



MRS. BECTORS FOOD SPECIALITIES LIMITED

Our Company was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Limited pursuant to a resolution of the shareholders dated December 7, 2001 and a fresh certificate of incorporation dated December 10, 2001 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. For details, see **"History and Certain Corporate Matters - Amendments to our Memorandum of Association"** on page 183.

Corporate Identity Number: U74899PB1995PLC033417
Registered Office: Theing Road, Phillaur, Jalandhar 144 410, Punjab, India **Tel:** (+91) 182-6225418
Corporate Office: 11-A Udyog Vihar, Greater Noida, Gautam Budh Nagar, Uttar Pradesh 201 308, India **Tel:** (+91) 120-4569300
Contact Person: Mr. Atul Sud, Company Secretary and Compliance Officer
E-mail: compliance@cremica.in; **Website:** www.cremica.in

OUR PROMOTER: MR. ANOOP BECTOR

INITIAL PUBLIC OFFERING OF 18,769,701¹ EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF MRS. BECTORS FOOD SPECIALITIES LIMITED ("OUR COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 288² PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 278 PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING TO ₹ 5,405.40 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 1,408,592³ EQUITY SHARES AGGREGATING TO ₹ 405.40 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 17,361,109⁴ EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING TO ₹ 5,000.00 MILLION, COMPRISING AN OFFER FOR SALE OF 8,506,944⁵ EQUITY SHARES AGGREGATING TO ₹ 2,450.00 MILLION BY LINUS PRIVATE LIMITED, 1,336,805⁶ EQUITY SHARES AGGREGATING TO ₹ 385.00 MILLION BY MABEL PRIVATE LIMITED, 6,458,333⁷ EQUITY SHARES AGGREGATING TO ₹ 1,860.00 MILLION BY GW CROWN PTE. LTD. AND 1,059,027⁸ EQUITY SHARES AGGREGATING TO ₹ 305.00 MILLION BY GW CONFECTIONARY PTE. LTD. (MABEL PRIVATE LIMITED, GW CROWN PTE. LTD., AND GW CONFECTIONARY PTE. LTD., TOGETHER REFERRED TO AS "GATEWAY SELLING SHAREHOLDERS", THE GATEWAY SELLING SHAREHOLDERS AND LINUS PRIVATE LIMITED, COLLECTIVELY REFERRED TO AS "SELLING SHAREHOLDERS" AND SUCH OFFER BY SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THIS OFFER INCLUDED A RESERVATION OF 18,315⁹ EQUITY SHARES AGGREGATING TO ₹ 5.00 MILLION (CONSTITUTING 0.03% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTED 31.95% AND 31.92%, RESPECTIVELY, OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, OFFERED A DISCOUNT OF ₹ 15.00 PER EQUITY SHARE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

****Subject to finalization of Basis of Allotment.**

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH AND THE OFFER PRICE IS 28.8 TIMES THE FACE VALUE OF EQUITY SHARES

The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). The Offer was made through the Book Building Process, in compliance with Regulation 6(1) of SEBI ICDR Regulations, wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"). Our Company and the Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"), of which one-third was reserved for the domestic Mutual Funds, subject to valid Bids having been received from the domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors ("Anchor Investor Allocation Price"). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids having been received at or above the Offer Price, and the remainder of the QIB Category was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors ("Non-Institutional Category") and not less than 35% of the Offer was made available for allocation to Retail Individual Investors ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received from them at or above the Offer Price. Further, Equity Shares were allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids having been received from them at or above the Offer Price. All Bidders (except Anchor Investors) mandatorily participated in this Offer only through the Application Supported by Blocked Amount ("ASBA") process, and provided details of their respective bank account (including UPI ID for Retail Individual Investors using UPI Mechanism) in which the Bid Amount was blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Bank. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see **"Offer Procedure"** on page 376.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 each and the Offer Price is 28.8 times of the face value of the Equity Shares, respectively. The Offer Price and the Price Band (as determined and justified by our Company and the Selling Shareholders in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in **"Basis for Offer Price"** on page 99) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to **"Risk Factors"** on page 22.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only statements and undertakings expressly made by such Selling Shareholder in this Prospectus solely in relation to itself and the Equity Shares being offered by it in the Offer for Sale and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to the Company or any other Selling Shareholders in this Prospectus.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to the letter dated November 13, 2020 and November 19, 2020, respectively. For the purposes of this Offer, NSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been and a signed copy of this Prospectus shall be filed with the Registrar of Companies, Chandigarh ("RoC") in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents made available for inspection from the date of the Red Herring Prospectus up to the Bid / Offer Closing Date, see **"Material Contracts and Documents for Inspection"** on page 403.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

