in equity instruments and preference shares of subsidiaries, joint venture and associates has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

### ii) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

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

As at March 31, 2023	Level 1	Level 2	Total
<b>Financial assets</b>			
Key man insurance policies	-	409.43	409.43
Equity instruments - Unquoted	-	0.05	0.05
Equity instruments - Quoted	0.21	-	0.21
<b>Total financial assets</b>	<b>0.21</b>	<b>409.48</b>	<b>409.69</b>
<b>Financial liabilities</b>			
Derivative liabilities	-	165.24	165.24
<b>Total financial liabilities</b>	<b>-</b>	<b>165.24</b>	<b>165.24</b>

As at March 31, 2022	Level 1	Level 2	Total
<b>Financial assets</b>			
Key man insurance policies	-	363.84	363.84
Equity instruments - Unquoted	-	0.05	0.05
Equity instruments - Quoted	0.21	-	0.21
Derivative asset	-	174.45	174.45
<b>Total financial assets</b>	<b>0.21</b>	<b>538.34</b>	<b>538.55</b>

## Valuation process and technique used to determine fair value

- The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- In order to arrive at the fair value of unquoted investments, the Company obtains independent valuations. The techniques used by the valuer are as follows:
  - Asset approach - Net assets value method
  - Income approach - Discounted cash flows ("DCF") method
  - Market approach - Enterprise value/Sales multiple method
- Key man insurance policy fair value is based on surrender value stated by Life Insurance Corporation of India, Max New York Life Insurance Company Limited, SBI Life Insurance Company Limited, Star Union Dai-Ichi Life Insurance and Canara HSBC OBC Life Insurance which represents surrender value for the investors.

## Derivative financial assets/liabilities:

The Company enters into derivative financial instruments with various counterparties and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates etc.



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	As at March 31, 2023		As at March 31, 2022	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Loans	Level 3	171.63	171.63	392.05	392.05
Trade receivables	Level 3	19,069.24	19,069.24	23,525.03	23,525.03
Cash and cash equivalents	Level 3	230.18	230.18	1,275.31	1,275.31
Other bank balances	Level 3	632.08	632.08	647.11	647.11
Other financial assets	Level 3	1,009.02	1,009.02	1,437.39	1,437.39
<b>Total financial assets</b>		<b>21,112.15</b>	<b>21,112.15</b>	<b>27,276.89</b>	<b>27,276.89</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	4,432.23	4,432.23	29,092.41	29,092.41
Lease Liabilities	Level 3	221.38	221.38	382.99	382.99
Trade payable	Level 3	30,932.74	30,932.74	50,269.07	50,269.07
Other financial liabilities	Level 3	3,221.86	3,221.86	1,686.71	1,686.71
<b>Total financial liabilities</b>		<b>38,808.21</b>	<b>38,808.21</b>	<b>81,431.18</b>	<b>81,431.18</b>

The management assessed that security deposits, loan to related parties, loan to employees, other financial assets, borrowings and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities are estimated at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- All the borrowing facilities (other than vehicles loans) availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 48 Financial risk management

### (i) Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, favourable derivative financial instruments, financial assets measured at amortised cost and fair value through profit or loss.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions, Recognised financial assets and liabilities not denominated in Indian Rupees(INR)	Cash flow forecasting	Forward contract and hedging.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Company presently does not have any significant investments in equity shares, except for entities where it exercises control or significant influence.

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

#### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

**A: Low**

**B: Medium**

**C: High**

**Assets under credit risk –**

Credit rating	Particulars	March 31, 2023	March 31, 2022
<b>A: Low</b>	Loans	171.63	392.05
	Other financial assets	1,009.02	1,611.84
	Cash and cash equivalents	230.18	1,275.31
	Other bank balances	632.08	647.11
	Trade receivables	19,069.24	23,525.03
<b>B: Medium</b>	Trade receivables	324.89	223.89
<b>C: High</b>	Trade receivables	-	-

## Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

## Trade receivables

The Company closely monitors the creditworthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

## Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

## b) Expected credit losses

### Expected credit losses for financial assets other than trade receivables

The Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since, the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of other financial assets, credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2023			March 31, 2022		
	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision
Cash and cash equivalents	230.18	0.00%	230.18	1,275.31	0.00%	1,275.31
Other bank balances	632.08	0.00%	632.08	647.11	0.00%	647.11
Loans	171.63	0.00%	171.63	392.05	0.00%	392.05
Other financial assets	1,009.02	0.00%	1,009.02	1,611.84	0.00%	1,611.84

## Expected credit loss for trade receivables under simplified approach

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. The Company believes that amount receivable from related parties is collectible in full, based on historical payment behaviour and hence no loss allowance has been recognized on the same. The Company based upon past trends determines an impairment allowance for loss on receivables from others.

Particulars	0-1 Year	More than 1 year
<b>As at March 31, 2023</b>		
Trade receivables	19,069.24	324.89
Default rate	-	100.00%
Expected credit loss	-	324.89
<b>As at March 31, 2022</b>		
Trade receivables	23,504.45	244.47
Default rate	-	91.58%
Expected credit loss	-	223.89

Reconciliation of loss allowance	Trade receivables
<b>Loss allowance on April 01, 2021</b>	<b>94.81</b>
Add/(Less): Bad debts written off	(50.92)
Add/ (Less): Changes in loss allowances	180.00
<b>Loss allowance on March 31, 2022</b>	<b>223.89</b>
Add/ (Less): Bad debts written off	-
Add/ (Less): Changes in loss allowances	101.00
<b>Loss allowance on March 31, 2023</b>	<b>324.89</b>

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## a) Financing arrangements

The Company had access to the following undrawn 'fund based' borrowing facilities at the end of the reporting period:

Particulars	March 31, 2023	March 31, 2022
- Expiring within one year (cash credit and other facilities)	67,242.93	45,416.62
- Expiring beyond one year (term loans)	-	-
	<b>67,242.93</b>	<b>45,416.62</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

## b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,312.85	119.38	-	4,432.23
Lease liabilities	185.65	56.80	-	242.45
Trade payable	30,932.74	-	-	30,932.74
Other financial liabilities	3,056.62	-	-	3,056.62
<b>Total</b>	<b>38,487.86</b>	<b>176.18</b>	<b>-</b>	<b>38,664.04</b>

March 31, 2022	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	28,904.47	187.94	-	29,092.41
Lease liabilities	181.24	234.58	-	415.82
Trade payable	50,269.07	-	-	50,269.07
Other financial liabilities	1,686.71	-	-	1,686.71
<b>Total</b>	<b>81,041.49</b>	<b>422.52</b>	<b>-</b>	<b>81,464.01</b>

## c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### 1) Foreign currency risk

"The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, GBP, Euro and CHF. 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 (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Company's policy is to hedge the risk of changes in foreign currency. The Company uses combination of pre-shipment credit in foreign currency (PCFC) and forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Company designate both change in spot and forward element of forward contracts and change in spot of PCFCs to hedge exposure in foreign currency risk on highly probable forecast sales.

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (i) Exposure to currency risk:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows

Particulars	In foreign currency		In INR	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial assets</b>				
<b>Trade receivables</b>				
EURO	26.47	34.97	2,371.77	2,960.71
USD	129.63	169.15	10,657.45	12,822.60
GBP	4.90	23.17	499.18	2,306.21
CHF	0.17	-	15.27	-
<b>Foreign exchange forward contracts (Sell foreign currency)</b>				
EURO	(21.00)	(25.00)	(1,881.35)	(2,116.50)
USD	(279.19)	(327.99)	(22,953.73)	(24,864.13)
GBP	-	(2.50)	-	(248.88)
<b>Trade payables</b>				
EURO	0.79	-	70.46	-
USD	0.06	0.15	5.13	11.26
<b>Foreign exchange forward contracts (Buy foreign currency)</b>				
USD	-	49.60	-	3,760.03
<b>Preshipment credit</b>				
USD	-	0.08	-	5.95
<b>Demand Loan</b>				
USD	-	49.60	-	3,760.03
<b>Net exposure:</b>				
EURO	4.68	9.97	419.96	844.21
USD	(149.62)	(159.07)	(12,301.41)	(12,058.74)
GBP	4.90	20.67	499.18	2,057.33
CHF	0.17	-	15.27	-

The following significant exchange rates have been applied :

Particulars	Year end Spot rate	
	March 31, 2023	March 31, 2022
EURO	89.61	84.66
UDS	82.22	75.81
GBP	101.87	99.55
CHF	89.82	82.25

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (a) Disclosure of effects of Cash flow hedge on financial position (Hedge Accounting)

### As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change 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					
<b>Cash flow hedge</b>									
<b>Foreign currency risk</b>									
(i) Foreign exchange forward contracts	24,865.70	-	-	165.24	28 April 2023 - 22 January 2024	1:1	USD: Rs.82.70 EUR: Rs.84.65	(165.24)	165.24
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	-	-	-				-	-

### As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change 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					
<b>Cash flow hedge</b>									
<b>Foreign currency risk</b>									
(i) Foreign exchange forward contracts	27,555.34	-	174.45	-	06 April 2022 - 15 March 2023	1:1	USD: Rs.77.21 EUR: Rs.87.21 GBP: Rs. 105.76	174.45	(174.45)
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	5.90	-	5.95	04 June 2022	1:1	USD: Rs.71.91	(0.05)	0.05

## (b) Disclosure of effects of Fair value hedge on financial position

### As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument
	Assets	Liabilities	Assets	Liabilities				
(i) Foreign exchange forward contracts	-	-	-	-		0.00%	0	-

### As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument
	Assets	Liabilities	Assets	Liabilities				
(i) Foreign exchange forward contracts	-	3,829.53	-	43.82	30 May 2022 - 10 June 2022	1:1	USD: Rs.77.21	(43.82)

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (c) Disclosure of effects of Cash flow hedge on financial performance

### For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
<b>Foreign currency risk</b>				
(i) Foreign exchange forward contracts	(339.69)	-	(952.37)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	0.05	-	(67.65)	Revenue and other income

### For the year ended March 31, 2022

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
<b>Foreign currency risk</b>				
(i) Foreign exchange forward contracts	(150.31)	-	(270.31)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	(5.30)	-	(21.94)	Revenue and other income

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 assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For forward contracts, hedge effectiveness testing (Retrospective and Prospective) have been carried out using Dollar Offset Method by a management expert, engaged by the Company.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

## (d) Movements in cash flow hedging reserve

Particulars	Amount
<b>As at April 01, 2021</b>	<b>248.76</b>
Add: Changes in fair value of forward contracts	(420.62)
Add: Changes in fair value of PCFCs	(27.24)
Less: Amount reclassified to profit or loss	292.25
Less: Tax relating to above (net)	39.16
Net Change during the year ended March 31, 2022	(116.45)
<b>As at March 31, 2022</b>	<b>132.31</b>
Add: Changes in fair value of forward contracts	(1,292.06)
Add: Changes in fair value of PCFCs	(67.60)
Less: Amount reclassified to profit or loss	1,020.02
Less: Tax relating to above (net)	85.48
Net Change during the year ended March 31, 2023	(254.16)
<b>As at March 31, 2023</b>	<b>(121.85)</b>



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Sensitivity

A reasonably possible strengthening (weakening) of the Euro, US dollar, GBP and CHF against all other currencies at March 31, 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in foreign currency (PCFC) designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Currency	Strengthen		Strengthen		Weaken		Weaken	
		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sensitivity of change in exchange rate by 1%*	EURO	17.22	22.16	(14.08)	(15.84)	(17.22)	(22.16)	14.08	15.84
Sensitivity of change in exchange rate by 1%*	USD	79.71	95.87	(171.77)	(186.11)	(79.71)	(95.87)	171.77	186.11
Sensitivity of change in exchange rate by 1%*	GBP	3.74	17.26	-	(1.86)	(3.74)	(17.26)	-	1.86
Sensitivity of change in exchange rate by 1%*	CHF	0.11	-	-	-	(0.11)	-	-	-

\* Holding all other variables constant

## 2) Interest rate risk

### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowing	4,257.07	28,839.38
Fixed rate borrowing	175.16	253.03
<b>Total borrowings</b>	<b>4,432.23</b>	<b>29,092.41</b>

### Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Particulars	Effect on profit after tax	
	March 31, 2023	March 31, 2022
<b>Total borrowings</b>		
-Impact due to increase of 50 basis points*	(15.93)	(107.90)
-Impact due to decrease of 50 basis points*	15.93	107.90

\*Holding all other variable constant

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## 3) Price risk exposure

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

## 49 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio as at year end were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings including lease liabilities	4,653.61	29,475.40
Less : cash and cash equivalents	(230.18)	(1,275.31)
<b>Net debt</b>	<b>4,423.43</b>	<b>28,200.09</b>
Total equity	1,56,727.07	1,04,424.76
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.03</b>	<b>0.27</b>

### a) Dividend paid on equity shares

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Interim Dividend		
For the year ended March 31, 2022 of ₹ 0.50 per share		(1599.22)
For the year ended March 31, 2022 of ₹ 0.50 per share		1599.22
For the year ended March 31, 2023 of ₹ 0.50 per share	1599.22	

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### b) Loan covenants

Under the terms of major borrowing facilities, the Company is required to comply with the following covenants:

- the current ratio must be more than 1.33 times;
- the debt to equity must remain lower than 1 times;
- the promoter's holding must not be less than 51%;
- the total outside liability to tangible net worth ratio must not exceed 1 times;
- the total outside liability to adjusted tangible net worth must not exceed 1.1 times;
- the Net Debts to EBITDA must not exceed 4 times;
- the Net Working Capital to be maintained at minimum level of 25% of current assets;
- the interest service coverage ratio to be more than 2 times;

The Company has complied with these covenants as at the reporting date.

## 50 Related party disclosures

The Company's related party transactions and outstanding balances are with its subsidiaries, step down subsidiaries, associates and joint venture, key management and others as described below.

### A. Relationships

#### a) Subsidiaries

Daawat Foods Limited  
Nature Bio Foods Limited  
LT Overseas North America, Inc.  
Sona Global Limited  
Deva Singh Sham Singh Exports Private Limited  
Raghunath Agro Industries Private Limited

#### b) Step down subsidiaries

LT Foods America Inc.  
LT Foods USA LLC  
LT Foods Middle East DMCC  
Ecolife LLC  
Nature Bio Foods B.V.  
LT Agri Services Private Limited  
LT Foods Europe B.V.  
Ecopure Specialities limited  
Nature Bio Foods Inc.  
LT Foods International Limited

#### c) Joint venture

Daawat Kameda India Private Limited

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### d) Associate enterprises

Raghuvesh Agri Foods Private Limited  
Raghuvesh Warehousing Private Limited  
Raghuvesh Infrastructure Private Limited

### e) Key management personnel and Directors

#### Key management personnel

Name	Designation
Mr. Vijay Kumar Arora	Managing Director
Mr. Surinder Kumar Arora	Managing Director
Mr. Ashwani Kumar Arora	Managing Director and Chief Executive Officer
Mr. Ashok Kumar Arora	President - Punjab operations
Mr. Alrumaih Sulaiman Abdul Rehman S	Additional Director (w.e.f. February 28, 2023)
Mr. Sachin Gupta	Chief Finance Officer (w.e.f. May 30, 2022)
Ms. Monika Chawla Jaggia	Company Secretary

#### - Directors

Mr. Gokul Patnaik	Independent Director (upto July 22, 2021)
Ms. Ambika Sharma	Independent Director
Ms. Neeru Singh	Independent Director
Mr. Abhiram Seth	Lead Independent Director
Mr. Suprass Bhandari	Independent Director (upto July 22, 2021)
Mr. Anil Kandelwal	Independent Director (upto February 22, 2023)

### f) Enterprise having significant influence

SALIC International Investment Company ("SALIC")

United Farmers Investment Company-Subsidiary of SALIC

-Relatives of Key Management Personnel (with whom transactions have taken place during the year)

Name	Relationship
Ritesh Arora	Son of Mr. Ashwani Kumar Arora
Anmol Arora	Son of Mr. Surinder Kumar Arora
Aditya Arora	Son of Mr. Ashok Kumar Arora
Gursajan Arora	Son of Mr. Ashok Kumar Arora
Abhinav Arora	Son of Mr. Vijay Kumar Arora
Parvesh Rani	Mother of Mr. Vijay Kumar Arora
Ranju Arora	Wife of Mr. Vijay Kumar Arora
Sakshi Arora	Wife of Mr. Surinder Kumar Arora
Anita Arora	Wife of Mr. Ashok Kumar Arora
Vandana Arora	Wife of Mr. Ashwani Kumar Arora

Entities in which Key Management Personnel and their relatives have significant influence with whom transactions have taken place during the current year and/or previous year:

Super Texfab Private Limited  
Raghuvesh Holdings Private Limited



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Global Foods Trading Gmbh  
Global Foods Trading Ltd.  
Global Foods Trading Spain S.L  
Global Foods Trading France Sarl

Transactions with Subsidiary Companies, Step down Subsidiary Companies, Joint venture, Associate Companies and entities where key management personnel has significant influence

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Sales</b>		
LT Foods America Inc.	82,366.10	46,299.54
Raghunath Agro Industries Private Limited	64.23	1,874.41
LT Foods Middle East DMCC	19,662.40	13,648.95
Daawat Foods Limited	27,194.12	6,785.60
Global Foods Trading Gmbh	2,309.51	2,299.00
Global Foods Trading Ltd.	367.62	641.40
Global Foods Trading Spain S.L	979.09	701.05
Deva Singh Sham Singh Exports Private Limited	-	486.59
LT Foods Europe B.V.	13,711.68	13,985.41
Daawat Kameda India Private Limited	57.08	74.60
Nature Bio Foods Inc.	-	4.40
Global Foods Trading France Sarl	1,310.47	919.14
<b>Purchases</b>		
Raghunath Agro Industries Private Limited	6,926.28	10,121.34
Daawat Foods Limited	40,917.52	33,136.38
Nature Bio Foods Limited	13.75	12.49
Super Texfab Private Limited	2,616.18	1,503.12
LT Foods Europe B.V.	-	19.50
Daawat Kameda India Private Limited	302.85	453.01
<b>Rental income</b>		
Daawat Foods Limited	-	1.50
Daawat Kameda India Private Limited	154.59	154.59
Nature Bio Foods Limited	-	7.00
<b>Fumigation income</b>		
Nature Bio Foods Limited	87.06	131.29
<b>Reimbursement of expenses received</b>		
Daawat Kameda India Private Limited	51.76	138.69
Nature Bio Foods Limited	101.87	12.50
Raghuvesh Infrastructure Private Limited	9.45	3.82

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Daawat Foods Limited	205.96	187.64
Raghunath Agro Industries Private Limited	8.79	8.31
Ecopure Specialities Limited	85.47	35.78
Deva Singh Sham Singh Exports Private Limited	0.86	1.75
<b>Investments</b>		
Daawat Kameda India Private Limited	511.43	-
Sona Global Limited	1,597.34	-
<b>Purchase of shares of Daawat Foods Limited</b>		
United Farmers Investment Company	17,583.02	-
<b>Processing charges income</b>		
Nature Bio Foods Limited	16.70	80.72
<b>Freight Expense</b>		
Daawat Foods Limited	37.79	0.00
<b>Rental Expense</b>		
Deva Singh Sham Singh Exports Private Limited	57.00	84.00
<b>Transport income</b>		
Nature Bio Foods Limited	5.69	14.54
<b>Interest income</b>		
Raghuvesh Agri Foods Private Limited	10.17	25.05
Raghuvesh Warehousing Private Limited	0.13	4.05
<b>Dividend income</b>		
Daawat Foods Limited	200.00	-
LT Foods America Inc.	1,186.83	908.27
<b>Fumigation expense</b>		
Raghunath Agro Industries Private Limited	5.59	2.45
Deva Singh Sham Singh Exports Private Limited	15.51	-
<b>Business Support Services income</b>		
Daawat Foods Limited	247.23	228.51
LT Foods Europe B.V.	92.85	-
Nature Bio Foods Inc.	27.12	-
Nature Bio Foods BV	139.59	-
Nature Bio Foods Limited	110.48	-
Ecopure Specialities Limited	130.87	-
<b>Corporate guarantee charges income</b>		
Daawat Foods Limited	216.52	253.62
Nature Bio Foods Limited	89.95	87.11
Raghunath Agro Industries Private Limited	14.79	29.72
Ecopure Specialities Limited	35.24	23.51
<b>Loan granted</b>		

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raghuvesh Agri Foods Private Limited	75.00	-
Raghuvesh Warehousing Private Limited	5.00	-
<b>Payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	275.00	82.00
Raghuvesh Warehousing Private Limited	8.65	138.52
<b>Net payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	200.00	82.00
Raghuvesh Warehousing Private Limited	3.65	138.52
<b>Sale of Property, plant &amp; Equipment</b>		
Daawat Foods Limited	8.83	18.04
<b>Purchase of Property, plant &amp; Equipment</b>		
Raghunath Agro Industries Private Limited	11.00	-
<b>Transactions with key management personnel</b>		
<b>Remuneration (excluding long term employee benefit)</b>		
Mr. Vijay Kumar Arora	215.51	215.29
Mr. Ashwani Kumar Arora	211.32	211.10
Mr. Sachin Gupta	64.74	61.31
Ms. Monika Chawla Jaggia	66.99	64.39
<b>Dividend paid to the key management personnel</b>	459.74	827.53
<b>Transactions with relatives of key management personnel</b>		
<b>Remuneration</b>		
Mr. Ritesh Arora	64.47	64.36
<b>Dividend paid to relatives of key management personnel and entities in which key management personnel have significant influence</b>		
<b>Details of parties to whom dividend paid is more than 10%</b>		
Raghuvesh Holdings Private Limited	166.92	300.46
Others	281.92	302.87
<b>Director sitting fees</b>		
Mr. Gokul Patnaik	-	1.75
Mr. Suparas Bhandari	-	1.15
Ms. Neeru Singh	5.40	5.60
Ms. Ambika Sharma	4.60	4.45
Mr. Anil Khandelwal	3.80	3.05
Mr. Abhiram Seth	5.80	4.25

Mr. Vijay Kumar Arora, Mr. Ashwini Kumar Arora, and Mr. Surinder Kumar Arora, the Directors have given personal guarantees against the short term borrowings (except vehicles loans) availed by the Company as disclosed under:

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term borrowings	-	-
Short-term borrowings	4,257.07	28,839.38
<b>Balances at the year-end {net receivable/(net payable)}</b>		
LT Foods Middle East DMCC	2,603.19	(122.94)
LT Foods America Inc.	2,756.70	7,045.51
Daawat Foods Limited	(1,790.44)	(10,637.83)
Ecopure Specialities Limited	184.02	(20.95)
Nature Bio Foods Limited	243.91	138.79
Raghunath Agro Industries Private Limited	2,943.62	3,422.71
LT Foods International Limited	22.71	20.20
LT Foods Europe B.V.	1,463.14	3,307.36
Deva Singh Sham Singh Exports Private Limited	(100.28)	2.82
Nature Bio Foods Inc.	27.11	-
Nature Bio Foods BV	140.27	-
Raghuvesh Agri Foods Private Limited	35.45	225.99
Raghuvesh Warehousing Private Limited	0.41	3.65
Genoa Rice Mills Private Limited	-	-
Daawat Kameda India Private Limited	(280.13)	(228.93)
Super Texfab Private Limited	-	(353.75)
Global Foods Trading Gmbh	834.92	951.08
Global Foods Trading Ltd.	192.73	246.43
Global Foods Trading Spain S.L	304.45	400.05
GFT France SARL	267.48	508.18
Mr. Vijay Kumar Arora	-	(8.02)
Mr. Ashwani Kumar Arora	-	(8.50)
Ms. Monika Chawla Jaggia	10.43	4.48
<b>Corporate guarantees given (outstanding) on behalf of</b>		
Daawat Foods Limited	16,659.60	20,818.11
Nature Bio Foods Limited	5,972.02	5,733.83
Raghunath Agro Industries Private Limited	871.54	2,001.25
Ecopure Specialities limited	1,252.47	2,300.00

### Terms and conditions of transactions with related parties

The transactions with related parties have been entered into by Company in the ordinary course of business, on arm's length basis on terms prevailing in the open market at that time.



## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 51 Details of loan, investment made and guarantee given covered under section 186(4) of Companies Act, 2013

#### (i) Loans granted

Name of the Loanee	Rate of interest	Maximum balance outstanding during the year	As at March 31, 2023	As at March 31, 2022
Raghuvesh Agri Foods Pvt Ltd	10.00% p.a.	225.99	35.45	225.99
Raghuvesh Warehousing Pvt Ltd	10.00% p.a.	17.00	0.41	3.65
<b>Total</b>			<b>35.86</b>	<b>229.64</b>

#### (ii) Investments made

Name of the Investee	As at March 31, 2023	As at March 31, 2022
<b>Investments in equity shares and preference shares</b>		
Nature Bio Foods Limited	200.00	200.00
Sona Global Limited	2,505.07	907.73
Daawat Foods Limited	21,066.83	3,350.00
LT Overseas North America Inc.	2,822.31	2,822.31
Raghunath Agro Industries Private Limited	2,296.03	2,296.03
Deva Singh Shyam Singh Exports Private Limited	1.00	1.00
Raghuvesh Warehousing Private Limited	160.00	160.00
Raghuvesh Agri Foods Private Limited	160.00	160.00
Raghuvesh Infrastructure Private Limited	1.50	1.50
Daawat Kameda India Private Limited	2,917.07	2,405.64
Less: Impairment in value of investment	(1,038.86)	(319.01)
Andhra bank	0.21	0.21
India International Marketing Limited	0.05	0.05
<b>Total</b>	<b>31,091.21</b>	<b>11,985.46</b>

The above investments are made for business purposes only.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

#### (iii) Guarantee provided

Name of Bank/ Financial Institutions	Guarantees outstanding, given behalf of	Purpose	As at March 31, 2023		As at March 31, 2022	
			Sanction amount	Outstanding amount	Sanction amount	Outstanding amount
SBICAP Security Trustee Company Limited	Daawat Foods Limited	Working capital loan	33,300.00	16,659.60	28,368.00	20,803.43
Kotak Mahindra Bank Limited	Daawat Foods Limited	Working capital loan	-	-	4,000.00	-
DGFT, Ministry of Commerce and Industry	Daawat Foods Limited	For export obligation under EPCG scheme	-	-	14.68	14.68
Oriental Bank of Commerce, Amritsar	Raghunath Agro Industries Private Limited	Working capital loan	6,980.00	871.54	6,980.00	2,001.25
IDFC First Bank Limited	Nature Bio Foods Limited	Working capital loan	-	-	2,500.00	-
CTBC Bank	Nature Bio Foods Limited	Working capital loan	2,900.00	5,972.02	-	5,733.83
Kotak Mahindra Bank Limited	Nature Bio Foods Limited	Working capital loan	3,200.00	-	3,200.00	-
Indusind Bank Limited	Nature Bio Foods Limited	Working capital loan	5,200.00	-	5,200.00	-
Indusind Bank Limited	Ecopure Specialities Limited	Working capital loan	4,240.00	-	5,540.00	-
SBI Bank (India) Limited	Ecopure Specialities Limited	Working capital loan	2,000.00	1,252.47	2,000.00	2,300.00
SBI Bank	Ecopure Specialities Limited	Working capital loan	3,300.00	-	-	-
<b>Total</b>			<b>61,120.00</b>	<b>24,755.63</b>	<b>57,802.68</b>	<b>30,853.19</b>

The above guarantees were made for business purposes only.

### 52 Interest in joint venture

The Company's interest and share in joint venture in jointly controlled entity is as follows:

Name of joint venture	Country of incorporation	Ownership interest as at	
		March 31, 2023	March 31, 2022
Daawat Kameda India Private Limited	India	51%	51%

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### (a) Interest in jointly controlled entity of the Company

Company's share of	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>		
Non current	579.94	700.70
Current	775.60	564.92
<b>Liabilities</b>		
Non current	3.62	3.60
Current	112.02	87.38
Income	122.96	137.11
Expenditure	595.75	623.38

### 53 Revenue from Contracts with Customers

Indian Accounting Standard 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

#### Significant changes in contract assets and liabilities

There has been no significant changes in the nature of contract assets/contract liabilities during the year.

#### Revenue recognised in relation to contract liabilities

##### Advance from Customers:

Description	Year ended March 31, 2023	Year ended March 31, 2022
Amounts included in contract liabilities at the beginning of the year	1,153.18	1,178.94
Performance obligations satisfied in current year	(1,062.58)	(1,148.68)
Amount received in the current year having outstanding performance obligations	1,062.58	1,122.92
<b>Amounts included in contract liabilities at the end of the year</b>	<b>1,153.18</b>	<b>1,153.18</b>

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Company.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Timing of revenue recognition	Year ended March 31, 2023	Year ended March 31, 2022
Revenue recognised over time	1,497.68	964.41
Revenue recognised at point in time	3,87,769.75	2,81,869.31
	<b>3,89,267.43</b>	<b>2,82,833.72</b>

### Assets and liabilities related to contracts with customers

Description	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods and services</b>				
Advance from customers	-	1,153.18	-	1,153.18

### Reconciliation of revenue recognised with contract price

Description	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	3,96,696.04	2,88,813.97
Adjustment for:		
Incentives and discounts	(7,428.61)	(5,980.25)
<b>Revenue from Operations</b>	<b>3,89,267.43</b>	<b>2,82,833.72</b>



# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 54 Ratios

S No.	Ratio	Formula	Particulars		Ratio as on	Ratio as on	Variation
			Numerator	Denominator	March 31, 2023	March 31, 2022	
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Bank Balance + Loans + Other Financial Assets	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Lease Liabilities+ Provisions + Other Current Liability	3.30	1.78	84.9%
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + short term borrowing + Non-current and current lease liabilities	Equity= Equity + Reserve and Surplus	2.97	28.23	-89.5%
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit before taxes + Non-cash operating expenses + finance cost	Debt Service = Interest and Lease Payments + Principal Repayments of lease liabilities and long term borrowing	10.23	7.87	30.1%
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profit after taxes	Shareholder's Equity	0.10	0.11	-4.8%
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Material Consumed + Purchases of Stock in Trade + Changes in Inventory	(Opening Inventory + Closing Inventory)/2	2.68	2.10	27.7%
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sale=Sale of products + Sales of traded goods	(Opening Trade Receivables + Closing Trade Receivable)/2	18.21	15.58	16.9%
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	7.90	6.61	19.4%
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue from Operations	Average Working Capital= Average of Current assets - Current liabilities	4.84	4.58	5.6%
(I)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Revenue from Operations	0.04	0.04	3.6%

# Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

S No.	Ratio	Formula	Particulars		Ratio as on	Ratio as on	Variation
			Numerator	Denominator	March 31, 2023	March 31, 2022	
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Equity Share Capital + Other Equity + Non Current and Current borrowings + Total Lease Liabilities	0.15	0.13	13.5%
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity Share Capital	4.62	3.51	31.5%

Explanation for change in the ratios by more than 25%:-

### (i) Current Ratio

The current ratio is favourable in current year on account of repayment of borrowings.

### (ii) Debt-Equity Ratio

The debt equity ratio is favourable in current year on account of repayment of borrowings and preferential issue of share capital.

### (iii) Debt Service Coverage Ratio

The debt service coverage ratio is favourable in current year due to increased operating income.

### (iv) Inventory Turnover Ratio

The inventory turnover ratio has increased due to increased sales in current year.

### (v) Return on Investment

The return on investment has increased due to increased profitability in current year.

**55** The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. There are numerous interpretation issues relating to the judgement passed by Supreme Court dated February 28, 2019 in the matter of Surya Roshni Ltd and others v/s State of M.P. on Provident fund. The order does not specifically mention the date of applicability of this judgement, whether it will be retrospectively or prospectively. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company for the previous periods, if any, can be ascertained. However, the Company has adopted the above changes prospectively.

**56** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 57 New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

#### New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

### 58 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

### 59 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

60 The Company has a working capital limit of ₹ 71,500 (March 31, 2022: ₹ 74,256). For said facility, the management files returns/ statements, including information about inventory, debtors (with their ageing) and creditors, with such banks on monthly basis. The management also files revised returns/ statements, including similar information as at quarter-end and for the quarter then ended, with such banks on quarterly basis after reconciling the data with quarter-end accounts. The revised returns/ statements filed with such banks, except for few immaterial differences, are in agreement with the unaudited books of accounts of the Company on aggregate basis.

## Notes to the standalone financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 61 Other Statutory Information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) 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: a) 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, b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vi) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) The Company does not have any transactions with company struck-off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### 62 Previous year figures

Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150



# Independent Auditor's Report

To the Members of **LT Foods Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of LT Foods Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise of the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, its associates and jointly venture as at March 31, 2023, its consolidated total comprehensive income (comprising of its profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the

Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report (refer Annexure "A"). We are independent of the Group, its associates and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 9 to the accompanying consolidated financial statements with reference to a subsidiary, Daawat Foods Limited, which has been audited by us, which describes the uncertainties related to the legal outcome of ongoing litigation related to the recoverability of insurance claim (asset) amounting to Rs. 13,410.53 lakhs as at March 31, 2023. The Insurance Agency repudiated the insurance claim vide its order dated February 4, 2016 against which the Company had filed a civil suit with District Court of Raisen, Bhopal, the outcome of which is pending.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue recognition – Sale of goods:</b></p> <p>Refer Note 1 of consolidated financial statements with respect to the accounting policies followed by the Group for recognizing revenue from sale of products.</p> <p>The Group recognised revenues amounting to Rs. 6,93,579.19 lakhs for the year ended March 31, 2023, as disclosed in Note 34 and Note 51 to the consolidated financial statements.</p> <p>Revenue comprises of sale of manufactured goods (rice), traded goods and by products – which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers. 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 Group as part of the contract.</p> <p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of multiple channels for sales, transactions with subsidiaries and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<p><b>Our audit work included, but not limited to, the following procedures:</b></p> <ul style="list-style-type: none"> <li>Understood the business process of revenue and receivables process for evaluating the design effectiveness of internal financial controls;</li> <li>Validated the operating effectiveness of internal financial controls in revenues and receivables process;</li> <li>Assessed the appropriateness of the accounting policies relating to revenue recognition by ensuring their compliance with Ind AS 115 ("Revenue from Contracts with Customers");</li> <li>Performed substantive analytical procedures on revenue which includes margins analysis (corroboration between revenues and costs for current year and its comparison with last year), analysis for key customers etc.;</li> <li>Evaluated the terms and conditions of the key contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the Indian Accounting Standards;</li> <li>Performed substantive testing on test check basis for revenue transactions recognised during the year by testing their underlying documents which include purchase orders from customers, proof of deliveries (bill of lading for export sales and lorry receipts etc for domestic sales), invoices and collection of money from the customers (as applicable). Considering different categories of customers, the nature of documents supporting accuracy and occurrence of transactions varies. Our testing methodology was designed and implemented considering these facts and circumstances;</li> <li>Reviewed reconciliation of revenues between books and revenues disclosed in statutory returns (i.e., GST returns);</li> <li>Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors; and .</li> <li>Assessed the adequacy and appropriateness of the disclosures made in financial statements in compliance with the requirements of Ind AS 115 - 'Revenue from contracts with customer'.</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Inventory – existence and valuation</b></p> <p>Refer Note 1 to the consolidated financial statements which includes the accounting policies followed by the Group for valuation of inventory.</p> <p>The Group's inventory is valued at the lower of cost and Net Realizable Value (NRV).</p> <p>The Group is engaged in the business of manufacturing and selling rice and the Group's inventory primarily comprises of raw material i.e., paddy, semifinished rice, finished rice, soya, stores and spares and packing material. Such inventory is stored in plant, rented warehouses, silos and storage bags. Inventory holding is generally significant at the end of the financial year considering seasonality of the agricultural produce of paddy and natural ageing process followed by the Group for getting desired level of quality. High quantity of inventory at the year-end makes inventory physical verification an extensive procedure for the management.</p> <p>The valuation of raw material, semi-finished and finished rice is a comprehensive exercise and is carried out manually. The valuation process involves estimation around determination of:</p> <ul style="list-style-type: none"> <li>• Allocable overheads and their absorption rates;</li> <li>• Determination of net realisable value of by-products;</li> <li>• Capitalisation of borrowing costs to paddy, semi-finished and finished rice, given significant holding period between acquisition and production.</li> <li>• Period and rate of finance costs to be capitalised.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Group, is considered to be one of the areas which required significant attention owing to the complexity and judgement involved in the process of physical count and valuation.</p> <p>Hence, we have identified Inventory Valuation as a key audit matter.</p>	<p><b>Our audit procedures in respect of this area, among others, included the following:</b></p> <p><b>Existence:</b></p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness of the accounting policies relating to valuation of Inventory by ensuring their compliance with Ind AS 2 ("Inventories") and Ind AS 23 ("Borrowing Costs");</li> <li>• Obtained inventory reports (retrieved from SAP) and results of management conducted count and reviewed reconciliation of differences, if any, between management physical count and inventory records. Tested the necessary adjustments, if any, made in the inventory records by the management;</li> <li>• Reviewed reconciliation of inventory quantitative details in valuation workings with inventory reports obtained from the management, as retrieved from SAP i.e., the integrated ERP used by the Group. Understood and tested the reconciling items, if any;</li> <li>• Obtained independent confirmations, on sample basis, for inventory lying with third parties as at year-end;</li> <li>• Observed physical verification done by the management as at year-end and also, independently verified few items physically on sample basis for locations scoped-in, basis materiality of stock lying at such locations to overall inventory balance of the Group as at year-end;</li> <li>• Corroborated the results of our physical verification procedures, on sample basis, with valuation workings obtained from the management; and</li> <li>• Presented our approach and results of physical verification, including but not limited to scoped-in locations, methodology followed for verification of inventory stored in bags and silos and confirmation procedures, to the audit committee.</li> </ul> <p><b>Valuation:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management process of inventory valuation;</li> <li>• Evaluated design effectiveness of controls over inventory valuation process and tested key controls for their operating effectiveness;</li> <li>• Verified inputs into the valuation process from source documents/ general ledger accounts on test check basis;</li> <li>• Verified, on test check basis, quantitative reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the rice yield during the year and to identify any abnormal production loss. Compared the yield between current year and prior year to identify abnormalities, if any;</li> <li>• Compared basis of key estimates, including those involved in computation of allocable overheads and borrowing costs, to prior year and enquired reasons for any significant variations;</li> <li>• Verified net realisable value of by-products from supporting documents and arithmetical accuracy of valuation calculations; and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'. We have nothing to report in this regard.

## Responsibilities of Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, its associates and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of such companies respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements

that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company 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 and of its associates and its joint ventures are responsible for overseeing the financial reporting process of each such company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the consolidated financial statements.

## Other Matters

We did not audit the financial statements of six subsidiaries whose financial statements reflect total assets of Rs. 89,086.35 lakhs as at March 31, 2023, total revenues of Rs. 131,281.26 lakhs, total net profit after tax of Rs. 2,618.05 lakhs, total comprehensive income of Rs. 2,658.95 lakhs and net cash inflow of Rs. 374.14 lakhs, for the year ended March 31, 2023, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax of Rs. 3,164.79 lakhs, total comprehensive income of Rs. 3,164.79 lakhs, for the year ended March 31, 2023, as considered in the consolidated financial statements in respect of three associate companies and a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion



on the consolidated financial statements, in so far as it relates to these amounts and disclosures included in respect of these subsidiaries, and associates and its joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph above.

We did not audit the financial statements of two subsidiaries, incorporated outside India, whose financial statements reflect total assets of Rs. 11,194.92 lakhs as at March 31, 2023, total revenue of Rs. 22,238.76 lakhs, total net profit after tax of Rs. 32.42 lakhs, total comprehensive income of Rs. 248.30 lakhs and net cash outflows of Rs. 411.83 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have been audited by other auditors. The financial statements of these subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under the standards of auditing applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the audit reports of such other auditors as furnished to us by the management and the conversion adjustments prepared by the management of the Holding Company which have been audited by us.

Further, the consolidated financial statement also includes the financial statements of a Subsidiary, whose financial statement reflect total assets of Nil as at March 31, 2023, total revenue of Rs. Nil total net Profit after tax of Nil, total comprehensive income of Nil and net cash outflow of Rs. Nil, for the year ended March 31, 2023 which is based on the financial information certified by the management. The consolidated financial statement also includes the Group's share of net profit after tax Rs. 94.71 Lakhs and total comprehensive income of Rs. 94.71 Lakhs for the year ended March 31, 2023 as considered in the consolidated financial statement, in respect of a joint ventures which is also based on the financial information certified by the management. According to the information and explanation given to us, this financial information is not material to the Group.

Our opinion is not modified in respect of the matters mentioned above.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of

Section 143 of the Act, we give in the "Annexure B", a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates referred to in the other matters section above, as were audited by other auditors, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian 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, its subsidiaries and a joint venture, incorporated in India and audited by us, as on March 31, 2023 taken on record by the respective Board of Directors of such companies and the reports of the other auditors of subsidiaries and associates, incorporated in India and audited by other auditors (as mentioned in "Other Matters" paragraph above), none of the directors of the Holding Company, its subsidiaries, its associates and its joint venture, 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 consolidated financial statements of the Holding Company, its subsidiaries, its associates and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure C".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and its joint venture – Refer Note 45 to the consolidated financial statements.
- ii. The Group, its associates and its joint venture 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 Group, its associates and joint venture, incorporated in India, during the year ended March 31, 2023.
- iv. a. On the basis of reports of other auditors of subsidiaries and associates, incorporated in India and not audited by us, and the respective management of the Holding Company and its subsidiaries and its joint venture, which are companies incorporated in India and audited by us have represented that, to the best of their 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 such companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiaries or its associates or its joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. On the basis of reports of other auditors of subsidiaries and associates, incorporated in India and not audited by us, and the respective management of the Holding Company and its subsidiaries and its joint venture, which are companies incorporated in India and audited by us have represented that, to the best of their knowledge and belief, no funds have been received by such companies from any person(s)

or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries or its associates or its joint venture shall, 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.

c. Based on the audit procedures, as considered reasonable and appropriate in the circumstances, performed by us and those performed by the other auditors (as mentioned above), nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, is in compliance with Section 123 of the Act. No dividend has been declared by any of the subsidiaries, associates and joint venture, incorporated in India.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiaries, associates, and joint venture only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

3. As required by The Companies (Amendment) Act, 2017, in our opinion and according to information and explanations given to us, the managerial remuneration paid/ payable for the year ended March 31, 2023 by the Group and its associates and joint venture, incorporated in India, is within the limits prescribed under Section 197 of the Act and the rules thereunder.

### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No. 105047W

### Rahul Aggarwal

Partner  
Membership No.505676  
UDIN: 23505676BGXE0B6701

Place: Gurugram  
Date: May 18, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LT FOODS LIMITED

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit Procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated 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 the management.
- Conclude on the appropriateness of respective management's use of the going concern basis of accounting and, based on the audit evidence obtained and representation of other auditors, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each company included in the Group and its associates and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit option.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2023 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.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No. 105047W

#### Rahul Aggarwal

Partner  
Membership No.505676  
UDIN: 23505676BGXE0B6701

Place: Gurugram  
Date: May 18, 2023

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LT FOODS LIMITED FOR THE YEAR ENDED March 31, 2023

### [Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

xxi. In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

S.NO	Name of Company	CIN	Type of Company	Clause number of the CARO report which is Unfavourable or Qualified or adverse
1	LT Foods Limited	L74899DL1990PLC041790	Holding	Clause Vii(a)
2	Daawat Foods Limited	U15209DL2005PLC135838	Subsidiary	Clause Vii(a)
3	Daawat Kameda Private Limited	U15209DL2017PTC314398	Joint Venture	Clause xvii

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No. 105047W

#### Rahul Aggarwal

Partner  
Membership No.505676  
UDIN: 23505676BGXE0B6701

Place: Gurugram  
Date: May 18, 2023



## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LT FOODS LIMITED

### [Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of LT Foods Limited on the consolidated Financial Statements for the year ended March 31, 2023.]

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

#### Opinion

In conjunction with our audit of the consolidated financial statements of LT Foods Limited (the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, its associates, including companies audited by other auditors (refer "Other Matters" paragraph below), and a joint venture, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, its associates and its joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements 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") (the "Guidance Note").

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, its associates, and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and

maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's Internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control

with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to 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.

#### Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiaries and three associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Rahul Aggarwal**  
Partner  
Membership No. 505676  
UDIN: 23505676BGXE0B6701

Place: Gurugram  
Date: May 18, 2023

# Consolidated Balance Sheet

as at March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	64,526.86	58,030.47
Capital work-in-progress	3	2,661.55	3,499.19
Right of use assets	4	26,464.16	24,125.54
Goodwill	5	2,400.91	2,213.19
Other intangible assets	5	6,132.83	6,159.58
Investments accounted for using the equity method	6	12,180.21	1,931.73
<b>Financial assets</b>			
Investments	7	517.97	561.18
Loans	8	41.41	257.44
Other financial assets	9	15,475.29	15,485.30
Deferred tax assets (net)	10	2,032.27	1,871.18
Other non-current assets	11	1,112.23	1,041.51
Non-current tax assets	12	3,700.34	4,066.11
<b>Total non-current assets</b>		<b>1,37,246.03</b>	<b>1,19,242.42</b>
<b>Current assets</b>			
Inventories	13	3,07,238.84	2,35,183.94
<b>Financial assets</b>			
Trade receivables	14	67,435.35	61,126.58
Cash and cash equivalents	15	3,215.40	3,208.05
Bank balances other than cash and cash equivalents	16	683.55	705.73
Loans	17	130.22	134.61
Other financial assets	18	1,252.21	3,107.31
Other current assets	19	14,857.92	13,247.62
<b>Total current assets</b>		<b>3,94,813.49</b>	<b>3,16,713.84</b>
<b>Total assets</b>		<b>5,32,059.52</b>	<b>4,35,956.26</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	3,472.53	3,198.45
Other equity	21	2,72,233.80	1,96,562.79
<b>Non-controlling interest</b>	22	<b>3,996.53</b>	<b>15,129.09</b>
<b>Total equity</b>		<b>2,79,702.86</b>	<b>2,14,890.33</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	23	26,088.25	19,904.75
Lease liabilities	24	23,552.30	21,671.65
Long-term provisions	25	1,334.76	1,242.26
Deferred tax liabilities (net)	10	169.33	51.12
Other non-current liabilities	26	104.56	147.31
<b>Total non-current liabilities</b>		<b>51,249.20</b>	<b>43,017.09</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	27	67,686.30	86,187.41
Lease liabilities	30	4,746.81	4,199.24
Trade payables	28	-	-
Due to micro and small enterprises		1,431.56	1,827.21
Due to others		1,07,848.13	68,481.24
Other financial liabilities	29	9,009.84	8,759.28
Other current liabilities	31	6,950.81	5,687.47
Short term provisions	32	683.60	516.34
Current tax liabilities	33	2,750.41	2,390.65
<b>Total current liabilities</b>		<b>2,01,107.46</b>	<b>1,78,048.84</b>
<b>Total liabilities</b>		<b>2,52,356.66</b>	<b>2,21,065.93</b>
<b>Total equity and liabilities</b>		<b>5,32,059.52</b>	<b>4,35,956.26</b>
<b>Statement of significant accounting policies</b>	<b>1</b>		

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements. This is the Consolidated Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 18, 2023

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Note	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	34	6,93,579.19	5,42,737.17
Other income	35	4,302.14	2,320.91
<b>Total income</b>		<b>6,97,881.33</b>	<b>5,45,058.08</b>
<b>Expenses</b>			
Cost of materials consumed	36	4,58,567.65	3,25,570.57
Purchases of stock-in-trade	37	28,106.23	31,009.42
Changes in inventories of finished goods, semi finished goods, work in progress and stock in trade	38	(28,927.65)	4,836.05
Employee benefits expense	39	35,963.82	28,960.32
Finance costs	40	8,210.03	6,872.62
Depreciation and amortisation expenses	41	12,690.72	12,263.24
Other expenses	42	1,29,798.44	92,701.00
<b>Total expenses</b>		<b>6,44,409.24</b>	<b>5,02,213.22</b>
<b>Profit before share of profit/(loss) of investments accounted for using equity method and tax</b>		<b>53,472.09</b>	<b>42,844.86</b>
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method		2,786.22	(485.17)
<b>Profit before tax</b>		<b>56,258.31</b>	<b>42,359.69</b>
<b>Tax expense</b>			
Current tax	44	13,555.12	11,121.45
Deferred tax		427.41	317.93
<b>Total tax expense</b>		<b>13,982.53</b>	<b>11,439.38</b>
<b>Profit for the year</b>		<b>42,275.78</b>	<b>30,920.31</b>
<b>Other comprehensive income</b>			
<b>Items that will be reclassified to Profit or Loss</b>			
Exchange differences on translation of foreign operations		4,723.94	(1,350.44)
Loss on cash flow hedge reserve		(1,235.34)	(553.82)
Tax on above		310.89	139.38
<b>Items that will not be reclassified to Profit or Loss</b>			
Re-measurement of net defined benefit plans		(243.15)	(122.27)
Tax on above		61.19	30.37
<b>Other comprehensive income/(loss) for the year</b>		<b>3,617.53</b>	<b>(1,856.78)</b>
<b>Total comprehensive income for the year</b>		<b>45,893.31</b>	<b>29,063.53</b>
<b>Profit attributable to</b>			
Owners of LT Foods Limited		40,265.19	29,217.53
Non-controlling interests		2,010.59	1,702.78
		<b>42,275.78</b>	<b>30,920.31</b>
<b>Other comprehensive income attributable to</b>			
Owners of LT Foods Limited		3,721.29	(1,806.50)
Non-controlling interests		(103.76)	(50.28)
		<b>3,617.53</b>	<b>(1,856.78)</b>
<b>Total comprehensive income attributable to</b>			
Owners of LT Foods Limited		43,986.48	27,411.03
Non-controlling interests		1,906.83	1,652.50
		<b>45,893.31</b>	<b>29,063.53</b>
<b>Earning per equity share</b>			
Basic (₹)	43	12.50	9.13
Diluted (₹)	43	12.50	9.13
<b>Statement of significant accounting policies</b>	<b>1</b>		

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements. This is the Consolidated Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 18, 2023

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150



# Consolidated Cash Flow Statement

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flow from operating activities:</b>		
<b>Net Profit before tax</b>	<b>56,258.31</b>	<b>42,359.69</b>
<b>Adjustments for:-</b>		
Depreciation and amortisation expense	12,690.72	12,263.24
Unrealised foreign exchange loss/(gain)	(1,438.91)	524.26
Profit on sale of property, plant and equipment	(503.36)	(35.92)
Interest income	(73.75)	(111.84)
Finance charges	8,210.03	6,872.62
(Gain)/loss on fair value of investments	(3.64)	17.49
Amounts written back	(34.32)	-
Trade receivables and other amounts written off	79.25	95.06
Provision for doubtful debts	267.37	151.79
Share of (profit)/loss in associates and joint ventures	(2,786.22)	485.17
<b>Operating profit before working capital changes</b>	<b>72,665.48</b>	<b>62,621.56</b>
<b>Adjustments for (increase)/decrease in operating assets</b>		
Trade receivables	(6,124.79)	(12,568.18)
Inventories	(72,054.90)	(12,902.53)
Loan and advances given (current and non current)	141.17	117.60
Other financial assets (current and non current)	5,263.88	(2,462.04)
Other assets (current and non current)	(1,621.77)	4,259.58
<b>Adjustments for increase/(decrease) in operating liabilities</b>		
Trade payables	38,962.56	19,932.42
Other liabilities (Current and non-current)	1,254.90	(2,509.17)
Other financial liabilities (current and non current)	261.74	5,803.66
Provisions	16.61	192.79
<b>Cash generated from operations</b>	<b>38,764.88</b>	<b>62,485.69</b>
Income tax paid (net of refunds)	(12,927.80)	(10,738.30)
<b>Net cash generated from operating activities (A)</b>	<b>25,837.08</b>	<b>51,747.39</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including CWIP and capital advances)	(15,418.53)	(15,763.14)
Proceeds from sale of property, plant and equipment	1,040.59	571.77
Interest received	76.69	111.84
Increase in non-current investments	(114.27)	(123.37)
Investment in joint venture	(7,462.27)	-
Investment in Subsidiaries	(17,716.83)	-
Proceeds from sale/maturity of investment	161.14	-
(Investment in)/proceeds from fixed deposits	(26.90)	734.00
<b>Net cash used in investing activities (B)</b>	<b>(39,460.38)</b>	<b>(14,468.90)</b>

# Consolidated Cash Flow Statement

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from the preferential issue of equity shares, net of transaction cost	38,235.29	-
Proceeds from long-term borrowings	6,308.33	569.80
Repayment of the long-term borrowings	(2,672.84)	(3,630.22)
Repayment of short term borrowings (net)	(14,820.87)	(20,410.48)
Finance charges paid	(7,340.29)	(4,745.86)
Payment of lease liabilities	(4,479.75)	(4,339.94)
Payment of dividend	(1,599.22)	(3,198.45)
<b>Net cash generated/(used) from financing activities (C)</b>	<b>13,630.65</b>	<b>(35,755.15)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>7.35</b>	<b>1,523.34</b>
Cash and cash equivalents at the beginning of the year	3,208.05	1,684.71
<b>Cash and cash equivalents at the end of the year</b>	<b>3,215.40</b>	<b>3,208.05</b>

	As at March 31, 2023	As at March 31, 2022
<b>Components of cash and cash equivalents</b>		
Cash on hand	148.93	79.66
With banks - on current account	3,066.47	3,128.39
<b>Total cash and cash equivalents</b>	<b>3,215.40</b>	<b>3,208.05</b>
Statement of significant accounting policies	1	

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the Consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Consolidated Statement of Changes in Equity

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## A. Equity share capital

Particulars	Amount
<b>Balance as at April 01, 2021</b>	<b>3,198.45</b>
Changes during the year	-
<b>Balance as at March 31, 2022</b>	<b>3,198.45</b>
Changes during the year	274.08
<b>Balance as at March 31, 2023</b>	<b>3,472.53</b>

## B. Other equity

Particulars	Reserves and surplus			Other Components of Equity		Attributable to owners of the parent	Non-controlling interest	Total
	Retained earnings	General reserve	Cash flow hedge reserve	Cash flow hedging reserve	Foreign currency translation reserve			
<b>Balance as at April 01, 2021</b>	<b>1,19,941.46</b>	<b>1,816.80</b>	<b>44,456.10</b>	<b>831.33</b>	<b>5,304.52</b>	<b>1,72,350.21</b>	<b>13,476.59</b>	<b>1,85,826.80</b>
Profit for the year	29,217.53	-	-	-	-	29,217.53	1,702.78	30,920.31
<b>Items of OCI for the year :-</b>	-	-	-	-	-	-	-	-
Exchange difference arising on translation of foreign operations	-	-	-	-	(1,350.44)	(1,350.44)	-	(1,350.44)
Loss on cash flow hedge reserve (net of tax)	-	-	-	(372.57)	-	(372.57)	(41.87)	(414.44)
Remeasurement of defined benefit obligations (net of tax)	(83.49)	-	-	-	-	(83.49)	(8.41)	(91.90)
<b>Total Comprehensive Income for the year</b>	<b>29,134.04</b>	<b>-</b>	<b>-</b>	<b>(372.57)</b>	<b>(1,350.44)</b>	<b>27,411.03</b>	<b>1,652.50</b>	<b>29,063.53</b>
Interim dividend	(3,198.45)	-	-	-	-	(3,198.45)	-	(3,198.45)
<b>Balance as at March 31, 2022</b>	<b>1,45,877.05</b>	<b>1,816.80</b>	<b>44,456.10</b>	<b>458.76</b>	<b>3,954.08</b>	<b>1,96,562.79</b>	<b>15,129.09</b>	<b>2,11,691.88</b>
<b>Balance as at April 01, 2022</b>	<b>1,45,877.05</b>	<b>1,816.80</b>	<b>44,456.10</b>	<b>458.76</b>	<b>3,954.08</b>	<b>1,96,562.79</b>	<b>15,129.09</b>	<b>2,11,691.88</b>
Profit for the year	40,265.19	-	-	-	-	40,265.19	2,010.59	42,275.78
<b>Items of OCI for the year :-</b>	-	-	-	-	-	-	-	-
Exchange difference arising on translation of foreign operations	-	-	-	-	4,723.94	4,723.94	-	4,723.94
Gain on cash flow hedge reserve (net of tax)	-	-	-	(835.23)	-	(835.23)	(89.22)	(924.45)
Remeasurement of defined benefit obligations (net of tax)	(167.42)	-	-	-	-	(167.42)	(14.54)	(181.96)
<b>Total Comprehensive Income for the year</b>	<b>40,097.77</b>	<b>-</b>	<b>-</b>	<b>(835.23)</b>	<b>4,723.94</b>	<b>43,986.48</b>	<b>1,906.83</b>	<b>45,893.31</b>
Interim dividend	(1,599.22)	-	-	-	-	(1,599.22)	-	(1,599.22)
Payment to shareholders of subsidiary for additional acquisition	(4,677.44)	-	-	-	-	(4,677.44)	(13,039.39)	(17,716.83)
Preferential issue of share capital, net of transaction cost	-	-	37,961.19	-	-	37,961.19	-	37,961.19
<b>Balance as at March 31, 2023</b>	<b>1,79,698.16</b>	<b>1,816.80</b>	<b>82,417.29</b>	<b>(376.47)</b>	<b>8,678.02</b>	<b>2,72,233.80</b>	<b>3,996.53</b>	<b>2,76,230.33</b>

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

Place : Gurugram  
Date : May 18, 2023

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 1. i) Corporate Information

LT Foods Limited ('the Holding Company' or 'the Company'), together with its subsidiaries (collectively referred to as the 'Group'), its associates and its joint ventures, having its registered office at Unit No 134, 1st Floor, Rectangle -1, Saket District Centre, New Delhi -110017, is primarily engaged in the business of milling, processing and marketing of branded and non-branded basmati rice and manufacturing of rice food products in the domestic and overseas market. The Group is also engaged in research and development to add value to rice and rice food products including procurement, storage, processing, packaging, and distribution. The Group's rice product portfolio comprises brown rice, white rice, steamed rice, parboiled rice, organic rice, quick cooking rice, value added rice and flavored rice in the ready to cook segment.

## ii) Basis of preparation

a) The consolidated financial statements ('financial statements') of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

## b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company i.e. its subsidiaries. It also includes the Group's share of profits (including other comprehensive income) of associates and joint ventures that are consolidated using the equity method of consolidation.

## Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 voting power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Non-controlling interests ('NCI')

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Statement of Profit and Loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Group and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

## Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

## Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets

and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## v) Significant Accounting Policies

### a) Inventory

#### Inventories are valued as follows:

Raw materials, traded goods, stores and spares and packing materials

Raw materials, traded goods, stores and spares and packing material are valued at lower of cost or net realisable value. Cost of raw materials, traded goods, stores and spares and packing material is determined on a 'First in First Out' basis and includes freight costs, interest expense where such materials are stored for a substantial period of time and other expenditure incurred in bringing such inventories to their present location and conditions.

Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

#### Work in progress

Work in progress is valued at lower of cost or net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion and interest expense where such materials are stored for a substantial period of time.

#### Finished goods

Finished goods is valued at lower of cost or net realisable value. Cost includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

to their present location and condition and also includes interest as a carrying cost of goods where such goods are stored for a substantial period of time.

## b) Property, Plant and Equipment

### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

### Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the written down value method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013 or the management estimate of the useful life of the asset, disclosed separately below.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the following property, plant and equipment of certain subsidiaries is charged on straight line basis, at the rates based on the useful life of the assets as estimated by the management

Assets description	Useful lives
Buildings	3 to 39 and ½ years
Plant and machinery	5 to 30 years
Furniture and fixtures	4 to 10 years
Office equipment	3 to 6
Vehicles	4 to 10 years

## De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss when the asset is de-recognized.

## c) Intangible assets

### Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses, if any.

### Subsequent measurement (amortization and useful lives)

Intangible assets with finite lives are amortised over the useful economic life and impairment assessment is done annually. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Amortisation of intangible assets of certain subsidiaries is provided on straight line basis, at the rates based on the useful life of the assets as estimated by the management.

Intangible assets	Useful life in years
Brands	20
Computer software	3
Goodwill	20
Intellectual property rights	7
Non-compete agreement	7
Customer relationships	7

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

## d) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

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

## e) Functional and presentation currency

### Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Holding Company.

### Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

## Conversion

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. For all the foreign operations of the Group, all assets and liabilities (excluding share capital and opening reserves and surplus) are translated into INR using the exchange rate prevailing at the reporting date. Share capital, reserves and surplus are carried at historical cost. Revenues, costs and expenses are translated using the weighted average exchange rate during the reporting period. The resultant currency translation difference is recognized as foreign currency translation reserve under the head 'Other Equity'. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to the consolidated statement of profit and loss.

## f) Leases

### Where the Group is the lessee

#### Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The group enters into leasing arrangements for various assets. 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 obtains 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.

#### Recognition and initial measurement

At lease commencement date, the group recognizes a right-of-use asset and a lease liability on the consolidated balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right of use asset and lease liability, the payments in relation to these are recognized as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term.

### Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

## g) Fair value measurement

The Group measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair

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

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

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

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

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

**Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## h) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Group recognizes revenue when it transfers control of a product or service to a customer.

The Group recognizes revenue from the following major sources:

## Sale of goods:

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e., when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur.

In order to determine if it is acting as a principal or as an agent, the Group assesses whether it has exposure to the significant risks and rewards associated with the sale of goods. Revenue from such transactions where the group is acting as an agent is recognized on provided to its customer after the transfer of control of underlying goods is recognised on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognised once the facilitation of such service is done as the Group does not assume any performance obligation.

## Satisfaction of performance obligations

The Group revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of the products and the fulfillment of the Group's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Group transfers control at the point in time the customer takes undisputed delivery of the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Group expects to be entitled to.

## Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 0-180 days. No element of financing is deemed present as the sales are made with a credit term of upto 180 days, which is consistent with market practice.

## Rental income:

Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term unless the escalation rate does not match up in line with the increase in the inflation rate.

## Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## Interest income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortised cost (refer 'I' below), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

## Income from services:

The Group derives its other operating revenue primarily from service charges and processing charges and the revenue from these services are recognized as revenue when the related services are rendered i.e., on accrual basis in accordance with the terms of the contract entered into in respect thereof.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## i) Borrowing costs

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

## j) Financial instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

## Financial assets

### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Financial assets at amortised cost –**  
A financial instrument is measured at amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

- Financial assets at fair value**

- **Investments in equity instruments**  
– All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

- **Derivative assets** – All derivative assets are measured at fair value through profit and loss (FVTPL).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## De-recognition of financial assets

A financial asset is primarily de-recognized 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.

## Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Derivative liabilities** - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

## De-recognition of financial liabilities

The Group de-recognizes financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire.

## 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 recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Impairment of financial assets

- The Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted -average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109. Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

## • Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## k) Hedge accounting

### Initial and subsequent measurement

The Group uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and interest rate risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to Statement of Profit and Loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where group hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

When hedge accounting is applied:

- for fair value hedges of recognized assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognized in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognized directly

in other comprehensive income and the ineffective portion is recognized in the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognized, the associated gains or losses on the derivative that had previously been recognized in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognized in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognized in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in equity is transferred to the statement of profit and loss for the period.

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).

## l) Retirement and other employee benefits

### Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund.



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group contributes towards 401(k) Plan and Dutch pension scheme relating to its subsidiaries in US and Europe respectively.

## Defined benefit plans

The Group operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise.

## Other Employee Benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

## Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

## m) Provisions

Provisions are recognized 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

## n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

## o) Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## o) Government grants and subsidies

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions

will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

## p) Segment reporting

The business activity of the Group predominantly falls within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Group operates in three principal geographical areas of the world, i.e., India, America, Europe, and other countries (rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

## v) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks 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.

## q) Cash dividend distribution to equity holders

The Group recognizes a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

## r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

#### iv) Significant management judgements in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### a) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

##### b) Recognition of deferred tax liability on undistributed profits

The extent to which the Holding Group can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

##### c) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

##### d) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality,

discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expense.

##### e) Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

##### f) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

##### g) Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

##### h) Inventory

The valuation of finished rice involves estimations around determination of overhead absorption rates, rice yield from paddy and quantum of purchased rice and manufactured rice forming part of closing inventory. The production process also involves ageing the paddy/ rice to achieve the desired quality of rice and thus calculation of holding period and determination of weighted average borrowing cost involves management estimation. Further, management estimates the net realisable values of inventories including by-products, taking into account the most reliable evidence available at each reporting date.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 2 (i) Property, plant and equipment

Particulars	Free-hold land	Lease-hold land	Building	Plant and machinery	Furniture and fixture	Office equipment	Vehicle	Grand Total
<b>Gross carrying value</b>								
As at April 01, 2021	5,862.23	344.40	27,537.09	66,045.12	1,773.84	2,971.48	3,430.56	1,07,964.72
Additions	278.51	-	2,119.03	8,180.36	203.24	523.83	845.62	12,150.59
Disposals	(6.62)	-	(67.61)	(885.85)	(4.54)	(115.70)	(401.67)	(1,481.99)
Translation adjustment	35.34	-	152.94	(89.01)	19.51	(6.97)	2.49	114.30
<b>As at March 31, 2022</b>	<b>6,169.46</b>	<b>344.40</b>	<b>29,741.45</b>	<b>73,250.62</b>	<b>1,992.05</b>	<b>3,372.64</b>	<b>3,877.00</b>	<b>1,18,747.62</b>
Additions	258.66	-	4,112.48	7,148.09	355.48	1,898.25	214.44	13,987.40
Disposals	-	-	(654.77)	(588.42)	(99.10)	(106.19)	(199.62)	(1,648.10)
Translation adjustment	86.43	294.64	629.82	1,734.08	(59.43)	(859.73)	(63.75)	1,762.06
<b>As at March 31, 2023</b>	<b>6,514.55</b>	<b>639.04</b>	<b>33,828.98</b>	<b>81,544.37</b>	<b>2,189.00</b>	<b>4,304.97</b>	<b>3,828.07</b>	<b>1,32,848.98</b>
<b>Accumulated depreciation</b>								
As at April 01, 2021	-	31.15	9,981.40	37,676.55	1,436.04	2,013.87	2,584.30	53,723.31
Charge for the year	-	-	1,686.40	5,342.52	103.41	364.62	358.03	7,854.98
Disposals	-	-	(18.33)	(504.39)	(4.27)	(110.06)	(304.55)	(941.60)
Translation adjustment	-	-	23.30	44.14	16.68	(5.06)	1.40	80.46
<b>As at March 31, 2022</b>	<b>-</b>	<b>31.15</b>	<b>11,672.77</b>	<b>42,558.82</b>	<b>1,551.86</b>	<b>2,263.37</b>	<b>2,639.18</b>	<b>60,717.15</b>
Charge for the year	-	7.79	1,736.79	5,414.88	98.38	512.53	384.93	8,155.30
Disposals	-	-	(392.73)	(320.46)	(95.58)	(101.04)	(184.79)	(1,094.60)
Translation adjustment	-	0.69	274.40	719.26	25.24	(404.90)	(70.42)	544.27
<b>As at March 31, 2023</b>	<b>-</b>	<b>39.63</b>	<b>13,291.23</b>	<b>48,372.50</b>	<b>1,579.90</b>	<b>2,269.96</b>	<b>2,768.90</b>	<b>68,322.12</b>
<b>Net block as at March 31, 2022</b>	<b>6,169.46</b>	<b>313.25</b>	<b>18,068.68</b>	<b>30,691.80</b>	<b>440.19</b>	<b>1,109.27</b>	<b>1,237.82</b>	<b>58,030.47</b>
<b>Net block as at March 31, 2023</b>	<b>6,514.55</b>	<b>599.41</b>	<b>20,537.75</b>	<b>33,171.87</b>	<b>609.10</b>	<b>2,035.01</b>	<b>1,059.17</b>	<b>64,526.86</b>

#### A Contractual obligations

Refer note 46(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

#### B Property, plant and equipment pledged as security

Refer note 54 for information on property, plant and equipment pledged as security by the Group.



## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 3 Capital work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work-in-progress	2,661.55	3,499.19
	<b>2,661.55</b>	<b>3,499.19</b>

#### Movement in capital work in progress:

Particulars	Amount
Capital work-in-progress as at April 01, 2021	3,268.00
Add: Additions during the year	3,947.31
Less: Capitalisation during the year	(3,706.76)
Add: Translation adjustment	(9.36)
Capital work-in-progress as at March 31, 2022	3,499.19

Particulars	Amount
Capital work-in-progress as at April 01, 2022	3,499.19
Add: Additions during the year	4,765.23
Less: Capitalisation during the year	(5,659.76)
Add: Translation adjustment	56.89
Capital work-in-progress as at March 31, 2023	2,661.55

CWIP as on March 31, 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	2,624.61	17.45	19.49	-	2,661.55
Projects temporarily suspended	-	-	-	-	-
	<b>2,624.61</b>	<b>17.45</b>	<b>19.49</b>	-	<b>2,661.55</b>

CWIP as on March 31, 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	2,666.02	833.17	-	-	3,499.19
Projects temporarily suspended	-	-	-	-	-
	<b>2,666.02</b>	<b>833.17</b>	-	-	<b>3,499.19</b>

Capital work in progress majorly includes plant and machinery.

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 4 Right of use assets

Particulars	Plant and machinery	Vehicle	Building	Land	Total
Balance as at March 31, 2021	1,415.91	234.10	22,988.09	504.97	25,143.07
Additions	2,040.96	-	475.03	-	2,515.99
Depreciation	(512.39)	(51.97)	(3,331.59)	(24.39)	(3,920.34)
Translation reserve	(11.56)	(1.18)	399.56	-	386.82
<b>Net Carrying value as at March 31, 2022</b>	<b>2,932.92</b>	<b>180.95</b>	<b>20,531.09</b>	<b>480.58</b>	<b>24,125.54</b>
Additions	-	-	4,436.49	327.48	4,763.97
Depreciation	(1,326.80)	(50.22)	(2,597.22)	(94.48)	(4,068.72)
Translation reserve	274.36	-	1,369.01	-	1,643.37
<b>Net Carrying value as at March 31, 2023</b>	<b>1,880.48</b>	<b>130.73</b>	<b>23,739.37</b>	<b>713.58</b>	<b>26,464.16</b>

#### (i) The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	4,746.81	4,199.24
Non-current lease liabilities	23,552.30	21,671.65
<b>Total</b>	<b>28,299.11</b>	<b>25,870.89</b>

The Group has leases for plant and machinery, Vehicle, Building and land. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group has considered automatic extension option available for building leases in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease period.

#### ii) The following are amounts recognised in profit or loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense of right-of-use assets	4,068.72	3,920.34
Interest expense on lease liabilities	876.02	916.73

iii) Total cash outflow for leases for the year ended March 31, 2023 was ₹ 4,479.75 (March 31, 2022 was ₹ 4,339.94).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 5 Intangible assets

Description	Goodwill	Brand/Trade-marks	Customer relationships	Non compete agreement	Intellectual property	Computer software	Total
<b>Gross carrying value</b>							
As at April 01, 2021	6,259.13	5,208.52	572.22	980.00	1,556.24	1,216.18	15,792.29
Additions	-	-	-	-	-	8.68	8.68
Translation adjustment	287.16	162.93	(5.68)	(5.86)	(18.37)	-	420.18
<b>As at March 31, 2022</b>	<b>6,546.29</b>	<b>5,371.45</b>	<b>566.54</b>	<b>974.14</b>	<b>1,537.87</b>	<b>1,224.86</b>	<b>16,221.15</b>
Additions	-	-	-	-	-	6.40	6.40
Disposals	-	-	-	-	-	(145.03)	(145.03)
Translation adjustment	546.34	397.35	24.63	28.31	180.31	-	1,176.94
<b>As at March 31, 2023</b>	<b>7,092.63</b>	<b>5,768.80</b>	<b>591.17</b>	<b>1,002.45</b>	<b>1,718.18</b>	<b>1,086.23</b>	<b>17,259.46</b>
<b>Accumulated amortisation</b>							
As at April 01, 2021	4,105.01	489.09	184.14	449.73	899.07	1,064.79	7,191.83
Amortisation for the year	52.47	4.54	42.21	26.01	305.90	56.79	487.92
Translation adjustment	175.62	0.01	(0.80)	(0.47)	(5.73)	-	168.63
<b>As at March 31, 2022</b>	<b>4,333.10</b>	<b>493.64</b>	<b>225.55</b>	<b>475.27</b>	<b>1,199.24</b>	<b>1,121.58</b>	<b>7,848.38</b>
Amortisation for the year	26.01	33.07	45.49	8.17	329.84	24.12	466.70
Disposals	-	-	-	-	-	(138.93)	138.93
Translation adjustment	332.61	14.29	21.07	27.67	153.93	-	549.57
<b>As at March 31, 2023</b>	<b>4,691.72</b>	<b>541.27</b>	<b>292.11</b>	<b>511.11</b>	<b>1,683.01</b>	<b>1,006.77</b>	<b>8,725.72</b>
<b>Net block as at March 31, 2022</b>	<b>2,213.19</b>	<b>4,877.81</b>	<b>340.99</b>	<b>498.87</b>	<b>338.63</b>	<b>103.28</b>	<b>8,372.77</b>
<b>Net block as at March 31, 2023</b>	<b>2,400.91</b>	<b>5,227.80</b>	<b>299.06</b>	<b>491.34</b>	<b>35.17</b>	<b>79.46</b>	<b>8,533.74</b>

The goodwill is related to subsidiary company, LT Overseas North America, Inc., which is identified as Cash generating unit (CGU) for the purpose of impairment testing. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating unit (CGU) and the recoverable amounts of these CGU exceeded its carrying amount. The estimated value in use of cash generating unit (CGU) is based on the future cash flows using annual growth rate of up to 5% for future period of 5 years and weighted average cost of capital is 6.79%, the terminal growth rate is considered as 1%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any scenario in which the recoverable amount of the CGU would decrease below its carrying amount. The discount rate was estimated based on past experience and average weighted average cost of capital of the CGU/Market to which assessment is done. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 6 Investments accounted for using the equity method

	As at March 31, 2023	As at March 31, 2022
<b>Investments in associates and joint venture</b>		
<b>(a) In associate companies</b>		
Raghuvesh Warehousing Private Limited 1,600,000 (March 31, 2022: 1,600,000) equity shares of ₹10 each	451.98	453.37
Raghuvesh Agri Foods Private Limited 1,600,000 (March 31, 2022: 1,600,000) equity shares of ₹10 each	363.67	362.10
Raghuvesh Infrastructure Private Limited 15,000 (March 31, 2022: 15,000) equity shares of ₹ 10 each	88.30	<b>59.45</b>
	<b>903.95</b>	<b>874.92</b>
<b>b) In joint venture</b>		
Golden star trading, Inc. (Refer footnote 1) 27,000 (March 31, 2022: Nil) equity shares of USD 10 each	9,844.65	-
Leev.NU. B.V. (Refer footnote 2) 5,400 (March 31, 2022: Nil) equity shares of Euro 1 each	336.65	-
Daawat Kameda India Private Limited 29,170,673 (March 31, 2022: 24,056,359) equity shares of ₹10 each	10.94.26	1,056.81
	<b>11,276.26</b>	<b>1,056.81</b>
<b>Carrying value of investments*</b>	<b>12,180.21</b>	<b>1,931.73</b>

### Footnote:-

On June 28, 2022, the Holding Company through its step-down subsidiary, LT Foods America, acquired 51% shareholding (together with a call option to further acquire 49% stake at the end of three years) in Golden Star Trading Inc, a company incorporated under the laws of California, United States and engaged in the business of rice (particularly jasmine rice) and other related food products. The consideration payable for exercising the call option and acquiring the remaining stake will be determinable based on financial parameters (as defined in the agreement) available at that stage.

On July 21, 2022, the Holding Company through its step-down subsidiary, Nature Bio Foods B.V, acquired 30% shareholding (together with a call option to further acquire 21% stake at the end of five years) in Leev. NU. B.V., a company incorporated under the UCC of Netherlands and engaged in the business of food processing (Private Label) and other related food products. The consideration payable for exercising the call option and acquiring the stake will be determinable based on financial parameters (as defined in the agreement) available at that stage.

As part of the Shareholders Agreement ("SHA"), the Company has acquired substantive rights to jointly decide on relevant activities of the business and hence the arrangement has been treated as a 'Joint Venture'.

\*Refer Reconciliation to carrying values of Investment in associated and Joint Ventures in note 55



## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 7 Non-current investments

	As at March 31, 2023	As at March 31, 2022
<b>Investments at fair value through Profit and Loss</b>		
Key man insurance policies	492.71	560.92
Equity instruments - Quoted	0.21	0.21
Equity instruments - Unquoted	25.05	0.05
	<b>517.97</b>	<b>561.18</b>
<b>Details of investment is as follows:</b>		
<b>Investments at fair value through Profit and Loss</b>		
<b>Keyman insurance policies</b>	492.71	560.92
<b>Equity instruments - Quoted</b>		
Fully paid-up equity shares (quoted)		
2,300 (March 31, 2022: 2,300) equity shares - Union Bank of India of ₹10 each	0.21	0.21
<b>Equity instruments - Unquoted</b>		
<b>Fully paid-up equity shares (unquoted)</b>		
500 (March 31, 2022: 500) equity shares of India International Marketing Limited of ₹ 10 each	0.05	0.05
2,500,000 (March 31, 2022: Nil) equity shares of Biomass India Private Limited of ₹ 1 each	25.00	-
	<b>517.97</b>	<b>561.18</b>

### 8 Loans

	As at March 31, 2023	As at March 31, 2022
Loans and advances to related parties	-	179.64
Loan to employees	41.41	77.80
	<b>41.41</b>	<b>257.44</b>

#### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Loans considered good -Secured	-	-
Loans considered good -Unsecured	41.41	257.44
Loan which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	<b>41.41</b>	<b>257.44</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
*Includes loans given to related parties (refer note 50)		
Raghuvesh Agri Foods Private Limited	-	179.64

### 9 Other non-current financial assets

	As at March 31, 2023	As at March 31, 2022
Derivative component of compound financial instrument	0.99	0.99
Receivable from insurance company** (refer note 1)	13,410.53	13,410.53
Bank deposits with maturity of more than 12 months* (refer note 2)	141.75	92.66
Security deposits	1,266.07	1,362.37
Others	655.95	618.75
	<b>15,475.29</b>	<b>15,485.30</b>

1 \* The Group has Insurance claim recoverable (classified into non-current assets) amounting to ₹ 13,410.53 as at March 31, 2023. The claim is attributable to the loss of raw material, incurred by the Group, due to major fire which had occurred in the works premises of the Subsidiary Company in India in FY 2014-15. The Group had recognized the insurance claim recoverable (asset) amounting to ₹ 17,810.88 in FY 2014-15, based on management's assessment of loss amount and positive outcome in the surveyors' reports then appointed by the Insurance Agency. Later on, the Insurance Agency repudiated the insurance claim vide its order dated February 4, 2016, against which the Subsidiary Company had filed a civil suit with District Court of Raipur, Bhopal, the outcome of which is pending. On the basis of developments in the case including the surveyor's report (subsequent to reports submitted by surveyors appointed by the Insurance Agency during the initial phase and which were the basis for the Group to recognize such asset), the Group had written off claim amounting to ₹ 4,400 in FY 2015-16. The Group, based on management's assessment of facts of the case and opinion obtained from the external legal counsels, has concluded that it holds merits and good probability to win the case, as the claim has irregularly been repudiated.

Refer note 47 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 48 - Financial risk management for assessment of expected credit losses.

2 \*\* ₹ Nil (March 31, 2022: ₹ 62.86) represents deposits with maturity more than 12 months, held by the Group and are not available for use by the Group, as these are pledged.

### 10 Deferred tax asset/liability (net)

	As at March 31, 2023	As at March 31, 2022
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax assets arising on account of</b>		
Property, plant and equipment, investment property and intangible assets	332.79	290.42
Provision for employee benefits	273.55	68.50
Impairment of trade receivables	93.22	140.13
Lease Liabilities	76.66	10.32
<b>Impairment in value of investment</b>	74.32	-
<b>Unrealised foreign exchange loss on forward contracts</b>	155.14	-
<b>Unrealised profit on inventory</b>	1,283.37	698.39
<b>Unabsorbed losses</b>	-	415.18
<b>Others</b>	-	435.98
	<b>2,289.05</b>	<b>2,058.92</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax liabilities arising on account of</b>		
Keyman insurance policy	121.74	47.23
Unrealised foreign exchange gain on forward contracts	-	140.51
Others	135.04	-
	<b>256.78</b>	<b>187.74</b>
<b>Deferred tax assets (net)</b>	<b>2,032.27</b>	<b>1,871.18</b>
<b>Deferred tax liabilities (net)</b>		
<b>On temporary difference between the book base and tax base</b>		
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment and intangible assets	399.43	298.75
Key man insurance policy	-	91.57
Unrealised foreign exchange gain on forward contracts	-	44.95
	<b>399.43</b>	<b>435.27</b>
<b>Deferred tax asset arising on account of:</b>		
Provision for employee benefits	-	112.85
Impairment of trade receivables	110.73	56.35
Lease Liabilities	-	96.39
Others	-	74.32
Deferred government grant	119.37	44.24
	<b>230.10</b>	<b>384.15</b>
<b>Deferred tax liabilities (net)</b>	<b>169.33</b>	<b>51.12</b>

## Movement in deferred tax assets (net)

Particulars	As at April 01, 2021	Translation adjustment	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2022
<b>Deferred tax assets arising on account of</b>					
Provision for employee benefits	115.79	25.04	30.87	9.65	181.35
Provision for doubtful debts	189.16	-	-	7.32	196.48
Lease Liabilities	34.25	6.64	-	65.82	106.71
Deferred government grant	53.27	0.01	-	(9.04)	44.24
Unrealised profit on inventory	671.81	-	-	26.58	698.39
Unabsorbed losses	634.32	-	-	(219.14)	415.18
Others	737.01	(13.18)	11.04	(224.57)	510.30
	<b>2,435.61</b>	<b>18.51</b>	<b>41.91</b>	<b>(343.38)</b>	<b>2,152.65</b>
<b>Deferred tax liabilities arising on account of</b>					
Keyman insurance policy	112.25	(0.10)	-	26.65	138.80
Property, plant and equipment and intangible assets	60.44	(0.01)	-	(52.10)	8.33
Unrealised foreign exchange gain on forward contracts	311.29	(12.57)	(113.26)	-	185.46
	<b>483.98</b>	<b>(12.68)</b>	<b>(113.26)</b>	<b>(25.45)</b>	<b>332.59</b>
<b>Net Deferred tax assets</b>	<b>1,951.63</b>	<b>31.19</b>	<b>155.17</b>	<b>(317.93)</b>	<b>1,820.06</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	April 01, 2022	Translation adjustment	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2023
<b>Deferred tax assets arising on account of</b>					
Provision for employee benefits	181.35	-	62.48	29.72	273.55
Provision for doubtful debts	196.48	7.76	-	(0.29)	203.95
Lease Liabilities	106.71	-	-	(30.05)	76.66
Impairment in value of investment	-	-	-	74.32	74.32
Deferred government grant	44.24	-	-	75.13	119.37
Unrealised profit on inventory	698.39	-	-	584.98	1,283.37
Unabsorbed losses	415.18	-	-	(415.18)	-
Others	510.30	86.33	-	731.67	(135.04)
	<b>2,152.65</b>	<b>94.09</b>	<b>62.48</b>	<b>413.04</b>	<b>1,896.18</b>
<b>Deferred tax liabilities arising on account of</b>					
Keyman insurance policy	138.80	-	-	(17.06)	121.74
Property, plant and equipment and intangible assets	8.33	9.14	-	49.17	66.64
Unrealised foreign exchange gain on forward contracts	185.46	-	(322.86)	(17.74)	(155.14)
	<b>332.59</b>	<b>9.14</b>	<b>(322.86)</b>	<b>14.37</b>	<b>33.24</b>
<b>Net Deferred tax assets</b>	<b>1,820.06</b>	<b>84.95</b>	<b>385.34</b>	<b>(427.41)</b>	<b>1,862.94</b>

## 11 Other non-current assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	78.12	27.29
Capital advances (considered good -Unsecured)	1,034.11	974.86
Interest accrued and due on advance for property	-	39.36
	<b>1,112.23</b>	<b>1,041.51</b>

## 12 Non-current tax assets

	As at March 31, 2023	As at March 31, 2022
Income tax assets (Net of provisions)	3,700.34	4,066.11
	<b>3,700.34</b>	<b>4,066.11</b>



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 13 Inventories

	As at March 31, 2023	As at March 31, 2022
Raw material (Refer footnote 1 & 2)	1,12,520.25	71,685.46
Semi-finished goods (Refer footnote 2)	83,462.30	63,732.33
Work-in-progress (Refer footnote 2)	279.58	194.97
Finished goods (including goods in transit of ₹ 9,614.44 (March 31, 2022: ₹ 5,736.19) (Refer footnote 2)	1,00,813.20	88,334.33
Traded goods	3,519.84	4,012.88
Stores and spares	1,668.88	1,182.30
Packing material		
Bardana	2,156.54	2,761.84
Others	2,818.25	3,279.83
	<b>3,07,238.84</b>	<b>2,35,183.94</b>

### Footnote

1 Footnote: Includes Inventory lying with third parties ("Suppliers") on behalf of the Company and its subsidiary company amounting to ₹ 38,513.02 (March 31, 2022: ₹ 20,770.00) under agency relationship against which Company and its subsidiary company had paid advance amounting to ₹ 11,046.28 (March 31, 2022: ₹ 8,364.80) and remaining amount of ₹ 27,466.74 (March 31, 2022: ₹ 12,405.20) is classified under trade payables as at March 31, 2023.

2 Footnote: The interest capitalised as at March 31, 2023 is ₹ 3,037.41 (March 31, 2022 ₹ 2,494.15).

## 14 Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade receivable considered good-Unsecured*	67,435.35	61,126.58
Trade receivable credit impaired	722.62	716.31
Trade receivables*	68,157.97	61,842.89
Less: Allowance for expected credit loss	(722.62)	(716.31)
	<b>67,435.35</b>	<b>61,126.58</b>

### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	67,435.35	61,126.58
Trade receivables - credit impaired	722.62	716.31
<b>Total</b>	<b>68,157.97</b>	<b>61,842.89</b>
Loss allowance	(722.62)	(716.31)
<b>Total</b>	<b>67,435.35</b>	<b>61,126.58</b>

Note: No trade receivables are due from director or other officers of the Group either severally or jointly with any other persons or from the companies in which Directors hold directorship other than below.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

The Company's exposure to customers is diversified and no single customer, contributes more than 10% of the outstanding receivables as at March 31, 2023 and March 31, 2022.

## \*Includes receivables from related parties (refer note 50)

	March 31, 2023	March 31, 2022
Oswal Woollen Mills Limited	27.34	41.71
Global Foods Trading Gmbh	1,150.94	1,052.16
Sidhu Food B.V.	-	881.87
Daawat Kameda India Private Limited	39.69	39.74
Buddha Gourmet Foods Gmbh	1,973.03	1,175.05
Global Foods Trading Ltd.	192.73	487.50
Global Foods Trading Spain S.L	887.04	1,001.15
GFT France SARL	430.97	685.25

## Ageing of Trade Receivables

### March 31, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					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	-	27,286.54	38,109.64	1,677.40	330.85	19.34	11.58	67,434.73
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	12.13	484.32	177.24	48.93	-	722.62
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(12.13)	(484.32)	(177.24)	(48.93)	-	(722.62)
	<b>-</b>	<b>27,286.54</b>	<b>38,109.64</b>	<b>1,677.40</b>	<b>330.85</b>	<b>19.34</b>	<b>11.58</b>	<b>67,435.35</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2022

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					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	-	22,566.19	35,279.01	3,140.42	130.30	10.66	-	61,126.58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	16.70	426.91	162.82	109.88	716.31
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(16.70)	(426.91)	(162.82)	(109.88)	(716.31)
	-	22,566.19	35,279.01	3,140.42	130.30	10.66	-	61,126.58

## 15 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks in current accounts	2,564.35	3,126.39
Cash on hand		
In Indian currency	140.18	71.48
In foreign currencies	8.75	8.18
Deposits with original maturity less than 3 months*	502.12	2.00
	<b>3,215.40</b>	<b>3,208.05</b>

(i) ₹ Nil (March 31, 2022: ₹ 2.00) represents deposits with original maturity less than 3 months, held by the Group and are not available for use by the Group, as these are pledged.

## 16 Bank balances other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts (earmarked)	24.63	27.77
Deposits with original maturity more than 3 months and less than 12 months	658.92	677.96
	<b>683.55</b>	<b>705.73</b>

(i) ₹ 658.92 (March 31, 2022: ₹ 677.96) represents deposits with original maturity more than 3 months and remaining maturity less than 12 months, held by the Group and are not available for use by the Group, as these are pledged.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 17 Loans

	As at March 31, 2023	As at March 31, 2022
<b>Loan receivable considered good-unsecured</b>		
Loans to related parties*	35.86	50.00
Loan to employees	94.36	84.61
	<b>130.22</b>	<b>134.61</b>
*Includes inter corporate deposits recoverable from related parties (refer note 50)		
Raghuvesh Agri Foods Private Limited	35.45	46.35
Raghuvesh Warehousing Private Limited	0.41	3.65

### Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Loans considered good-Secured	-	-
Loans considered good-Unsecured	130.22	134.61
Loan which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
	<b>130.22</b>	<b>134.61</b>

## 18 Other current financial assets

	As at March 31, 2023	As at March 31, 2022
Derivative assets	5.47	736.90
Advances recoverable in cash	-	49.60
Interest accrued but not due on fixed deposits	0.92	3.86
Subvention on interest expense receivable	-	62.15
Export incentive recoverable	517.50	969.22
Bank deposits*	10.83	-
Insurance claim recoverable	-	7.02
Security deposits	511.10	1,002.50
Others	206.39	276.06
	<b>1,252.21</b>	<b>3,107.31</b>

\*There are some deposits which are restricted as they are held as margin money deposits against guarantees given by the group amounting to ₹ 4.58 ( March 31, 2022: ₹ 40.35)

## 19 Other current assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	3,862.39	4,252.33
Staff advances	251.23	520.51
Balances with government authorities	3,067.60	2,581.63



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Advance to suppliers	7,676.70	5,893.15
	<b>14,857.92</b>	<b>13,247.62</b>

## 20 Equity share capital

	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
36,00,00,000 Equity shares of ₹ 1 each (March 31, 2022 : 36,00,00,000 equity shares of ₹ 1 each)	3,600.00	3,600.00
<b>Issued, subscribed and paid up</b>		
34,72,52,944 Equity shares of ₹ 1 each (March 31, 2022 : 31,98,44,780 equity shares of ₹ 1 each)	3,472.53	3,198.45
	<b>3,472.53</b>	<b>3,198.45</b>

### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	31,98,44,780	3,198.45	31,98,44,780	3,198.45
Changes during the year (refer footnote)	2,74,08,164	274.08	-	-
Equity shares at the end of the year	<b>347,252,944</b>	<b>3,472.53</b>	<b>319,844,780</b>	<b>3,198.45</b>

### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 1 per share (March 31, 2022: ₹1 per share). Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2023 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 0.5 per share (March 31, 2022: ₹ 1 per share).

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	No of shares	% holding	No of shares	% holding
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	2,19,20,260	6.85%

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

	As at March 31, 2023		As at March 31, 2022	
	No of shares	% holding	No of shares	% holding
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	2,29,86,920	7.19%
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	3,33,84,472	10.44%
SALIC International Investment Company	3,20,25,784	9.22%	-	-
	<b>17,92,78,196</b>	<b>51.62%</b>	<b>14,72,52,412</b>	<b>46.05%</b>

(d) The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

### (e) Details of promoters holding in the Company

Details of promoters holding in the Company	As at March 31, 2023			As at March 31, 2022		
	No of shares	% holding	% Change during the year	No of shares	% holding	% Change during the year
Mr. Vijay Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Ashwani Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Surinder Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Mr. Gurucharan Dass Arora	2,19,20,260	6.31%	-0.54%	2,19,20,260	6.85%	-
Mr. Ashok Kumar Arora	2,29,86,920	6.62%	-0.57%	2,29,86,920	7.19%	-
Ms. Vandana Arora	60,87,690	1.76%	-0.87%	83,96,500	2.63%	-
Ms. Sakshi Arora	83,71,500	2.41%	-0.21%	83,71,500	2.62%	-
Mr. Munish Kumar Arora	6,43,660	0.19%	-0.01%	6,43,660	0.20%	-
Ms. Anita Arora	76,11,500	2.19%	-0.19%	76,11,500	2.38%	-
Mr. Vaneet Arora	1,60,000	0.05%	-	1,60,000	0.05%	-
Ms. Ranju Arora	54,29,350	1.56%	-0.86%	77,38,160	2.42%	-
Mr. Aditya Arora	6,33,340	0.18%	-0.02%	6,33,340	0.20%	-
Mr. Abhinav Arora	6,33,340	0.18%	-0.02%	6,33,340	0.20%	-
Mr. Gursajan Arora	1,26,660	0.04%	-	1,26,660	0.04%	-
Mr. Ritesh Arora	41,700	0.01%	-	41,700	0.01%	-
Mr. Anmol Arora	1,07,850	0.03%	-	1,07,850	0.03%	-
Raghuvesh Holdings Private Limited	3,33,84,472	9.61%	-0.83%	3,33,84,472	10.44%	-
	<b>17,70,99,002</b>	<b>51.00%</b>	<b>-5.83%</b>	<b>18,17,16,622</b>	<b>56.83%</b>	-

#### Footnote:

The Shareholders at its meeting (Extra Ordinary General Meeting) held on December 07, 2022, approved the proposal to issue, offer and allot on preferential and private placement basis, for cash, to SALIC International Investment Company ("Salic") a limited liability company duly incorporated under the laws of the Kingdom of Saudi Arabia with registration number 1010769582, of 27,408,164 (Twenty Seven Million Four Hundred Eight Thousand One Hundred and Sixty Four) ("Equity Shares") at face Value of 1/- per Equity Share and Securities Premium of 141.23/- (Rupees One Hundred and Forty One and Twenty Three Paise) per Equity Share aggregating 142.23/- (Rupees One Hundred and Forty Two and Twenty Three Paise) per Equity Share amounting to 7.89% (Seven point Eight Nine Percent) of the share capital of the Company on a fully diluted basis for an aggregate subscription amount of 3,898,263,165.72/- (Rupees Three Billion Eight Hundred and Ninety Eight Million Two Hundred and Sixty Three Thousand One Hundred Sixty Five and Seven Two Paise). The Board of Directors, thereafter, in its meeting held

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

on February 28, 2023, allotted aforementioned equity shares to Salic on Preferential basis. Post allotment of 27,408,164 equity shares the paid-up share capital of the Company has been increased to INR 34,72,52,944/- of face value of 1 each. The preferential issue of equity shares was completed with due approval of statutory authorities concerned and the amount raised has been utilised for the purpose for which the funds were raised.

## 21 Other equity

	As at March 31, 2023	As at March 31, 2022
<b>(i) Retained earnings</b>		
Opening balance	1,45,877.05	1,19,941.46
Add: Net profit for the year	40,265.19	29,217.53
- Remeasurements of post-employment benefits obligation (net of taxes)	(167.42)	(83.49)
Less : Equity dividend*	(1,599.22)	(3,198.45)
Less : Payment to shareholders of subsidiary for additional acquisition	(4,677.44)	-
<b>Closing balance</b>	<b>1,79,698.16</b>	<b>1,45,877.05</b>
<b>(ii) General reserve</b>		
Opening balance	1,816.80	1,816.80
Change during the year	-	-
<b>Closing balance</b>	<b>1,816.80</b>	<b>1,816.80</b>
<b>(iii) Securities premium reserve</b>		
Opening balance	44,456.10	44,456.10
Change during the year (net of issuance cost)#	37,961.19	-
<b>Closing balance</b>	<b>82,417.29</b>	<b>44,456.10</b>
<b>(iv) Cash flow hedging reserve</b>		
Opening balance	458.76	831.33
Change during the year	(835.23)	(372.57)
<b>Closing balance</b>	<b>(376.47)</b>	<b>458.76</b>
<b>(v) Foreign currency translation reserve</b>		
Opening balance	3,954.08	5,304.52
Change during the year	4723.94	(1,350.44)
<b>Closing balance</b>	<b>8678.02</b>	<b>3,954.08</b>
<b>Total other equity</b>	<b>2,72,233.80</b>	<b>1,96,562.79</b>

### Nature and purpose of other reserves

#### General reserve:

The Company had transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

#### Foreign currency translation reserve:

Exchange differences arising on translation of the foreign operations are recognised in other in other compressive income as described in accounting policy and accumulated in separate reserve within equity. The cumulative is reclassified to Statement of Profit and Loss when the net investment is disposed -off.

#### Cash flow hedging reserve:

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on hedge instruments that are designated and qualify as cash flow hedges. Such gains/ losses get subsequently recycled to the Statement of Profit and Loss at the time of settlement of such hedge instruments.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 22 Non-controlling interests

	As at March 31, 2023	As at March 31, 2022
Opening balance	15,129.09	13,476.59
Share of profit for the year	2,010.59	-
Acquisition of stake from minority shareholders in one of the subsidiary	(13,039.39)	1,702.78
Share of other comprehensive income for the year	(103.76)	(50.28)
<b>Closing balance</b>	<b>3,996.53</b>	<b>15,129.09</b>

## 23 Long term borrowings

	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
<b>Vehicle loans</b>		
From banks	22,335.38	16,508.27
<b>Vehicle loans</b>		
From banks	106.18	177.11
From Others	68.15	113.74
<b>Unsecured</b>		
Term loans		
Liability component of compound financial instrument - net of transaction costs*	3,578.54	3,105.63
	<b>26,088.25</b>	<b>19,904.75</b>
<b>Current maturities of long-term borrowings</b>		
Term loans	20.70	2,543.96
Vehicle loans	104.13	128.88
	<b>124.83</b>	<b>2,672.84</b>
	<b>26,213.08</b>	<b>22,577.59</b>

\*In one of the subsidiary companies, Nature Bio Foods Limited, during the Financial year 2018-2019, the subsidiary company had issued 2,398,000 number of 0.01% cumulative compulsory convertible preference shares (CCCPS) having face value of ₹ 10 at a premium of ₹ 240 through private placement of shares. Out of the total, 2,374,020 CCCPS were subscribed by India Agri Business Fund II and 23,980 CCCPS were subscribed by Real Trust II, CCCPS carries cumulative dividend of 0.01% p.a. CCCPS shall be converted into equity shares and in any event at the expiry of 8 year from the Tranche I completion date. As at March 31, 2023, ₹ 3,952.90 (March 31, 2022 : ₹ 3,952.90) considered as equity component, ₹ 3,578.54 (March 31, 2022 : ₹ 3,105.63) considered as liability component and ₹ 0.99 (March 31, 2022 : ₹ 0.99) considered as derivative component.



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Details of borrowings are as follows:

Name of the bank / financial institution	Repayments*	Total amount of installment	As at	As at
			March 31, 2023	March 31, 2022
<b>a) Term loans</b>				
Indusind Bank (refer point A part (i) for interest rate and refer point C part (i) for security)	60 equal monthly	20.00	-	900.00
Rabobank (refer point A part (ii) for interest rate and refer point C part (ii) for security)	47 equal quarterly	332.02	20,369.01	14,577.79
Mashreq Bank (refer point A part (iii) for interest rate and refer point C part (iii) for security)	180 equal monthly	1.65	247.33	248.14
Rabobank (refer point A part (ii) for interest rate and refer point C part (iv) for security)	96 monthly	Euro 0.21 lakhs monthly till July 01, 2018 and thereafter Euro 0.91 lakhs	1,739.74	3,326.30
			<b>22,356.08</b>	<b>19,052.23</b>
<b>b) Vehicle loans (refer point A part (iv) for interest rate and point C part (v) for security)</b>				
HDFC Bank	36 - 60 equal monthly	1.41	15.29	24.79
HDFC Bank	36 equal monthly	2.06	31.13	52.42
ICICI Bank	42 equal monthly	1.97	50.23	69.00
ICICI Bank	60 equal monthly	2.41	67.96	90.99
Yes Bank	60 equal monthly	1.04	-	23.51
BMW Financial Services India	60 equal monthly	2.52	91.91	113.74
HDFC Bank	37 equal monthly	1.50	-	17.20
Bank of Baroda	48 equal monthly	0.49	21.94	23.80
Bank of Baroda	48 equal monthly	0.49	-	4.28
			<b>278.46</b>	<b>419.73</b>
			<b>22,634.54</b>	<b>19,471.96</b>

## A. Details of interest rate for each type of borrowings

- The interest on above Rupee term loans from banks are fixed in nature. For the year ended March 31, 2023 the interest rate is 10.75% per annum (March 31, 2022: 10.75% per annum).
- The interest on above foreign currency term loans denominated in USD from banks are linked to the SOFR/ EURIBOR which are floating in nature. As of March 31, 2023 the interest rates are SOFR plus 1.45% per annum and EURIBOR plus 1.05% per annum (March 31, 2022: SOFR plus 1.45% per annum and EURIBOR plus 1.05% per annum).
- The interest on above foreign currency term loans denominated in Euro from banks are linked to the EURIBOR which are floating in nature. As of March 31, 2023 the interest rates are EURIBOR plus 4.99% per annum (March 31, 2022: EURIBOR plus 4.99% per annum).
- The interest on above vehicle loans from banks and financial institutions are linked to the respective base rates/MCLR which are floating in nature. As of March 31, 2023 the interest rates ranges from 7.35% to 9.50% per annum (March 31, 2022: 6.50% to 8.25% per annum).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## B. Details of guarantee for each type of borrowings guaranteed by few of the directors

	As at	As at
	March 31, 2023	March 31, 2022
Term loans		
From banks	-	900.00
From others	-	-
	<b>-</b>	<b>900.00</b>

## C. Details of security for each type of borrowing :

- Rupee term loan from Indusind Bank amounting to Nil (previous year: ₹ 900.00) availed by the Ecopure Specialities Limited (Subsidiary Company) is secured against charge on movable and immovable fixed asset (both current and future) of the Subsidiary Company, Corporate Guarantee of the Company and personal guarantee of few of the directors of the subsidiary and few of their relatives.
- USD Term loan amounting to USD 247.35 (previous year: USD 172.80) equivalent ₹ 20,336.35 (previous year: ₹ 14,554.96) from Rabobank as availed by LT Foods America Inc. (Subsidiary Company) is secured by mortgage against Plant and machinery, real estate located in US, trade receivables including inter company receivables, inventory and cash and bank and Corporate Guarantee of LT Overseas North America, Inc.
- AED Term loan from Mashreq Bank amounting AED 11.35 (previous year: AED 13.35) equivalent ₹ 247.33 (previous year: ₹ 248.14) availed by LT Foods Middle East DMCC (Subsidiary Company) is secured by office property and undated cheques of the subsidiary company.
- Euro Term loan amounting to Euro 19.42 (previous year: Euro 43.88) equivalent ₹ 1,739.74 (previous year: ₹ 3,326.30) from Rabobank as availed by LT Foods Europe B.V. (Subsidiary Company) is secured by mortgage against real estate, trade receivables including inter company receivables, inventory and cash and bank and Corporate Guarantee of LT Overseas North America, Inc.
- Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.

Refer note 54 for assets pledged as security.

## D. Reconciliation of liabilities arising from financing activities:

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Liabilities from financing activities		Total
	Lease Liability	Borrowings*	
<b>Net debt as at April 01, 2021</b>	<b>28,019.55</b>	<b>1,29,062.43</b>	<b>1,57,081.98</b>
Cash movement:			
- Proceeds from long term borrowings	-	569.80	569.80
- Repayment of long term borrowings	-	(3,630.22)	(3,630.22)
- Repayment of short term borrowings (net)	-	(20,410.48)	(20,410.48)
- Payment towards lease liability	(4,339.94)	-	(4,339.94)
- Interest paid	-	(4,745.86)	4745.86
<b>Non cash movement</b>			
- Addition during the year	2,515.99	-	2,515.99
- Impact of currency restatement	(1,241.44)	(675.19)	(2,833.36)
- Interest expense	916.73	(5,955.89)	6,872.62
<b>Net debt as at March 31, 2022</b>	<b>25,870.89</b>	<b>1,06,126.37</b>	<b>1,31,997.26</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Liabilities from financing activities		Total
	Lease Liability	Borrowings*	
<b>Net debt as at April 01, 2022</b>	25,870.89	1,06,126.37	1,31,997.26
Cash movement:			
- Proceeds from long term borrowings	-	6,308.33	6,308.33
- Repayment of long term borrowings	-	(2,672.84)	(2,672.84)
- Repayment of short term borrowings (net)	-	(14,820.87)	(14,820.87)
- Payment towards lease liability	(4,479.75)	-	(4,479.75)
- Interest paid	-	(7,340.29)	(7,340.29)
Non cash movement			
- Addition during the year	4,763.97	-	4,763.97
- Impact of currency restatement	1,267.98	(1,137.18)	130.80
- Interest expense	876.02	(7,334.01)	8,210.03
<b>Net debt as at March 31, 2023</b>	<b>28,299.11</b>	<b>93,797.53</b>	<b>1,22,096.64</b>

\* Including Interest accrued but not due on borrowings

### 24 Lease liabilities

	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 4)	23,552.30	21,671.65
	<b>23,552.30</b>	<b>21,671.65</b>

### 25 Long-term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provisions for employee benefits (Refer note 46)		
Provision for gratuity	865.41	889.97
Provision for compensated absences	388.70	298.21
Others	80.65	54.08
	<b>1,334.76</b>	<b>1,242.26</b>

### 26 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred government grant (Refer note 52)	104.56	147.31
	<b>104.56</b>	<b>147.31</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 27 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Working capital loans	63,462.06	62,627.35
Packing credit in foreign currency	4,099.41	17,127.19
Foreign currency loans	-	3,760.03
Current maturity of long-term debts (Refer note 23)	124.83	2,672.84
	<b>67,686.30</b>	<b>86,187.41</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>a) working capital loans</b>		
The working capital loans are secured by hypothecation of current assets including inventories and trade receivables, charge over the office property, land and building, moveable fixed assets, except vehicle financed, of the Company and few subsidiary companies who have availed the said facility. These are also secured by personal guarantee of few of the Directors of the Company. In case of Parent Company and one of the subsidiary company - Ecopure Specialities Limited, the working capital loans are secured by the personal guarantee of the relative of the directors. In addition, the loans availed by few subsidiary companies are secured by corporate guarantee of the Parent Company.	63,462.06	62,627.35
The working capital loans are repayable on demand and the interest on the above loans from banks are linked to the respective bank MCLR/Repo/T-Bills/CD Rate which are floating in nature. In case of rupee working capital loan, the interest rate ranges from 4.50% to 9.69% per annum (March 31, 2022: 5.25% to 11.75%). In case of loans availed by foreign subsidiaries, the interest rate ranges from Euribor + 105 basis points to Euribor + 140 basis points and SOFR + 145 basis points (March 31, 2022: Libor/Euribor + 120 basis points to Libor/Euribor + 140 basis points and SOFR + 145 bps).		



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>b) Packing credit in foreign currency</b>		
The packing credit in foreign currency loans are secured by hypothecation of current assets including inventories and trade receivables, charge over the office property, land and building, moveable fixed assets, except vehicle financed, of the Company and few subsidiary companies who have availed the said facility. These are also secured by personal guarantee of few of the Directors of such companies. In case of Parent Company, the packing credit in foreign currency loans are secured by the personal guarantee of the relative of the directors. In addition, the loans availed by few subsidiary companies are secured by corporate guarantee of the Parent Company.	4,099.41	17,127.19
The interest rate ranges from SOFR + 75 basis points to SOFR + 200 basis points (March 31, 2022: Libor + 125 basis points to Libor + 350 basis). In compliance with the notification number RBI/2021-2022/101 A.P. (DIR Series) Circular No.13 dated September 28, 2021, from January 01, 2022, Interest rate ranges from SOFR + 165 Basis Points to SOFR + 200 Basis Points).		
<b>c) Foreign currency loans</b>		
The foreign currency loans are secured by hypothecation of current assets including inventories and trade receivables, charge over the office property, land and building, moveable fixed assets, except vehicle financed, of the Company and few subsidiary companies who has availed the said facility. These are also secured by personal guarantee of few of the Directors of such companies. In case of parent company, foreign currency loans are secured by the personal guarantee of the relative of the directors. In addition, the loans availed by few subsidiary companies are secured by corporate guarantee of the Parent Company.	-	3,760.03
The interest rate on the above loans from banks are linked to the respective Libor/MCLR which are floating in nature. The interest rate is 1.70% (March 31, 2022: 1.60% to 4.16%) in case of foreign currency loans.		

Refer note 54 for assets pledged as security

## 28 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Dues to</b>		
Micro and small enterprises	1,431.56	1,827.21
Others	1,07,848.13	68,481.24
	<b>1,09,279.69</b>	<b>70,308.45</b>
<b>* Includes payable to related parties (refer note 50)</b>		
Daawat Kameda India Private Limited	280.13	228.93
Super Texfab Private Limited	932.82	1,439.31
R S Rice & General Mills	36.01	28.52

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

- a) Due to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent information available with the management is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount remaining unpaid	1,431.56	1,827.21
- Interest accrued and remaining unpaid as at year end	1.68	-
ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
iii) Amount paid to the suppliers beyond the respective due date.	349.80	3.16
iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	1.95	0.11
v) Amount of interest accrued and remaining unpaid at the end of accounting period.	3.63	0.11
vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	5.71	2.08

### March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,394.47	37.09	-	-	-	1,431.56
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	82,164.08	25,279.33	269.72	9.95	125.05	1,07,848.13
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>83,558.55</b>	<b>25,316.42</b>	<b>269.72</b>	<b>9.95</b>	<b>125.05</b>	<b>1,09,279.69</b>

### March 31, 2022

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,543.78	283.43	-	-	-	1,827.21
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	50,990.12	17,295.31	102.36	52.45	41.00	68,481.24
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	<b>52,533.90</b>	<b>17,578.74</b>	<b>102.36</b>	<b>52.45</b>	<b>41.00</b>	<b>70,308.45</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 29 Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	22.99	34.21
Security deposit	11.57	11.57
Unclaimed dividend *	67.55	61.77
Derivative liabilities	644.67	32.82
Other liabilities	8,263.06	8,618.91
	<b>9,009.84</b>	<b>8,759.28</b>

\*Not due for deposit to Investor education and protection fund.

### 30 Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (refer note 4)	4,746.81	4,199.24
	<b>4,746.81</b>	<b>4,199.24</b>

### 31 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	4,996.31	4,216.74
Statutory liabilities	1,501.72	817.92
Deferred government grant (Refer note 52)	55.37	52.40
Other liabilities*	397.41	600.41
	<b>6,950.81</b>	<b>5,687.47</b>
* Includes payable to related parties (refer note 50)		
Vijay Kumar Arora	-	8.02
Ashwani Kumar Arora	-	8.50

### 32 Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>		
Provision for gratuity	352.55	255.93
Provision for compensated absences	93.47	68.80
Others	237.58	191.61
	<b>683.60</b>	<b>516.34</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 33 Current tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (Net of advance tax)	2,750.41	2,390.65
	<b>2,750.41</b>	<b>2,390.65</b>

### 34 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sale of products</b>		
Rice	6,19,601.82	4,81,336.49
Others	66,840.78	54,471.75
<b>Other operating revenue</b>		
Service charges	1,767.47	1,617.24
Processing charges	1,350.99	1,465.38
Government grant income/Export Incentives/sale of licences	3,915.39	3,743.57
Rental income (refer footnote)	102.74	102.74
	<b>6,93,579.19</b>	<b>5,42,737.17</b>

#### Footnote

The Company has entered into rent agreements as a lessor for Silos, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2023 and March 31, 2022 was ₹ 102.74 and ₹ 102.74 respectively. The Group has not executed any non-cancellable operating leases.

### 35 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of property, plant and equipment	503.36	43.49
Interest on fixed deposits with banks	53.82	80.60
Interest others	19.93	31.24
Gain on foreign currency transactions and translations	1,194.23	679.67
Gain on investments carried at fair value through profit and loss	3.64	12.51
Amounts written back	34.32	-
Rental income (Refer Footnote)	156.28	143.76
Income from fleet lease	7.59	3.57
Service charges	1,963.78	-
Gain on commodity future contracts	-	740.85
Miscellaneous receipts	365.19	585.22
	<b>4,302.14</b>	<b>2,320.91</b>

#### Footnote :

The Company has entered into rent agreements as a lessor for area of premises owned by the Company, which are in the nature of operating lease. Rental income for operating lease for the years ended March 31, 2023 and March 31, 2022 was ₹ 156.28 and ₹ 143.76 respectively. The Company has not executed any non-cancellable operating leases.



## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 36 Cost of material consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening stock</b>		
Raw Material	50,915.46	36,327.40
Packing material		
Bardana	2,761.84	2,879.36
Others	3,279.83	3,167.03
	<b>56,957.13</b>	<b>42,373.79</b>
<b>Add: purchases</b>		
Raw Material	2,25,307.01	1,96,193.69
Packing material		
Bardana	385.28	329.42
Others	15,903.75	14,625.62
Rice	2,38,996.50	1,29,005.18
	<b>4,80,592.54</b>	<b>3,40,153.91</b>
<b>Less: closing stock</b>		
Raw Material	74,007.23	50,915.46
Packing material		
Bardana	2,156.54	2,761.84
Others	2,818.25	3,279.83
	<b>78,982.02</b>	<b>56,957.13</b>
	<b>4,58,567.65</b>	<b>3,25,570.57</b>
<b>Consumption details</b>		
Raw Material	2,02,215.25	1,81,605.63
Packing material		
Bardana	990.58	446.94
Others	16,365.33	14,512.82
Rice	2,38,996.50	1,29,005.18
	<b>4,58,567.65</b>	<b>3,25,570.57</b>

### 37 Purchases of stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rice	22,238.53	28,805.13
Others	5,867.70	2,204.29
	<b>28,106.23</b>	<b>31,009.42</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

### 38 Changes in inventories of finished goods, semi finished goods, work in progress and stock in trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Stock</b>		
Semi-finished goods	63,732.33	85,545.66
Finished goods	88,334.33	68,820.15
Work-in-progress	194.97	182.63
Traded goods	4,012.88	5,841.81
<b>Closing stock</b>		
Semi-finished goods	83,462.30	63,732.33
Finished goods	1,00,813.20	88,334.33
Work-in-progress	279.58	194.97
Traded goods	3,519.84	4,012.88
	<b>(31,800.41)</b>	<b>4,115.74</b>
Translation reserve	2,872.76	720.31
	<b>(28,927.65)</b>	<b>4,836.05</b>

### 39 Employee benefit expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	32,293.02	26,325.21
Contribution to provident and other fund (refer note 46)	1,192.38	1,113.70
Staff welfare expenses	2,478.42	1,521.41
	<b>35,963.82</b>	<b>28,960.32</b>

### 40 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on working capital loans	4,956.02	4,783.00
Interest on term loans	1,070.03	419.69
Interest on delay in payment of statutory liabilities	26.56	7.87
	<b>6,052.61</b>	<b>5,210.56</b>
Other borrowing cost	2,157.42	1,662.06
	<b>8,210.03</b>	<b>6,872.62</b>

**Note:** The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings during the year, in this case interest rate ranging from 6.25% to 6.60% p.a. (March 31, 2022 - 4.52% to 7.39% p.a.). Also, refer note 13.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 41 Depreciation and amortisation expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment	8,155.30	7,854.98
Depreciation of right-of-use-assets	4,068.72	3,920.34
Amortisation of intangible assets	466.70	487.92
	<b>12,690.72</b>	<b>12,263.24</b>

## 42 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Warehouse rent (refer foot note 1)	5,203.42	4,468.66
Wages and other manufacturing expenses	5,652.25	4,310.93
Factory insurance	423.45	332.22
Power and fuel	3,628.88	3,103.74
Security services	388.36	495.96
Research and development	500.69	-
Repairs		
- Building	215.67	211.49
- Plant and machinery	352.50	301.59
- Equipment	2,169.95	1,354.67
- Others	2,000.15	1,771.46
Stores and spares consumed	4,615.77	3,433.21
Packing expenses	1,373.88	1,100.43
Advertisement	9,264.96	7,209.63
Insurance	2,172.32	1,683.40
Legal and professional charges	4,651.25	4,707.70
Rates and taxes	1,906.67	1,480.31
Donation and charity	867.88	933.98
Auditors' remuneration	202.03	191.73
Vehicle running and maintenance	314.96	238.08
Commission to selling agents	2,165.06	1,888.77
Clearing and forwarding charges	54,459.31	32,296.22
Freight outward	13,142.24	10,331.74
Travelling and conveyance	3,590.40	2,042.59
Loss on sale of fixed assets (net)	-	7.57
Trade receivables and other amounts written off	79.25	1.47

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provision for Loss on account of fire	-	42.67
Loss on sales of investments	-	30.00
Business promotion expenses	449.68	327.91
Directors' sitting fees	31.00	27.25
Provision for doubtful debts	267.37	202.71
Other administrative expenses	6,298.75	3,838.92
Other selling expenses	3,223.33	4,333.99
Loss on commodity future contracts	187.01	-
	<b>1,29,798.44</b>	<b>92,701.00</b>

Footnote:-

The Group has entered into rent agreements as a lessee for warehouses and office premises, which are in the nature of short-term leases. These leases has been accounted for applying Paragraph 6 of Ind AS 116 - Leases and accordingly recorded as an expense amounting to ₹ 5,203.42 and ₹ 4,468.66 for the years ended March 31, 2023 and March 31, 2022 respectively.

## 43 Earnings per equity share

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit attributable to equity shareholders for calculation of basic and diluted EPS	40,265.19	29,217.53
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS	32,21,72,597	31,98,44,780
Nominal value of each equity share (₹)	1.00	1.00
<b>Earnings per equity share</b>		
Basic and diluted (₹)	<b>12.50</b>	<b>9.13</b>

## 44 Income tax

Particulars	As at March 31, 2023	As at March 31, 2022
The income tax expense consists of the following :		
Current tax	13,555.12	11,121.45
Deferred tax expense	427.41	317.93
<b>Total income tax</b>	<b>13,982.53</b>	<b>11,439.38</b>
The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% and the reported tax expense in the Statement of Profit or Loss are as follows:		
<b>Accounting profit for the period before Share of profit in Associate and Joint venture</b>	53,472.09	42,844.86
Applicable Indian statutory income tax rate of 25.168% (March 31, 2022: 25.168%)	13,457.86	10,783.19



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax pertaining to previous year	-	100.63
Expenses on preferential issue of equity share	(187.38)	-
Difference in overseas tax rate and other foreign entities adjustments	490.12	203.10
Donation and charity	187.21	182.65
Fine, penalties and interest on statutory dues	19.26	-
Interest on CCCPS	119.02	103.29
Deduction under chapter VI-A	(363.19)	(228.95)
Others	259.64	295.47
<b>Total income tax expense</b>	<b>13,982.53</b>	<b>11,439.38</b>

## 45 Contingencies and commitments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>(A) Contingent liabilities</b>		
i Income-tax demands (Refer footnote -1)	4,093.68	3,383.69
ii Guarantees given by group (Refer footnote -2)	2,639.49	32.28
iii FCI Demand for differential price/freight/ taxes	75.69	75.69
iv Customer claims against the group	30.77	30.77
v Duty saved under EPCG licenses (export obligation outstanding ₹ 2,349.00 (March 31, 2022: ₹ 1,428.93))	391.50	237.99
	<b>7,231.14</b>	<b>3,760.42</b>

### Footnote

- 1 a) In case of Daawat Foods Limited, the subsidiary company had filed appeals for the Assessment year 2009-10 which have been concluded for amounting to ₹ 59.57 (March 31, 2022: ₹ 59.57). However, appeal effect of the same is yet to be processed by the Ld. Assessing Officer.

The subsidiary company has received demands during the FY 2021-22, under section 143(3) for the Assessment Years 2017-18 and 2018-19 for ₹ 682.82 and ₹ 80.26 respectively. The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

- b) In case of LT Foods Limited (Parent company) has pending appeals at Income Tax Appellate Tribunal (ITAT) for the AY 2008-09 to AY 2010-11 and AY 2012-13 to AY 2014-15 and for AY 2016-17 on the matters over which no relief was provided by CIT (Appeals) amounting to ₹ 1,208.31 (March 31, 2022: ₹ 1,318.31).

The Parent company's appeal at Income Tax Appellate Tribunal (ITAT) for the AY 2003-04 and AY 2007-08 have been concluded for amounting to ₹ 62.38 (March 31, 2022: ₹ 62.38). However, appeal effect of the same is yet to be processed by the Ld. Assessing Officer.

The parent company's appeal for AY 1999-00 and AY 2010-11 against the demand under section 271(1) (c) amounting to ₹ 36.27 and ₹ 177.43 respectively (March 31, 2022: ₹ 36.27 and ₹ 177.43) are pending at Income Tax Appellate Tribunal (ITAT) and CIT (Appeals) respectively.

During the financial year 2019-20, the parent company has received demands during the FY 2019-20, under section 147 for the Assessment Year 2015-16 for ₹ 466.81 (March 31, 2022: ₹ 466.81). The parent company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

The Company has received demands during the FY 2021-22, under section 143(3) for the Assessment Year 2017-18 for ₹ 599.12 (March 31, 2022: ₹ 599.12). The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The parent company has received demand during the FY 2023-24 vide order dated 18.04.2023, under section 143(3) for the Assessment Year 2018-19 for ₹ 375.57 (March 31, 2022: ₹ Nil). The Company has already filed an appeal before the CIT (Appeals). The matter is still pending with CIT (Appeals).

The Company has received demands during the FY 2023-24 vide orders dated 17.05.2023, under section 147 for the Assessment Years 2014-15 and 2015-16), which is subject to rectification u/s 154 of the IT Act. The company is expecting the demands shall be reduced to ₹ 43.97 & ₹ 290.46 after rectification, against which the company is in process of filing appeals before the CIT (Appeals).

The parent company has paid ₹ 1,651.26 (March 31, 2022: ₹ 1,651.26) as per the directions of the Income Tax Department against the outstanding demands of various assessment years and the same will be adjusted/ refunded, once the appeals are final. The amount paid includes ₹ 631.95 lakhs deposited against cases in respect of which favourable order has been received.

- c) In case of Nature Bio Foods Limited (the subsidiary company), during the assessment year 2010-11 the Income tax department (Department) has added back ₹ 24.43 on account of various reasons to the total income of the Company. The department has issued notice of demand u/s 156 of the Income Tax Act, 1961 on March 28, 2013 demanding ₹ 5.15. The Company had contested the above before CIT(Appeals) and the Ld. CIT(Appeals) has dismissed the appeal vide order dated May 19, 2016. The Company had contested the above order before Hon'ble ITAT. No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable. Aforesaid demand is including interest upto March 28, 2013 but excluding interest from April 1, 2013 onwards and penalty.

During the assessment year 2013-14, the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding ₹ 1.00. The Company had contested the above before CIT(Appeals). No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

During the assessment year 2014-15, the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding ₹ 0.08. The Company had contested the above before CIT(Appeals). No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

During the assessment year 2018-19, the department has issued assessment order u/s 143 (3) of the Income Tax Act, 1961 added back amount of ₹ 13.21 and has demanded amount of ₹ 4.49. The Company has decided to file rectification under section 154 of Income tax act, 1961 & no provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

- d) The management is confident that its position is likely to be upheld in the appeals pending before the various appellate authorities and no liability could arise on the Group on account of these proceedings. Accordingly, no adjustment has been made in these financial statements (other than provision considered as mentioned above).

- 2 In case of a subsidiary, DFL, the company has given guarantee to Bank on behalf of its Vendor during the year.

### Capital commitments

- (B) Capital commitments remaining to be executed and not provided for, net of capital advances ₹ 2,237.54 (March 31, 2022: ₹ 2,122.64).

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 46 Employee benefit obligations

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Gratuity	352.55	865.41	255.93	889.97
Compensated absences	93.47	388.70	68.80	298.21
Others	237.58	80.65	191.61	54.08
<b>Total</b>	<b>683.60</b>	<b>1,334.76</b>	<b>516.34</b>	<b>1,242.26</b>

### A Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/ other decrements (if any) on account of any accident or disease is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

#### Disclosure for gratuity

##### (i) Amount recognised in the Statement of Profit and Loss is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	181.32	199.48
Interest cost (net)	75.13	65.68
<b>Amount recognised in the statement of profit and loss</b>	<b>256.45</b>	<b>265.16</b>

##### (ii) Breakup of actuarial loss recognised in other comprehensive income (OCI)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial loss/(gain) on arising from change in demographic assumption	(19.59)	8.41
Actuarial loss on arising from change in financial assumption	2.24	24.62
Actuarial loss on arising from experience adjustment	253.98	59.96
<b>Remeasurement on plan assets</b>		
Return on plan assets (excluding interest)	6.52	29.28
<b>Total actuarial loss recognised in OCI</b>	<b>243.15</b>	<b>122.27</b>

##### (iii) Movement in the defined benefit obligation during the year is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>1,643.22</b>	<b>1,402.14</b>
Current service cost	181.32	199.48

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest cost	108.71	100.15
Actuarial loss/(gain) recognised during the year	236.63	92.99
Other adjustments	5.81	35.50
Benefits paid	(91.14)	(187.04)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>2,084.55</b>	<b>1,643.22</b>

##### (iv) Change in fair value of assets:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Fair value of plan assets at the beginning of the year</b>	<b>497.32</b>	<b>522.04</b>
Interest income plan assets	33.58	34.47
Actual contributions	433.35	154.78
Actuarial Loss	(6.52)	(29.28)
Benefits paid	(91.14)	(184.69)
<b>Fair value of plan assets at the end of the year</b>	<b>866.59</b>	<b>497.32</b>

##### (v) Actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30% to 7.35%	6.58% to 7.53%
Retirement age	58 years	58 years
Employee turnover:	1.00% to 8.00%	1.00% to 17.05%
Rate of increase in compensation	8.00% to 9.00%	7.00% to 10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

##### (vi) Movement in net liability recognised in balance sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	2,084.55	1,643.22
Fair value of plan assets	(866.59)	(497.32)
<b>Liability recognised in the balance sheet</b>	<b>1,217.96</b>	<b>1,145.90</b>



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

(vii) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	2,084.55	1,643.22
- Impact due to increase of 1 %	(131.42)	(80.00)
- Impact due to decrease of 1 %	149.50	88.98
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	2,084.55	1,643.22
- Impact due to increase of 1 %	112.09	78.85
- Impact due to decrease of 1 %	(74.69)	(74.69)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Particulars	As at March 31, 2023	As at March 31, 2022
Within next 12 months	365.22	262.87
Between 2-5 years	775.55	840.17
Between 6-10 years	902.68	645.56

(ix) Composition of plan assets

Particulars	As at March 31, 2023	As at March 31, 2022
The planned assets are managed by Life Insurance Corporation, Canara HSBC OBC Life Insurance and PNB MetLife India Insurance Company Limited	866.59	497.32

## B Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

(i) Actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30% to 7.35%	6.58% to 7.53%
Retirement age	58 years	58 years
Employee turnover:	1.00% to 8.00%	1.00% to 17.05%
Rate of increase in compensation	8.00% to 9.00%	7.00% to 10.00%

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.
- The Group has defined benefit obligation pertaining to Indian entities only.

## C Provident fund, ESI fund and other fund

Contribution made by the Group towards Provident fund during the year is ₹ 416.22 (March 31, 2022: ₹ 374.78) relating to Indian entities.

Contribution made by the Group towards ESI fund during the year is ₹ 43.17 (March 31, 2022: ₹ 40.94) relating to Indian entities.

Contribution made by the Group towards Dutch pension scheme during the year is ₹ 313.63 (March 31, 2022: ₹ 298.41) relating to its subsidiary company in Europe.

Contribution made by the Group towards 401(k) Plan during the year is ₹ 162.91 (March 31, 2022: ₹ 134.41) relating to its subsidiary company in US.

## 47 Fair value disclosures

i) Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments*	517.97	-	-	561.18	-	-
Trade receivables	-	-	67,435.35	-	-	61,126.58
Cash and cash equivalents	-	-	3,215.40	-	-	3,208.05
Other bank balances	-	-	683.55	-	-	705.73
Loans	-	-	171.63	-	-	392.05
Other financial assets	6.46	-	16,721.04	737.89	-	17,854.72
<b>Total</b>	<b>524.43</b>	<b>-</b>	<b>88,226.97</b>	<b>1,299.07</b>	<b>-</b>	<b>83,287.13</b>
<b>Financial liabilities</b>						
Borrowings	-	-	90,196.01	-	-	1,02,986.53
Liability component of compound financial instrument - net of transaction costs	-	-	3,578.54	-	-	3,105.63
Trade payable	-	-	1,09,279.69	-	-	70,308.45
Lease liability	-	-	28,299.11	-	-	25,870.89
Other financial liabilities	644.67	-	8,365.17	32.82	-	8,726.46
<b>Total</b>	<b>644.67</b>	<b>-</b>	<b>2,39,718.52</b>	<b>32.82</b>	<b>-</b>	<b>2,10,997.96</b>

\* Investment in equity instruments of joint ventures and associates has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## ii) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2 :** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

As at March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Keyman insurance policies	-	492.71	-	492.71
Equity instruments - Quoted	0.21	-	-	0.21
Equity instruments - Unquoted	-	25.05	-	25.05
Derivative asset	-	6.46	-	6.46
<b>Total financial assets</b>	<b>0.21</b>	<b>524.22</b>	<b>-</b>	<b>523.43</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	644.67	-	644.67
<b>Total financial liabilities</b>	<b>-</b>	<b>644.67</b>	<b>-</b>	<b>644.67</b>

As at March 31, 2022	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Keyman insurance policies	-	560.92	-	560.92
Equity instruments - Quoted	0.21	-	-	0.21
Equity instruments - Unquoted	-	0.05	-	0.05
Derivative asset	-	737.89	-	737.89
<b>Total financial assets</b>	<b>0.21</b>	<b>1,297.87</b>	<b>-</b>	<b>1,299.07</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	32.82	-	32.82
<b>Total financial liabilities</b>	<b>-</b>	<b>32.82</b>	<b>-</b>	<b>32.82</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	March 31, 2023		March 31, 2022	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Trade receivables	Level 3	67,435.35	67,435.35	61,126.58	61,126.58
Cash and cash equivalents	Level 3	3,215.40	3,215.40	3,208.05	3,208.05
Other bank balances	Level 3	683.55	683.55	705.73	705.73
Loans	Level 3	171.63	171.63	392.05	392.05
Other financial assets	Level 3	16,721.04	16,721.04	17,854.72	17,854.72
<b>Total financial assets</b>		<b>88,226.97</b>	<b>88,226.97</b>	<b>83,287.13</b>	<b>83,287.13</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	90,196.01	90,196.01	1,02,986.53	1,02,986.53
Liability component of compound financial instrument - net of transaction costs	Level 3	3,578.54	3,578.54	3,105.63	3,105.63
Trade payables	Level 3	1,09,279.69	1,09,279.69	70,308.45	70,308.45
Lease Liabilities	Level 3	28,299.11	28,299.11	25,870.89	25,870.89
Other financial liabilities	Level 3	8,365.17	8,365.17	8,726.46	8,726.46
<b>Total financial liabilities</b>		<b>2,39,718.52</b>	<b>2,39,718.52</b>	<b>2,10,997.96</b>	<b>2,10,997.96</b>

The management assessed that security deposits, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables are evaluated by the group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 48 Financial risk management

### (i) Risk management framework

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, favourable derivative financial instruments, financial assets measured at amortised cost and fair value through profit or loss.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in functional currency of respective entity	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Group presently does not make any significant investments in equity shares.

The group's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

#### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

A: Low

B: Medium

C: High

### Assets under credit risk -

Credit rating	Particulars	March 31, 2023	March 31, 2022
<b>A: Low</b>	Loans	171.63	392.05
	Investments	517.97	561.18
	Cash and cash equivalents	3,215.40	3,208.05
	Bank balances other than cash and cash equivalents	683.55	705.73
	Other financial assets	16,727.50	18,592.61
	Trade receivables	67,435.35	61,126.58
<b>B: Medium</b>	Trade receivables	722.62	716.31

### Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

### Trade receivables

The Company closely monitors the creditworthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

### b) Expected credit losses for financial assets other trade receivables

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since, the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of other financial assets, credit risk is evaluated based on knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2023			March 31, 2022		
	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision	Gross carrying amount	Expected probability of default	Carrying amount net of impairment provision
Investments	517.97	0.00%	517.97	561.18	0.00%	561.18
Cash and cash equivalents	3,215.40	0.00%	3,215.40	3,208.05	0.00%	3,208.05
Bank balances other than cash and cash equivalents	683.55	0.00%	683.55	705.73	0.00%	705.73
Loans	171.63	0.00%	171.63	392.06	0.00%	392.05
Other financial assets	16,727.50	0.00%	16,727.50	18,592.61	0.00%	18,592.61

## Expected credit loss for trade receivables under simplified approach

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. The Company believes that amount receivable from related parties is collectible in full, based on historical payment behaviour and hence no loss allowance has been recognized on the same. The Company based upon past trends determines an impairment allowance for loss on receivables from others.

Particulars	0-1 Year	More than 1 year
<b>As at March 31, 2023</b>		
Trade receivables	67,085.70	1,072.26
Default rate	0.02%	66.26%
Expected credit loss	12.13	710.49
<b>As at March 31, 2022</b>		
Trade receivables	61,002.32	840.57
Default rate	0.03%	83.23%
Expected credit loss	16.69	699.61

Reconciliation of loss allowance	Trade receivables
<b>Loss allowance on April 01, 2021</b>	<b>747.16</b>
Add/(Less): Bad debts written off	(233.56)
Add/ (Less): Changes in loss allowances	202.71
<b>Loss allowance on March 31, 2022</b>	<b>716.31</b>
Add/ (Less): Bad debts written off	(261.06)
Add/ (Less): Changes in loss allowances	267.37
<b>Loss allowance on March 31, 2023</b>	<b>722.62</b>

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entity operates.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity of group based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	67,686.30	5,873.66	16,636.05	90,196.01
Liability component of compound financial instrument - net of transaction costs	-	-	3578.54	3578.54
Lease liabilities	4,746.81	6,596.20	16,956.10	28,299.11
Trade payable	1,09,279.69	-	-	1,09,279.69
Other financial liabilities	9,009.84	-	-	9,009.84
<b>Total</b>	<b>1,90,722.64</b>	<b>12,469.86</b>	<b>37,170.69</b>	<b>2,40,363.19</b>

March 31, 2022	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	86,187.41	5,672.37	11,126.75	1,02,986.53
Liability component of compound financial instrument - net of transaction costs	-	-	3,109.63	3,105.63
Lease liabilities	4,199.24	5,571.70	16,099.95	25,870.89
Trade payable	70,308.45	-	-	70,308.45
Other financial liabilities	8,759.28	-	-	8,759.28
<b>Total</b>	<b>1,69,454.38</b>	<b>11,244.07</b>	<b>30,332.33</b>	<b>2,11,030.78</b>

## C) Market risk

'Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### a) Foreign currency risk

'The group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Euro, GBP and CHF. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the group entities.