 SBI Capital Markets Limited 202, Market Tower 'E' Cuffe Parade, Mumbai 400 005 Maharashtra, India Tel: (+91 22) 2217 8300 E-mail: mbfsl.ipo@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Mr. Janardhan Wagle / Mr. Aditya Deshpande SEBI Registration No.: INM000003531	 ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: (+91 22) 2288 2460 Email: cremica.ipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact person: Mr. Shekher Asnani / Mr. Anurag Byas SEBI Registration No.: INM000011179	 IIFL Securities Limited 10 th Floor, IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 Maharashtra, India Tel: (+91 22) 4646 4600 E-mail: cremica.ipo@iiflcap.com Investor Grievance E-Mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact person: Mr. Pinkesh Soni / Ms. Nishita Mody SEBI Registration No.: INM000010940	 Link Intime India Private Limited C-101, 1 st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India Tel: (+91 022) 4918 6200 E-mail: bector.ipo@linkintime.co.in Investor Grievance E-mail: bector.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058
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BID / OFFER PERIOD

BID / OFFER OPENED ON*	December 15, 2020	BID / OFFER CLOSED ON	December 17, 2020
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*The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date i.e. December 14, 2020.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Offer Procedure”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Government and Other Approvals”, will have the meaning ascribed to such terms in these respective sections.

Unless the context otherwise indicates, all references to “the Company”, “our Company”, and “Cremica” are references to Mrs. Bectors Food Specialities Limited, a public limited company incorporated in India under the Companies Act, 1956 with its Registered Office at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India. Furthermore, unless the context otherwise indicates, all references to the terms “we”, “us” and “our” are to subsidiaries (as defined below) and Associate (as defined below) on a consolidated basis.

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the SEBI ICDR Regulations, the SCRA, the Depositories Act, 1996, as amended (the “Depositories Act”) and the rules and regulations made thereunder, as applicable.

Company Related Terms

Term	Description
AoA / Articles of Association or Articles	The articles of association of our Company, as amended
Associate	CAFL being our associate company
Audit Committee	The audit committee of our Board, as described in “Our Management” on page 189
Auditors / Statutory Auditors	The statutory auditor of our Company, being BSR & Co. LLP, Chartered Accountants
Bengaluru Manufacturing Facility	Our manufacturing facility situated at Bengaluru, Karnataka
BFL	Bector Foods Limited
BFPL	Bakebest Foods Private Limited
Brand Separation MoU	Memorandum of understanding dated November 21, 2013 between the Company, Cremica Frozen Foods Limited, Mrs. Bector’s Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Mr. Dharamvir Bector, Mr. Ajay Bector and family, Mr. Akshay Bector and family and Mr. Anoop Bector and family
Board / Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
CAFL	Cremica Agro Foods Limited
CFL	Cremica Foods Limited
CFO	Mr. Parveen Kumar Goel
Chairman	Mr. Subhash Agarwal
Company Secretary and Compliance Officer	Mr. Atul Sud
Corporate Office	The corporate office of our Company located at 11-A Udyog Vihar, Greater Noida, Gautam Budh Nagar, Uttar Pradesh 201 308, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, as described in “Our Management” on page 189
Condiments Business	The <i>erstwhile</i> business of our Company which included manufacturing, producing, processing, buying, selling, importing and exporting all kinds of sauces, ketchups, chutneys, curries, curry paste fondants, vinegar, jams, icings, spreads, syrups pickles, relishes, mayonnaise, purees, Indian snacks, extruded snacks and honey
Condiments Undertaking	The <i>erstwhile</i> undertaking of our Company that was engaged in Condiments Business
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company having a face value of ₹10 each
ESOP	Stock options granted to employees by way of Grant 1, Grant 2, Grant 3 and Grant 4 in accordance with the ESOP Plan 2017
ESOP Plan 2017	Employee Stock Option Plan - 2017 of the Company
Gateway Partners	Collectively, GW Crown, GW Confectionary and Mabel (wherein Mabel became a part of Gateway Partners with effect from July 23, 2018)

Term		Description
Gateway Shareholders	Selling	Collectively, GW Crown, GW Confectionary and Mabel
Group Companies		In terms of SEBI ICDR Regulations, the term “group companies” includes companies (other than our Subsidiaries) with which there were related party transactions as disclosed in the Restated Consolidated Financial Information as covered under the applicable accounting standards, and any other companies as considered material by our Board, in terms of the Materiality Policy and as set forth in “ Group Companies ” on page 211
Independent Directors		The independent directors of our Company
Khopoli Manufacturing Facility		Our manufacturing facility situated at Khopoli, Maharashtra
KMP / Key Management Personnel		Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in “ Our Management ” on page 189
Linus		Linus Private Limited
Materiality Policy		The policy adopted by our Board on September 19, 2020 for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations
MoA / Memorandum of Association		The memorandum of association of our Company, as amended
MBCDPL		Mrs. Bector’s Cremica Dairies Private Limited
MBEOL		Mrs. Bector’s English Oven Limited
Greater Manufacturing Facility	Noida	Our manufacturing facility situated at Greater Noida, Uttar Pradesh
Nomination and Remuneration Committee		The nomination and remuneration committee of our Board, as described in “ Our Management ” on page 189
Non-executive Directors		The non-executive directors of our Company
Phillaur Manufacturing Facility		Our manufacturing facility situated at Phillaur, Punjab
Promoter		Mr. Anoop Bector
Promoter Group		The entities and persons constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as discussed in “ Promoter and Promoter Group ” on page 207
Rajpura Expansion Project		Proposed expansion of the Rajpura Manufacturing Facility by establishing a new production line for biscuits
Rajpura Manufacturing Facility		Our manufacturing facility situated at Rajpura, Punjab
Registered Office		The registered office of our Company located at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India
Restated Consolidated Financial Information		The restated consolidated financial information of our Company comprises of, the Restated Consolidated Balance Sheet as at September 30, 2020, September 30, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended March 31, 2020, March 31, 2019, March 31, 2018, for the period beginning April 1, 2020 to September 30, 2020 and for the period beginning April 1, 2019 to September 30, 2019, and the statement of significant accounting policies, and other explanatory information, which have been prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations and Guidance Note on Reports in Company Prospectuses, as included in “ Financial Statements ” on page 218
Risk Management Committee		The risk management committee of our Board, as described in “ Our Management ” on page 189
Scheme of Amalgamation and Arrangement		High court order dated July 4, 2014 sanctioning a scheme of amalgamation with effect from April 1, 2013 under Section 391 to 394 of the Companies Act, 1956 between Cremica Industries Limited, Mrs. Bector’s Cremica Enterprises Limited, Bector Foods Limited, Cremica Foods Limited, Cremica Milk Specialities Limited, our Company and Cremica Food Industries Limited
Selling Shareholders		Collectively, the Gateway Selling Shareholders and Linus
Series A Preference Shares		100,000 Series A optionally convertible redeemable preference shares of face value of ₹ 50 each converted into Equity Shares on September 30, 2010
Series B Preference Shares		260,000 Series B compulsorily convertible preference shares of face value of ₹ 50 each converted into Equity Shares on September 30, 2010
Shareholders		The holders of the Equity Shares from time to time
Stakeholders’ Relationship Committee		The stakeholders’ relationship committee of our Board, as described in “ Our Management ” on page 189