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (i) Exposure to currency risk:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows

Particulars	In foreign currency		In INR	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial assets</b>				
<b>Trade receivables*</b>				
EURO	106.56	81.75	9,548.69	6,920.49
USD	181.01	279.22	14,881.21	21,166.43
GBP	4.90	24.77	499.18	2,465.70
CHF	0.17	-	15.27	-
<b>Foreign exchange derivative contracts (Sell foreign currency)</b>				
EURO	(21.00)	(189.41)	(1,881.35)	(16,114.39)
EURO - USD	(9.50)	(16.40)	(851.28)	(1,449.57)
USD	(344.19)	(552.46)	(28,297.83)	(43,478.28)
GBP	-	(2.50)	-	(248.88)
<b>Financial liabilities</b>				
<b>Trade payables</b>				
EURO	1.93	1.02	172.02	86.90
USD	7.24	16.63	595.93	1,261.19
SGD	-	-	-	-
<b>Foreign exchange forward contracts (Buy foreign currency)</b>				
USD	-	49.60	-	3,760.03
<b>Preshipment credit</b>				
USD	49.86	225.93	4,099.41	17,127.19
<b>Demand Loan</b>				
USD	-	49.60	-	3,760.03

\* Induce intra group balance which are eliminated in the consolidated financial statement

The following significant exchange rates have been applied:

	Year end spot rate	
	March 31, 2023	March 31, 2022
EURO	89.61	84.66
USD	82.22	75.81
GBP	101.87	99.55
CHF	89.82	-

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change 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					
<b>Cash flow hedge</b>									
<b>Foreign currency risk</b>									
(i) Foreign exchange forward contracts	-	-	6.46	644.67	10 April 2023 - 29 February 2024	1:1	USD: ₹ 84.21 EURO: ₹ 87.64	(638.21)	638.21
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	4,077.91	-	4,099.41	27 May 2023 - 16 August 2023	1:1	USD: ₹ 81.76	(21.50)	21.50

## As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change 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					
<b>Cash flow hedge</b>									
<b>Foreign currency risk</b>									
(i) Foreign exchange forward contracts	62,313.66	-	736.90	32.82	06 April 2022 - 15 March 2023	1:1	USD: ₹ 75.91 EURO: ₹ 92.05 GBP: ₹ 102.41	704.08	704.08
(ii) Pre-shipment credit in foreign currency (PCFCs)	-	16,969.94	-	17,127.19	4 June 2022 - 24 September 2022	1:1	USD: ₹ 73.52	(157.25)	157.25

## (b) Disclosure of effects of Fair value hedge on financial position

### As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument
	Assets	Liabilities	Assets	Liabilities				
(i) Foreign exchange forward contracts	-	-	-	-	-	-	-	-

### As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument
	Assets	Liabilities	Assets	Liabilities				
(i) Foreign exchange forward contracts	-	3,829.53	-	43.82	30 May 2022 - 10 June 2022	1:1	USD: Rs.77.21	(43.82)

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## (c) Disclosure of effects of Cash flow hedge on financial performance

### For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
<b>Foreign currency risk</b>				
(i) Foreign exchange forward contracts	(1,342.29)	-	(1,081.46)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	135.75	-	(1,100.69)	Revenue and other income

### For the year ended March 31, 2022

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
<b>Foreign currency risk</b>				
(i) Foreign exchange forward contracts	(497.37)	-	(1,075.91)	Revenue and other income
(ii) Pre-shipment credit in foreign currency (PCFCs)	(56.45)	-	438.11	Revenue and other income

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 assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For forward contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. forward contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. highly probable forecast sales. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of highly probable forecast sales.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

In hedges of foreign currency forecast sales, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. The ineffectiveness arisen in the hedges have been disclosed in above table.

## (d) Movements in cash flow hedging reserve

Particulars	Amount
<b>As at April 01, 2021</b>	<b>831.33</b>
Add: Changes in fair value of forward contracts	(1,573.28)
Add: Changes in fair value of PCFCs	381.66
Less: Gain/(Loss) on cash flow hedge reserve attributable to non controlling interest	41.87
Less: Amount reclassified to profit or loss	637.80
Less: Tax relating to above (net)	139.38
Change during the year ended March 31, 2022	(372.57)
<b>As at March 31, 2022</b>	<b>458.76</b>
<b>As at April 01, 2022</b>	<b>458.76</b>
Add: Changes in fair value of forward contracts	(2,423.75)
Add: Changes in fair value of PCFCs	(964.94)
Less: Gain/(Loss) on cash flow hedge reserve attributable to non controlling interest	89.22

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Amount
Less: Amount reclassified to profit or loss	2,153.34
Less: Tax relating to above (net)	310.90
Change during the year ended March 31, 2023	(835.23)
<b>As at March 31, 2023</b>	<b>(376.47)</b>

## Sensitivity

A reasonably possible strengthening (weakening) of the Euro, US dollar, GBP against all other currencies at March 31, 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in foreign currency (PCFC) designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Currency	Strengthen		Strengthen		Weaken		Weaken	
		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sensitivity of change in exchange rate by 1%*	EURO	70.17	51.14	(14.08)	(120.59)	(70.17)	(51.14)	14.08	120.59
Sensitivity of change in exchange rate by 1%*	USD	106.90	148.95	(211.76)	(325.36)	(106.90)	(148.95)	211.76	325.36
Sensitivity of change in exchange rate by 1%*	GBP	3.74	18.45	-	(1.86)	(3.74)	(18.45)	-	1.86
Sensitivity of change in exchange rate by 1%*	CHF	-	-	-	-	-	-	-	-

\* Holding all other variables constant

## B) Interest rate risk

### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Description	March 31, 2023	March 31, 2022
Variable rate borrowing	89,332.21	98,877.11
Fixed rate borrowing	863.80	4,109.42
<b>Total borrowings</b>	<b>90,196.01</b>	<b>1,02,986.53</b>

\* Variable rate borrowing includes borrowing where interest rate is linked with LIBOR/SOFR/EURIBOR/EIBOR ₹ 89,332.21 (March 31, 2022: ₹ 98,877.11)



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Particulars	Effect on profit after tax	
	March 31, 2023	March 31, 2022
<b>Total borrowings</b>		
-Impact due to increase of 50 basis points*	(320.86)	(366.23)
-Impact due to decrease of 50 basis points*	320.86	366.23

\*Holding all other variable constant

## ii) Assets

The group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## C) Price risk exposure

The group does not have any significant investments in equity instruments which create an exposure to price risk.

## 49 Capital management

The group's capital management objectives are

- to ensure the group's ability to continue as a going concern
- to provide an adequate return to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the group's various classes of debt. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The group's adjusted net debt to equity ratio is as follows:

Description	March 31, 2023	March 31, 2022
Total borrowings including lease liabilities	1,22,073.66	1,31,963.05
Less : Cash and cash equivalents	(3,215.40)	(3,208.05)
<b>Net debt</b>	<b>1,18,858.26</b>	<b>1,28,755.00</b>
Total equity	2,79,702.86	2,14,890.33
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.42</b>	<b>0.60</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## a) Dividend paid on equity shares

Description	March 31, 2023	March 31, 2022
(i) Interim Dividend		
For the year ended March 31, 2022 of ₹ 0.50 per share	-	1,599.23
For the year ended March 31, 2022 of ₹ 0.50 per share	-	1,599.22
For the year ended March 31, 2023 of ₹ 0.50 per share	1,599.22	-

## b) Loan covenants

- Under the terms of major borrowing facilities, LT Foods Limited, the parent company is required to comply with the following covenants:
    - the current ratio must be more than 1.33 times;
    - the debt to equity must remain lower than 1 times;
    - the promoter's holding must not be less than 51%;
    - the total outside liability to tangible net worth ratio must not exceed 1 times;
    - the total outside liability to adjusted tangible net worth must not exceed 1.1 times;
    - the Net Debts to EBITDA must not exceed 4 times;
    - the Net Working Capital to be maintained at minimum level of 25% of current assets;
    - the interest service coverage ratio to be more than 2 times;
  - Under the terms of major borrowing facilities, Daawat Foods Limited, the subsidiary company is required to comply with the following covenants:
    - Adjusted Tangible Net Worth of ₹ 44000.00 to be maintained.
    - Total Outside Liabilities / Tangible Net Worth should not be above 2:1
    - Debt Equity Ratio should not be above 2:1
    - No Erosion of Tangible Net worth in comparison to last year
    - Interest Coverage Ratio should not be less than 3.91
    - Fixed Assets Coverage Ratio should not be less than 0.39
  - Under the terms of the Indusind bank's borrowing facilities, Ecopure Specialities Limited, the subsidiary company is required to comply with the following financial covenants:
    - Debt/EBITDA not more than 6 times
    - Current ratio equal to or more than 1.33 times
    - Total outside liability/Total Net Worth (TOL/TNW) less than 5.9
    - Interest cover equal to or more than 2 times
    - Debt/equity ratio less than 3.5 times for FY 22-23
    - Debt/Adj. Total Net Worth (TNW) not more than 2.5 times for FY 21-22
  - Under the terms of the Coöperatieve Rabobank U.A., borrowing facilities, Nature Bio Foods BV, Nature Bio Foods Inc., the subsidiary companies was required to comply with the following financial covenants:
    - Obligor to maintain the Tangible solvency Ratio not less than 20% at the last day of quarter.
  - Under the terms of the Rabobank borrowing facilities, LT Foods America Inc., LT Food Europe BV, the subsidiary companies was required to comply with the following financial covenants:
    - Obligor to maintain the Tangible solvency Ratio not less than 20% at the last day of quarter.
- The Group has complied with these covenants as at reporting period.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 50 Related party disclosures

The Group's related party transactions and outstanding balances are with its subsidiaries, step down subsidiaries, associates and joint venture, key management and others as described below.

### A. Relationships

#### a) Subsidiaries

Raghuvesh Agri Foods Private Limited  
Raghuvesh Warehousing Private Limited  
Raghuvesh Infrastructure Private Limited

#### b) Joint venture

Daawat Kameda India Private Limited  
Golden star trading, Inc.  
Leev.NU. B.V.

### B Key management personnel and Directors

#### Key management personnel

Name	Designation
Mr. Vijay Kumar Arora	Managing Director
Mr. Surinder Kumar Arora	Managing Director
Mr. Ashwani Kumar Arora	Managing Director and Chief Executive Officer
Mr. Ashok Kumar Arora	President - Punjab operations
Mr. Alrumaih Sulaiman Abdul Rehman S	Additional Director (w.e.f. February 28, 2023)
Mr. Sachin Gupta	Chief Finance Officer (w.e.f. May 30, 2022)
Ms. Monika Chawla Jaggia	Company Secretary
Mr. Gokul Patnaik	Independent Director (upto July 22, 2021)
Ms. Ambika Sharma	Independent Director
Ms. Neeru Singh	Independent Director
Mr. Abhiram Seth	Lead Independent Director
Mr. Suprass Bhandari	Independent Director (upto July 22, 2021)
Mr. Anil Kandelwal	Independent Director (upto February 22, 2023)

#### Relatives of Key Management Personnel with whom transactions have taken place during the year or a previous year

Name	Relationship
Mr. Abhinav Arora	Relative of Managing Director
Mr. Aditya Arora	Relative of Key management personnel
Mr. Gursajan Arora	Relative of Key management personnel
Mr. Ritesh Arora	Relative of Managing Director
Mr. Anmol Arora	Relative of Managing Director
Ms. Ranju Arora	Relative of Managing Director

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Enterprise having significant influence

SALIC International Investment Company ("SALIC")  
United Farmers Investment Company-Subsidiary of SALIC

## Entities in which Key Management Personnel and their relatives have significant influence and with whom transactions have taken place during the year or previous year

R. S Rice & General Mills  
Super Texfab Private Limited  
Raghuvesh Holdings Private Limited  
Oswal Woollen Mills Limited  
Global Foods Trading Gmbh  
Global Foods Trading Ltd.  
Global Foods Trading Spain S.L  
Global Foods Trading France Sarl  
Sidhu Food B.V.  
Buddha Gourmet Foods Gmbh

## Transactions with key management persons and their relatives and joint venture

Particulars	March 31, 2023	March 31, 2022
<b>Sales</b>		
Daawat Kameda India Private Limited	59.73	76.08
Oswal Woollen Mills Limited	573.09	327.51
Global Foods Trading Gmbh	3,834.94	3,319.44
Sidhu Food B.V.	271.21	888.70
Buddha Gourmet Foods Gmbh	803.34	554.04
Global Foods Trading Ltd.	515.42	902.96
Global Foods Trading Spain S.L	2,968.79	1,705.00
Global Foods Trading France Sarl	1,811.47	1,117.86
<b>Purchases</b>		
Super Texfab Private Limited	5,431.12	3,911.32
Daawat Kameda India Private Limited	302.85	453.01
<b>Transactions with key management personnel</b>		
<b>Remuneration paid/payable*</b>		
Mr. Vijay Kumar Arora	344.39	343.87
Mr. Ashwani Kumar Arora	211.32	211.10
Mr. Surinder Kumar Arora	223.25	214.05
Mr. Ashok Kumar Arora	223.25	215.00
Mr. Sachin Gupta	64.74	61.31
Ms. Monika Chawla Jaggia	66.99	64.39
<b>Remuneration does not include the contribution towards gratuity and leave encashment as the incremental liability has been accounted for by the group</b>		
<b>Remuneration</b>		
Abhinav Arora	482.23	447.03



## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Aditya Arora	116.29	116.86
Anmol Arora	48.92	48.94
Gursajan Arora	157.53	146.14
Ritesh Arora	64.47	64.36
<b>Dividend paid to key management personnel</b>	459.74	827.53
<b>Dividend paid to relatives of key management personnel and entities in which key management personnel have significant influence. (net of statutory taxes)</b>		
<b>Details of parties to whom dividend paid is more than 10%</b>		
Raghuvesh Holdings Private Limited	166.92	300.46
Others	281.92	302.87
<b>Reimbursement of expenses received</b>		
Daawat Kameda India Private Limited	51.76	138.69
Raghuvesh Infrastructure Private Limited	9.45	3.82
UIPL Innovations Private Limited	-	-
<b>Rent expense</b>		
R S Rice & General Mills	18.15	20.00
<b>Rental income</b>		
Daawat Kameda India Private Limited	154.59	154.59
<b>Services received</b>		
Adda Services	-	54.49
Golden star trading, Inc.	1,963.78	-
<b>Interest income</b>		
Raghuvesh Agri Foods Private Limited	10.17	25.05
Raghuvesh Warehousing Private Limited	0.13	4.05
<b>Purchase of shares of Daawat Foods Limited</b>		
United Farmers Investment Company	17,583.02	-
<b>Investments</b>		
Daawat Kameda India Private Limited	511.43	-
<b>Loan granted</b>		
Raghuvesh Agri Foods Private Limited	75.00	-
Raghuvesh Warehousing Private Limited	5.00	-
<b>Payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	275.00	82.00
Raghuvesh Warehousing Private Limited	8.65	138.52
<b>Net payment received against Loan</b>		
Raghuvesh Agri Foods Private Limited	200.00	82.00
Raghuvesh Warehousing Private Limited	3.65	138.52
<b>Director sitting fees</b>		
Mr. Gokul Patnaik	-	1.75
Mr. Suparas Bhandari	-	1.15

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Ms. Ambika Sharma	12.30	7.85
Mr. Anil Khandelwal	3.80	3.05
Mr. Abhiram Seth	5.80	4.25
Ms. Neeru Singh	8.20	6.80

Mr. Vijay Kumar Arora, Mr. Ashwini Kumar Arora, Mr. Surinder Kumar Arora and Mr. Ashok Kumar Arora, the Directors in the Company and in the few of its subsidiary companies have given personal guarantees against the long and short term borrowings (except vehicles loans) availed by the Company and few of its subsidiaries.

Particulars	March 31, 2023	March 31, 2022
<b>Net balances at the year-end {(payable)/ receivable}</b>		
Super Tefab Private Limited	(932.82)	(1,439.31)
Raghuvesh Agri Foods Private Limited	35.45	238.02
Raghuvesh Warehousing Private Limited	0.41	3.65
Daawat Kameda India Private Limited	240.44	189.19
Oswal Woollen Mills Limited	27.34	41.71
Global Foods Trading Gmbh	1,150.94	1,052.16
Sidhu Food B.V.	-	881.87
R S Rice & General Mills	(36.01)	(28.52)
Buddha Gourmet Foods Gmbh	1,973.03	1,175.05
Global Foods Trading Ltd.	192.73	487.50
Global Foods Trading Spain S.L	887.04	1,001.15
GFT France SARL	430.97	685.25
Vijay Kumar Arora	-	(8.02)
Ashwani Kumar Arora	-	(8.50)
Monika Chawla Jaggia	10.43	-

### Terms and conditions of transactions with related parties

The transactions with related parties have been entered into by Group in the ordinary course of business, on arm's length basis on terms prevailing in the open market at that time.

### 51 Segment reporting

The business activity of the Group predominantly fall within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Group operates in three principal geographical areas of the world, i.e., India, America, Europe and other countries (Rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

### Information about products and services

Description	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from external customers*</b>		
Rice	6,19,601.82	4,81,336.49

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Description	Year ended March 31, 2023	Year ended March 31, 2022
Others	66,840.78	54,471.75
Other operating revenue	7,136.59	6,928.93
<b>Total</b>	<b>6,93,579.19</b>	<b>5,42,737.17</b>

\* Above Revenue does not include other income as per Ind AS 108

### Information about geographical areas

Description	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenues from external customers</b>		
In India	2,17,883.57	1,76,789.33
In America	2,66,582.76	1,81,737.65
In Europe	1,32,150.12	97,575.20
Others Countries	76,962.73	86,634.99
<b>Total</b>	<b>6,93,579.19</b>	<b>5,42,737.17</b>

Description	As at March 31, 2023	As at March 31, 2022
<b>Non current assets located</b>		
In India	52,542.18	49,395.50
In America	45,413.74	29,973.21
In Europe	20,498.19	20,735.26
Others Countries	724.95	963.35
<b>Total</b>	<b>1,19,179.07</b>	<b>1,01,067.32</b>

### 52 Deferred government grants

Description	March 31, 2023	March 31, 2022
<b>At the beginning of the year</b>	<b>199.71</b>	<b>252.03</b>
Received during the year	511.90	516.89
Released to the Statement of Profit and Loss	(551.68)	(569.21)
<b>At the end of the year</b>	<b>159.93</b>	<b>199.71</b>

Description	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
<b>Government grant</b>	<b>55.37</b>	<b>104.56</b>	<b>52.40</b>	<b>147.31</b>

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

**53** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

### 54 Assets pledged as security

Description	As at March 31, 2023	As at March 31, 2022
<b>Non-current asset*</b>		
<b>First charge</b>		
Property, plant and equipments and Capital work in progress	57,798.03	55,354.42
Other financial assets	794.70	669.54
<b>Total non-current asset pledged as security</b>	<b>58,592.73</b>	<b>56,023.96</b>
<b>Current assets*</b>		
<b>First charge</b>		
Inventories	3,08,988.84	2,37,907.31
Trade receivables	1,02,900.85	1,11,624.77
Cash and cash equivalents	2,854.97	2,535.67
Other bank balances	683.55	705.73
Loans	130.22	134.61
Other financial assets	908.26	2,360.54
Other current assets	30,665.28	58,954.32
<b>Total current asset pledged as security</b>	<b>4,47,131.97</b>	<b>4,14,222.95</b>
<b>Total assets pledged as security</b>	<b>5,05,724.70</b>	<b>4,70,246.91</b>

\* Above figures includes intra group balances which has been eliminated in consolidated account:



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

55 The group's subsidiaries at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

## (a) Subsidiaries

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interest		Principal Activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Daawat Foods Limited	India	99.99%	70.47%	-	29.5200%	Manufacturing and sale of rice.
Nature Bio Foods Limited	India	99.95%	99.95%	0.05%	0.05%	Manufacturing and sale of organic rice and other organic food items
LT Foundation	India	100.00%	100.00%	-	-	CSR related activities
Deva Singh Sham Singh Exports Private Limited	India	100.00%	100.00%	-	-	Manufacturing and sale of rice.
Raghunath Agro Industries Private Limited	India	100.00%	100.00%	-	-	Manufacturing and sale of rice.
LT Agri Services Private Limited	India	100.00%	100.00%	-	-	Non-operational
Eco Pure Specialities Limited	India	100.00%	100.00%	-	-	Manufacturing and sale of organic rice and other organic food items
Sona Global Limited	Middle East	100.00%	100.00%	-	-	Trading of rice
LT Food Middle East DMCC	Middle East	100.00%	100.00%	-	-	Trading of rice
LT Overseas North America, Inc.*	United States	100.00%	100.00%	-	-	Trading of rice
Nature Bio Foods BV	Europe	100.00%	100.00%	-	-	Trading of organic rice and other organic food items
Nature Bio Foods Inc	Europe	100.00%	100.00%	-	-	Trading of organic rice and other organic food items

\*Includes step down subsidiaries: LT Foods Americas, Inc. (United States), LT Foods USA LLC (United States), LT Foods International Limited (UK), LT Foods Europe BV (Europe)

## (b) Non controlling interest

In case of a subsidiary, Nature Bio Foods Limited, the ownership held by the non controlling interest as at March 31, 2023 is 0.05% (March 31, 2022: 0.05%) which is not material to the group.

## (c) Transactions with non-controlling interests

The Board of Directors of the Holding Company at its meeting held on November 10, 2022 approved the acquisition of 56,55,341 equity shares of face value of 10 each per share at a premium of ₹ 300.91 per share for a total purchase consideration of ₹ 17,583.02 from United Farmers Investment Company, amounting to 29.52% of the share capital on a fully diluted basis of a subsidiary, Daawat Foods Limited. The transfer of shares, representing the additional stake acquired, got completed on February 28, 2023 and pursuant to this, the Holding Company holds 99.99% stake in the subsidiary.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Description	March 31, 2023	March 31, 2022
Carrying amount of non-controlling interests attributable to Daawat Foods Limited as on April 01, 2022	11,137.26	-
Share in profit attributable to non-controlling interests from April 1, 2022 to March 7,2023	2,005.61	-
Share in other comprehensive income attributable to non-controlling interests from April 1, 2022 to March 7,2023	(103.48)	-
<b>Carrying amount of non-controlling interests as at March 7,2023 (before acquisition)</b>	<b>13,039.39</b>	-
Consideration paid for acquisition of non-controlling interests	(17,716.83)	-
Excess of consideration paid recognised in retained earnings within equity	(4,677.44)	-

## (d) Interests in associates and joint venture

Set out below are the associates and joint ventures of the Group as at March 31, 2023 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

There were no transactions with non-controlling interests in previous year.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					As at March 31, 2023	As at March 31, 2022
Raghuvesh Warehousing Private Limited	India	40.00%	Associate	Equity method	451.98	453.37
Raghuvesh Agri Foods Private Limited	India	40.00%	Associate	Equity method	363.67	362.10
Raghuvesh Infrastructure Private Limited	India	30.00%	Associate	Equity method	88.30	59.45
Leev.NU. B.V.	Europe	30.00%	Joint venture	Equity method	336.65	-
Daawat Kameda India Private Limited	India	51.00%	Joint venture	Equity method	1,094.95	1,056.81
Golden star trading, Inc.	USA	51.00%	Joint venture	Equity method	9,844.66	-
<b>Total equity accounted investments</b>					<b>12,180.20</b>	<b>1,931.73</b>

## Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not LT Foods Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Balance Sheet	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Total Assets	1,248.49	1,409.10	1,319.73	1,626.54	2,754.44	2,158.96
Total liabilities	121.21	278.37	411.12	721.86	2,455.10	1,955.80
<b>Net Assets</b>	<b>1,127.28</b>	<b>1,130.73</b>	<b>908.61</b>	<b>904.68</b>	<b>299.54</b>	<b>203.16</b>

Balance Sheet	Joint Venture			
	Daawat Kameda India Private Limited		Golden star trading, Inc.	Leev.NU. B.V.
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2023
Total Assets	2,657.92	2,481.61	17,710.06	1,854.96
Total liabilities	226.74	178.39	11,398.16	1,090.61
<b>Net Assets</b>	<b>2,431.18</b>	<b>2,303.22</b>	<b>6,311.90</b>	<b>764.35</b>

Reconciliation to carrying amounts

Summarised Balance Sheet	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Closing net assets</b>	<b>1,127.28</b>	<b>1,130.73</b>	<b>908.61</b>	<b>904.68</b>	<b>299.34</b>	<b>203.16</b>
Group's share in %	40%	40%	40%	40%	30%	30%
Group's share in INR	450.91	452.29	363.44	361.87	89.80	60.95
Other adjustments	1.07	1.08	0.23	0.23	(1.50)	(1.50)
<b>Carrying amount</b>	<b>451.98</b>	<b>453.37</b>	<b>363.67</b>	<b>362.10</b>	<b>88.30</b>	<b>59.45</b>

Summarised Balance Sheet	Joint Venture			
	Daawat Kameda India Private Limited		Golden Star Trading, Inc.	Leev.NU. B.V.
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2023
<b>Closing net assets</b>	<b>2,431.18</b>	<b>2,303.22</b>	<b>6,311.90</b>	<b>764.35</b>
Group's share in %	51%	51%	51%	30%
Group's share in INR	1,239.91	1,174.65	3,219.07	229.30
Goodwill	-	-	-	116.13

## Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Summarised Balance Sheet	Joint Venture			
	Daawat Kameda India Private Limited		Golden Star Trading, Inc.	Leev.NU. B.V.
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2023
Intangibles-Refer note below	-	-	6,697.57	-
Translation Adjustment	-	-	(71.99)	(8.78)
Other adjustments	(144.95)	(117.84)	-	-
<b>Carrying amount</b>	<b>1,094.96</b>	<b>1,056.81</b>	<b>9,844.65</b>	<b>336.65</b>

Note - The Group acquired 51% stake in Golden Star Trading Inc. on June 28, 2023. The excess of consideration paid over the identified tangible assets and liabilities represent acquisition of Intangibles, primarily comprising of brand, distribution network etc. As at March 31, 2023, the Group's management is in the process of determining the fair values attributable to these intangible assets and expects to complete this within eligible measurement period as defined under para 45 of Ind AS 103.