Term	Description
Subsidiaries	The subsidiaries of our Company as on the date of this Prospectus being BFPL and MBEOL
Tahliwal Manufacturing Facility	Our manufacturing facility situated at Tahliwal, Himachal Pradesh
Technopak Report	“Report on Indian Biscuit & Bakery Industry” dated October 16, 2020, prepared by Technopak

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotted / Allotment / Allot	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and / or the transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applied under the Anchor Investor Portion with a minimum Bid of ₹100.00 million in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Escrow Account / Escrow Account(s)	Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Anchor Investor Allocation Price	₹ 288 per Equity Share being the price at which allocation was done to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Allocation Price has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and this Prospectus
Anchor Investor Bidding Date	The date being one Working Day prior to the Bid / Offer Opening Date on which Bids by Anchor Investors were submitted prior to and after which the BRLMs did not accept any Bids from Anchor Investors and allocation to the Anchor Investors has been completed
Anchor Investor Offer Price	₹ 288 per Equity Share. The Anchor Investor Offer Price has been decided by our Company and the Selling Shareholders in consultation with the BRLMs
Anchor Investor Portion	60% of the QIB Category, consisting of 5,625,415* Equity Shares which were allocated by our Company and the Selling Shareholders, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation price *Subject to finalisation of the Basis of Allotment
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account and which includes application made by RIIs using UPI, where the Bid Amount was blocked upon acceptance of UPI Mandate Request by Retail Individual Investors
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which was blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which was blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bid	A Bid made by ASBA Bidder
ASBA Bidder(s)	Bidders (other than Anchor Investors) in the Offer who intend to submit their Bid through the ASBA process
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Banker to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s) and Public Offer Account Bank(s) and the Sponsor Bank
Basis of Allotment	The basis on which the Equity Shares were be Allotted to successful Bidders under the Offer, described in “Offer Procedure” on page 376
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price

Term	Description
	Band, including all revisions and modifications thereto, as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer However, Eligible Employees applying in the Employee Reservation Portion could apply at the Cut-off Price and the Bid amount was Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	The form in terms of which the Bidder was required to make a Bid and which was considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus, including ASBA Form
Bid Lot	50 Equity Shares in multiples of 50 shares thereafter
Bid / Offer Closing Date	Except in relation to Anchor Investors, December 17, 2020
Bid / Offer Opening Date	Except in relation to Anchor Investors, December 15, 2020
Bid / Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between December 15, 2020 and December 17, 2020, inclusive of both days
Bidder / Investor	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, and includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
Book Running Managers / BRLMs	Lead SBI Capital Markets Limited, ICICI Securities Limited and IIFL Securities Limited
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price could not be finalised and above which no Bids will be accepted, including any revisions thereof, in this case being ₹ 288 per Equity Shares
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR / CFD / POLICYCELL / 11 / 2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR / CFD / POLICYCELL / 11 / 2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Offer Price, finalised by our Company and the Selling Shareholders, in consultation with the BRLMs, in this case being ₹288. Only Retail Individual Investors and Eligible Employees under the Employee Reservation Portion were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidders' address, names of the Bidders' father / husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) submitted the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account and / or are unblocked, as applicable, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer

Term	Description
Designated Intermediaries	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Bid Amount were blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs NIIs, Eligible Employees, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs</p>
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) submitted the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the website of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	NSE
DP ID	Depository Participant's identity number
Draft Red Herring Prospectus / DRHP	The draft red herring prospectus dated October 19, 2020 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer
Eligible Employee(s)	<p>Permanent employees of our Company or of our Subsidiaries (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continued to be a permanent employee of our Company or any of our Subsidiaries until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; or</p> <p>Director of our Company, whether a whole-time Director or otherwise, not holding either himself / herself or through their relatives or through any body corporate, directly or indirectly, more than 10% of the outstanding Equity Shares (excluding our Promoter and members of Promoter Group and other Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continued to be a Director of our Company until submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹ 500,000.00. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion did not exceed ₹ 200,000.00.</p>
Eligible FPIs	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constituted an invitation to subscribe for the Equity Shares
Employee Discount	A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion.
Employee Reservation Portion	The portion of the Offer being 18,315* Equity Shares aggregating to ₹ 5.00 million which did not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis. A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion <i>*Subject to finalisation of Basis of Allotment</i>
Escrow and Sponsor Bank Agreement	Agreement dated December 8, 2020 entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Banker to the Offer for collection of the Bid Amounts and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Escrow Collection Bank(s) / Anchor Escrow Bank	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) has been opened, in this case being ICICI Bank Limited
First / Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bidders, whose name appears as the first holder of the beneficiary account held in joint names

Term	Description
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price has been finalised and below which no Bids were accepted and which was not be less than the face value of the Equity Shares, in this case being ₹ 286 per Equity Share
Fresh Issue	Fresh issue of 1,408,592* Equity Shares by our Company aggregating to ₹ 405.40 million issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and this Prospectus *Subject to finalisation of Basis of Allotment
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR / CFD / DIL / 12 / 2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR / CFD / POLICYCELL / 11 / 2015) dated November 10, 2015 and (SEBI / HO / CFD / DIL / CIR / P / 2016 / 26) dated January 21, 2016, (SEBI / HO / CFD / DIL2 / CIR / P / 2018 / 22) dated February 15, 2018, circular no. (SEBI / HO / CFD / DIL2 / CIR / P / 2019 / 50) dated April 3, 2019, the circular (SEBI / HO / CFD / DIL2 / CIR / P / 2019 / 76) dated June 28, 2019, circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2019 / 85 dated July 26, 2019 and circular no. SEBI / HO / MIRSD / CRADT / CIR / P / 2019 / 121 dated November 8, 2019, circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 notified by SEBI and included in “Offer Procedure” on page 376
GW Confectionary	GW Confectionary Pte. Ltd.
GW Crown	GW Crown Pte. Ltd.
IIFL	IIFL Securities Limited
ICICI Securities	ICICI Securities Limited
Mabel	Mabel Private Limited
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or 187,514* Equity Shares which was made available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids having been received at or above the Offer Price *Subject to finalisation of Basis of Allotment
Net Offer	The Offer less the Employee Reservation Portion
Non-Institutional Category	The portion of the Net Offer, being not less than 15% of the Net Offer or 2,812,708* Equity Shares, which was made available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids having been received at or above the Offer Price *Subject to finalisation of Basis of Allotment
Non-Institutional Investors / NIIs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000.00 (but not including NRIs other than Eligible NRIs)
Offer	The public issue of 18,769,701* Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 288 each, aggregating up to ₹ 5,405.40 million comprising the Fresh Issue and the Offer for Sale. The Offer comprises the Net Offer and Employee Reservation Portion *Subject to finalisation of Basis of Allotment
Offer Agreement	The agreement dated October 19, 2020 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer as amended by way of an amendment agreement dated December 8, 2020
Offer for Sale	The offer for sale of 17,361,109* Equity Shares aggregating up to ₹ 5,000.00 million by the Selling Shareholders comprising of: (i) 8,506,944* Equity Shares aggregating up to ₹ 2,450.00 million by Linus, (ii) 1,336,805* Equity Shares aggregating up to ₹ 385.00 million by Mabel, (iii) 6,458,333* Equity Shares aggregating up to ₹ 1,860.00 million by GW Crown, (iv) 1,059,027* Equity Shares aggregating up to ₹ 305.00 million by GW Confectionary, in terms of the Red Herring Prospectus and this Prospectus. *Subject to finalisation of Basis of Allotment
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), being ₹ 288 per Equity Share, as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholders, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date. A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion.
Offered Shares	Shall mean the Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale
Price Band	Price band ranging from Floor Price of ₹ 286 and a Cap Price of ₹ 288
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, finalised the Offer Price