Summarised Statement of Profit and Loss	Associates					
	Raghuvesh Warehousing Private Limited		Raghuvesh Agri Foods Private Limited		Raghuvesh Infrastructure Private Limited	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>Total income</b>	<b>191.66</b>	<b>196.77</b>	<b>182.38</b>	<b>193.15</b>	<b>695.14</b>	<b>735.17</b>
Total expenses	195.28	193.06	217.05	220.13	598.76	562.89
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income/(loss)</b>	<b>(3.62)</b>	<b>3.71</b>	<b>(34.67)</b>	<b>(26.98)</b>	<b>96.39</b>	<b>172.28</b>

Summarised Statement of Profit and Loss	Joint Venture			
	Daawat Kameda India Private Limited		Golden star trading, Inc.	Leev.NU. B.V.
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2023
<b>Total income</b>	<b>241.10</b>	<b>268.85</b>	<b>42,418.85</b>	<b>4,516.65</b>
Total expenses	1,169.66	1,222.32	36,270.31	4,194.14
<b>Total comprehensive income/(loss)</b>	<b>928.56</b>	<b>953.47</b>	<b>6,148.53</b>	<b>322.51</b>



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Total share of profits on account of equity accounting of the associates and joint venture under Ind AS:

Description	Year ended March 31, 2023	Year ended March 31, 2022
Share of profits from associates	29.04	1.10
Share of profits from joint ventures	2757.18	(486.27)
<b>Total share of losses from associates and joint ventures</b>	<b>2786.22</b>	<b>(485.17)</b>

## 56 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

### Significant changes in contract assets and liabilities

There has been no significant changes in contract assets/contract liabilities during the year.

### Revenue recognised in relation to contract liabilities

Advance from Customers:

Description	Year ended March 31, 2023	Year ended March 31, 2022
Amounts included in contract liabilities at the beginning of the year	4,216.74	5,587.19
Performance obligations satisfied in current year	(4,126.14)	(5,556.93)
Amount received in the current year having outstanding performance obligations	4,905.71	4,186.48
<b>Amounts included in contract liabilities at the end of the year</b>	<b>4,996.31</b>	<b>4,216.74</b>

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Group.

### Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Description	Year ended March 31, 2023	Year ended March 31, 2022
Revenue recognised over time	3,118.46	3,082.62
Revenue recognised at point in time	6,86,442.60	5,35,808.24
	<b>6,89,561.06</b>	<b>5,38,890.86</b>

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## Assets and liabilities related to contracts with customers

Description	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Contract assets related to sale of goods and services				
Advance from customers	-	4,996.31	-	4,216.74

## Reconciliation of revenue recognised with contract price

Description	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	7,05,816.04	5,51,356.80
Adjustment for:		
Incentives and discounts	(16,254.98)	(12,465.94)
	<b>6,89,561.06</b>	<b>5,38,890.86</b>

## 57 Additional information required by Schedule III

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>Parent</b>								
1 <b>LT Foods Limited</b>								
March 31 2023	56.03%	1,56,727.07	37.92%	16,031.22	-10.09%	(364.98)	34.14%	15,666.24
March 31 2022	48.59%	1,04,424.76	36.30%	11,224.60	10.07%	(187.04)	37.98%	11,037.55
<b>Subsidiaries (group's share)</b>								
2 <b>Daawat Foods Limited</b>								
March 31 2023	16.31%	45,612.64	16.82%	7,112.28	-1.42%	(51.25)	15.39%	7,061.05
March 31 2022	17.70%	38,551.61	18.92%	5,850.62	9.16%	(170.08)	19.55%	5,680.54
3 <b>Nature Bio Foods Limited</b>								
March 31 2023	6.40%	17,907.08	3.01%	1,272.93	-16.03%	(579.79)	1.51%	693.14
March 31 2022	8.01%	17,213.94	4.29%	1,325.22	6.97%	(129.33)	4.11%	1,195.89
4 <b>LT Foundation</b>								
March 31 2023	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
March 31 2022	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>5 Deva Singh Sham Singh Exports Private Limited</b>								
March 31 2023	0.03%	83.28	0.06%	24.37	0.00%	-	0.05%	24.37
March 31 2022	0.03%	58.91	0.20%	60.36	0.00%	-	0.21%	60.36
<b>6 Raghunath Agro Industries Private Limited</b>								
March 31 2023	1.25%	3,504.09	1.00%	424.07	-0.05%	(1.83)	0.92%	422.24
March 31 2022	1.43%	3,081.85	1.19%	368.28	-0.94%	17.43	1.33%	385.72
<b>7 LT Agri Services Private Limited</b>								
March 31 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>8 Eco Pure Specialities Limited</b>								
March 31 2023	1.54%	4,304.37	1.60%	676.22	-3.00%	(108.55)	1.24%	567.67
March 31 2022	1.04%	2,236.74	0.23%	71.36	2.01%	(37.31)	0.12%	34.04
<b>Foreign Subsidiaries</b>								
<b>9 Sona Global Limited</b>								
March 31 2023	1.14%	3,176.59	0.00%	(1.23)	4.09%	147.91	0.32%	146.68
March 31 2022	0.67%	1,432.58	0.00%	(0.00)	-2.41%	44.73	0.15%	44.73
<b>10 LT Food Middle East DMCC</b>								
March 31 2023	0.35%	978.35	0.08%	33.65	1.88%	67.97	0.22%	101.62
March 31 2022	0.41%	876.73	0.35%	108.96	-2.26%	42.00	0.52%	150.96
<b>11 LT Overseas North America, Inc.*</b>								
March 31 2023	26.09%	72,985.22	32.06%	13,555.21	132.87%	4,806.77	40.01%	18,361.98
March 31 2022	25.97%	55,810.07	38.12%	11,786.87	65.55%	(1,217.06)	36.37%	10,569.81
<b>12 Nature Bio Foods BV</b>								
March 31 2023	1.52%	4,258.95	3.18%	1,344.69	6.75%	244.18	3.46%	1,588.87
March 31 2022	1.24%	2,670.07	3.47%	1,073.75	3.29%	(61.02)	3.48%	1,012.73
<b>13 Nature Bio Foods Inc</b>								
March 31 2023	0.28%	776.60	0.43%	181.13	1.39%	50.26	0.50%	231.39
March 31 2022	0.25%	545.21	1.18%	365.02	-0.63%	11.66	1.30%	376.68

\* It Includes step down subsidiaries:- LT Foods Americas, Inc., LT Foods USA LLC, LT Foods International Limited, LT Foods Europe BV)

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other Comprehensive income	₹ in lakhs	As % of consolidated total Comprehensive income	₹ in lakhs
<b>Parent</b>								
<b>Associates</b>								
<b>14 Raghuvesh Warehousing Private Limited</b>								
March 31 2023	0.16%	451.98	0.00%	(1.38)	0.00%	-	0.00%	(1.38)
March 31 2022	0.21%	453.37	0.00%	1.48	0.00%	-	0.01%	2.57
<b>15 Raghuvesh Agri Foods Private Limited</b>								
March 31 2023	0.13%	363.67	0.00%	1.57	0.00%	-	0.00%	1.57
March 31 2022	0.17%	362.10	-0.03%	(10.58)	0.00%	-	-0.04%	10.58
<b>16 Raghuvesh Infrastructure Private Limited</b>								
March 31 2023	0.03%	88.30	0.07%	28.85	0.00%	-	0.06%	28.85
March 31 2022	0.03%	59.45	0.17%	(9.11)	0.00%	-	0.18%	9.11
<b>Joint ventures</b>								
<b>17 Daawat Kameda India Private Limited</b>								
March 31 2023	0.39%	1,094.95	-1.12%	(473.28)	0.00%	-	-1.03%	(473.28)
March 31 2022	0.49%	1,056.81	-1.57%	(486.27)	-0.08%	-	-1.67%	(486.27)
<b>18 Golden Star Trading Inc.</b>								
March 31 2023	3.52%	9,844.65	7.42%	3,135.75	0.00%	-	6.83%	3,135.75
<b>19 Lee NU BV</b>								
March 31 2023	0.12%	336.65	0.22%	94.71	0.00%	-	0.21%	94.71
<b>19 Intragroup eliminations</b>								
March 31 2023	-15.11%	(42,267.56)	-2.76%	(1,164.99)	-16.40%	(593.16)	-3.83%	(1,758.15)
March 31 2022	-6.24%	(13,419.83)	-2.82%	(872.36)	9.20%	(170.76)	-3.59%	(1,043.11)
<b>Total</b>								
<b>March 31 2023</b>	<b>100.00%</b>	<b>2,79,702.86</b>	<b>100.00%</b>	<b>42,275.78</b>	<b>100.00%</b>	<b>3,617.53</b>	<b>100.00%</b>	<b>45,893.31</b>
<b>March 31 2022</b>	<b>100.00%</b>	<b>2,14,890.33</b>	<b>100.00%</b>	<b>30,920.31</b>	<b>100.00%</b>	<b>(1,856.78)</b>	<b>100.00%</b>	<b>29,063.53</b>



# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

## 58 New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

## 59 Other Statutory Information:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property,
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year,
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall;
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or,
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) 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 Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or,
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income Tax Act, 1961.
- (vi) The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

# Notes to the consolidated financial statements

for the period ended March 31, 2023

(All amounts are in ₹ lakhs unless otherwise stated)

- (viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Particulars	Assests under	Amount
Raghunath Agro Industries private limited	Corporate Guarantee	6989

- (ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

## 60 Previous year figures

Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification.

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number:- 105047W

For and on behalf of Board of Directors of  
**LT Foods Limited**

**Rahul Aggarwal**  
Partner  
Membership Number: 505676

**Ashwani Kumar Arora**  
Managing Director & CEO  
DIN: 01574773

**Surinder Kumar Arora**  
Managing Director  
DIN: 01574728

Place : Gurugram  
Date : May 18, 2023

**Sachin Gupta**  
Chief Finance Officer  
Membership No. :- 99415

**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150



# LT Foods eyes 10% growth

OUR SPECIAL CORRESPONDENT



LT Foods CEO (India and Far East) Ritesh Arora

Calcutta: LT Foods, which owns the popular basmati rice brand Daawat, expects to maintain a 10 per cent compounded annual growth rate for the next five years, taking the company's turnover to Rs 11,500 crore.

Ritesh Arora, CEO of India and Far East Business of LT Foods, said the company would benefit from expansion of the consumer base led by growing purchasing power in the country and a shift from non-branded to branded products.

LT Foods is also banking on value added products which come with higher margins to contribute more significantly to them.

"We started this initiative a couple of years ago. Today, ready-to-eat or ready-to-cook contribute around 2.5 per cent of our revenues. We are focusing on this segment and growing this," Arora said, adding that he expects the revenue contribution from this segment to touch 10 per

# LT Foods eyes consumer packs

Kolkata: LT Foods, one of the leaders in Basmati rice market with brands like Daawat, is looking at 38% market share in the consumer pack (1kg, 2kg, 5kg and 10kg packet category) market in the next two years.

Ritesh Arora, CEO (India business & Far East), said currently it has 29.6% market share in the consumer pack category. "Our growth is 18.2% while the category growth is 9%," he said. The consumer pack category is worth Rs 5,000 crore in value terms, and in volume terms, it is 5 lakh tonne. On HORECA, Arora added that it is growing at much higher rate than the segment. The Rs 15 lakh-tonne HORECA segment comprises 25 kg and 30 kg packs. "The growth in HORECA segment is largely fuelled by biriyani," he added.

LT Foods Ltd, which owns the "Daawat" brand of basmati rice, is setting revenue of Rs 11,500 crore in the next five years on the back of an overall expansion of the category and shift from unbranded to branded. Revenues on a consolidated basis would touch Rs 11,500 crore by financial year ending March 31, 2023 (FY23). In four years, revenues are expected to be about 10,000 crore, Ritesh

Arora said. The company would look for acquisitions opportunities in both the domestic and international market. Recently it acquired a 51 per cent stake in a company with a jasmine rice portfolio.

According to an AC Nielsen report, LT Foods has close to a 30 per cent market share in the retail segment (pack size of 1-10 KG). This segment contributes 70 per cent of the revenue for LT Foods.

Arora said the company would look for acquisitions opportunities in both the domestic and international market. Recently it acquired a 51 per cent stake in a company with a jasmine rice portfolio.

# LT Foods to cross ₹10K cr revenue mark in four years

GLOBAL FMCG COMPANY LT Foods, which owns 'Daawat' brand of basmati rice, is aiming at crossing the Rs 10,000 crore revenue mark on a consolidated basis in the next four years, an official said on Monday.

At the group level, the revenue was close to Rs 7,000 crore in FY21, he said.

The company is also focusing on value-added products, including those in ready-to-cook and ready-to-eat categories, in a bid to strengthen its position globally, he said.

cent last fiscal and will maintain a 10-12 per cent CAGR (compounded annual growth rate) over the next five years. At the group level, the revenue was close to Rs 7,000 crore in FY21 and will cross the Rs 10,000 crore mark in the next four years," LT Foods CEO (India and Far East) Ritesh Arora said.

The company is also focusing on value-added products, including those in ready-to-cook and ready-to-eat categories, in a bid to strengthen its position globally, he said.

he said. "We are open to acquisitions in the value-added segment to grow inorganically. The company had acquired 51 per cent in Jasmine rice brand 'Golden Star' in the US last year," Arora said.

"Daawat Biryani Kit" in three flavours and Cuppa rice are among the products placed in ready-to-cook and ready-to-eat categories, he said.

"The new categories are getting good traction, and the company will design the geography of presence," Arora said.

"We have grown by 28 per

# LT Foods to roll out value-added rice products, regional variants

Shikha Ray



VITAL: The domestic market accounts for around 30% of the LT Foods' turnover

LT Foods Ltd, which owns the "Daawat" brand of basmati rice, is rolling out value-added rice products and regional variants of rice, even as it looks to grow its share of domestic business. The domestic market currently accounts for around 30 per cent of the company's total turnover, which stood at close to 7,000 crore in FY21. The remaining 70 per cent comes from exports primarily to US, Europe, the Far East, and Middle East.

According to Ritesh Arora, CEO, India and Far East Business of LT Foods, the domestic market has been witnessing an uptick in demand in the last few years as more and more consumers are moving towards packaged and hygienic products, particularly in the wake of Covid-19. The company is looking to tap into the growing demand by launching regional variants, including those in non-basmati categories. "Over the past few years,

we have seen improvements in the category (basmati and packaged rice) as well as for the organisation. As the per capita income of India rises and with more and more consumers moving towards hygienic and packaged food, we see the demand growing further," Arora said.

Non-basmati rice currently accounts for nearly 5-6 per cent of the company's domestic turnover and it is looking to scale that up further. The company launched three new variants for Gujarat and Maharashtra last year and is looking to roll out more regional variants moving forward.

Apart from launching new products, the company will also be focusing on expanding its reach and enhancing its footprint in smaller towns and cities. "We are continuing to expand our footprint in cities with a population of 50,000-1,00,000. The western region currently accounts for nearly 30 per cent of our total business. North accounts for around 20 per cent, while East and South comprises 15 per cent each," he said.

LT Foods, Arora said, holds close to 30 per cent of the total basmati market in India, which is estimated to be close to 14,000-15,000 crore. The company is also bullish about growing its market share further.

The company, which launched various value added rice variants about two years ago, is now looking to scale up the distribution in various parts of the country. Value-added products currently account for around 2-3 per cent of the company's total sales and it plans to take it up to around 10 per cent in the next five years.

# LT Foods eyes ₹11.5K-cr revenue in 5 yrs

Arora, chief executive officer (CEO)-India and Far East Business of LT Foods, said that post-Covid consumers were more health and hygiene conscious. Branded consumers are at about 30 per cent of total consuming households. "There is a shift from loose to packet basmati. Also, with the population growth and number of households increasing, there will be a share gain," Arora said during a media interaction.

# LT Foods aims at crossing Rs 10 000 cr consolidated revenue in 4 yrs

Kolkata, June 28 (PTI) Global FMCG company LT Foods Ltd, which owns 'Daawat' brand of basmati rice, is aiming at crossing the Rs 10,000 crore revenue mark on a consolidated basis in the next four years, an official said on Monday.

At the group level, the revenue was close to Rs 7,000 crore in FY21, he said. The company is also focusing on value-added products, including those in ready-to-cook and ready-to-eat categories, in a bid to strengthen its position globally, he said.

"We have grown by 28 per cent last fiscal and will maintain a 10-12 per cent CAGR (compounded annual growth rate) over the next five years. At the group level, the revenue was close to Rs 7,000 crore in FY21 and will cross the Rs 10,000 crore mark in the next four years," LT Foods CEO (India and Far East) Ritesh Arora said.

The company is diversifying into new value-added product categories, and the revenue from this segment is projected to grow three-fold to be 10 per cent of the company's total turnover in the next 4-5 years, he said.

"We are open to acquisitions in the value added segment to grow inorganically. The company had acquired 51 per cent in Jasmine rice brand 'Golden Star' in the US last year," Arora said.

"Daawat Biryani Kit" in three flavours and Cuppa rice are among the products placed in ready-to-cook and ready-to-eat categories, he said.

"The new categories are getting good traction, and the company will design the geography of presence," Arora said.

# Market expansion: LT Foods to roll out value-added rice products and regional variants



VITAL: The domestic market accounts for around 30% of the LT Foods' turnover

LT Foods Ltd, which owns the "Daawat" brand of basmati rice, is rolling out value-added rice products and regional variants of rice, even as it looks to grow its share of domestic business. The domestic market currently accounts for around 30 per cent of the company's total turnover, which stood at close to 7,000 crore in FY21. The remaining 70 per cent comes from exports primarily to US, Europe, the Far East, and Middle East.

# LT Foods Ltd. launches 'Daawat Biryani Champions League'

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.



Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

# Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

# Kolkata chefs go to bat for the Biryani Champions League

These chefs were quite a sport about Biryani being the new sport!



Stepping foot into the banquet hall of TTC Seminar on Monday June 28, one would have undoubtedly succumbed to the aroma of Biryani wafting through the air. The alluring essence of Biryani prepared by six city chefs from Ananda, Al-Fazl Family Restaurant & Caterers, Saruja Chulia, Hatai Restaurant, Subhinar Biryani, and The

# Chief Lakhan Singh wins maiden edition of 'Biryani Champions League' in Delhi

Chief Lakhan Singh from Marketplace restaurant has emerged as the winner of the debut edition of the Daawat Biryani Champions League in the national capital here. The competition, held here at TTC Seminar on Saturday, saw five well-known professional chefs - including Laxman Singh (Biryani), Mohammad Shari (Khar Chacha), Chef Moinuddin (Expresso Resto) and Rajeev Azam (Biryani by CQ) - battle it out in a 10-minute live cooking challenge to win the coveted prize.



# LT Foods Ltd. celebrates 'Daawat World Biryani Day'

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.

Speaking on the occasion, Mr. Ritesh Arora, CEO, India Business & Far East, LT Foods Ltd., said, "Biryani holds a revered status in the culinary world and is cherished globally. It can connect people of all backgrounds and ages and captivate their taste buds like no other culinary creation. We firmly believe that Biryani deserves its own special day where we honour this delectable iconic dish, whose appeal can never be satisfied. Hence, we invite everyone to indulge in the universal adoration for Biryani and create unforgettable memories. At the same time, we are excited to share that we have achieved a first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session in recognition for the love of Biryani. This milestone reflects our unwavering dedication to bringing people together through their shared love for Biryani."

Mr. K. Ganapathy Subramaniam, Head of Marketing, LT Foods Ltd., said, "I am truly excited that we have set the first-of-its-kind Guinness World Record for The Largest Biryani Tasting Session. It becomes even more special for us as this record has been created on 'Daawat World Biryani Day'. As a part of this testing session, attendees got to discover interesting facts about Biryani, its history & evolution, an opportunity to identify and appreciate great Biryani and savour 4 different variations of the same. Our aim is to provide a platform for Biryani and ensure people continue to celebrate this exemplary dish in their own inimitable way."

Prior to this, LT Foods, under the aegis of its flagship brand 'Daawat', organised the 'Daawat Biryani Champions League' in Kolkata and Delhi, where professional Chefs from these two cities participated in a Live Biryani Cooking Competition. While Chef Sarfaraz Hossain (N - Fazl Family Restaurant & Caterers) won the competition in Kolkata, Chef Lakhan Singh (Marketplace Restaurant) was declared the winner in Delhi. The winners were selected by a panel of judges led by renowned food critic Mr. V. Sathish.







**LT FOODS**  
NURTURING GOODNESS

**CORPORATE OFFICE**

**LT Foods Limited**  
4th Floor, MVL-I Park Sector 15,  
Gurugam -122001, Haryana  
Phone no. 0124-3055100  
[www.ltgroup.in](http://www.ltgroup.in)

**REGISTERED OFFICE**

**LT Foods Limited**  
Unit No. 134, 1st Floor, Rectangle-1,  
Saket District Centre, New Delhi-110017  
Phone no. 011-29565344,  
CIN: L74899DL1990PLC041790