Term	Description
Proceeds	The proceeds of the Fresh Issue. For further details, see “ <i>Objects of the Offer</i> ” on page 93
Prospectus	This Prospectus dated December 19, 2020 to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Sections 26 and 32 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Offer Price, <i>inter alia</i> , the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account(s) opened with the Banker to the Offer under Section 40(3) of the Companies Act, 2013 to receive monies from the Anchor Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank with which the Public offer Account has been opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being ICICI Bank Limited
QIB Category / QIB Portion	The portion of the Net Offer, being 50% of the Net Offer or 9,375,692* Equity Shares to be allocated to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and Selling Shareholders in consultation with the BRLMs), subject to valid Bids having been received at or above the Offer Price <i>*Subject to finalisation of Basis of Allotment</i>
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus dated December 8, 2020 issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which has been filed with the RoC at least three Working Days before the Bid / Offer Opening Date
Refund Account(s)	Account(s) opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The Banker to the Offer with whom the Refund Account(s) has been opened, in this case being ICICI Bank Limited
Registered Brokers	Stock brokers registered with the stock exchange having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated October 17, 2020, entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer, as amended by way of an amendment agreement dated December 8, 2020
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Net Offer, being not less than 35% of the Net Offer or 6,562,986* Equity Shares, available for allocation to Retail Individual Investors, which is not less than the minimum Bid lot <i>*Subject to finalisation of Basis of Allotment</i>
Retail Individual Investors / RIIs	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000.00 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during Bid / Offer period and withdraw their Bids until Bid / Offer Closing Date
SBICAP	SBI Capital Markets Limited
Self-Certified Banks or SCSBs	Syndicate (i) the banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time; (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, Link Intime India Private Limited
Share Escrow Agreement	Agreement dated December 7, 2020 entered into among the Selling Shareholders, our Company and a share escrow agent in connection with the transfer of the respective portion of the Offered Shares by each Selling Shareholder in the Offer for Sale portion of the Offer and credit of such Equity Shares to the demat account of the Allottees

Term	Description
Specified Locations	Bidding centres where the Syndicate could accept Bid cum Application Forms, a list of which was included in the Bid cum Application Form
Stock Exchanges	BSE and NSE
Syndicate Agreement	The agreement dated December 8, 2020, entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being SBICAP Securities Limited and Investec Capital Services (India) Private Limited. For details see “ General Information ” on page 64
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Companies	A non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹ 5,000.00 million as per its last audited financial statements
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The agreement dated December 19, 2020 entered into among our Company, the Selling Shareholders and the Underwriters, to be entered into on or after the Pricing Date
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	Unified Payments Interface Identification
UPI Mandate Request	A request (intimating the Retail Individual Investors, by way of a notification on the UPI application and by way of a SMS directing the Retail Individual Investors to such UPI application) to the Retail Individual Investors initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that was used by Retail Individual Investors to make Bids in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative Investment Funds
Air Act	Air (Prevention and Control of Pollution) Act, 1981
APEDA Act	Agricultural and Processed Food Products Export Development Authority Act, 1985
APMC Act	Agricultural Produce Market Committee Act, 2003
Bn/bn	Billion
BRC	British Retail Consortium
BSE	BSE Limited
CARICOM	Caribbean Community
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number

Term	Description
Companies Act, 2013/Companies Act	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Consolidated FDI Policy	The extant consolidated FDI Policy, effective from August 28, 2017, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	Consumer Protection Act, 1986
Copyright Act	Copyright Act, 1957
CY	Calendar year
DDT	Dividend Distribution Tax
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Designs Act	The Designs Act, 2000
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (<i>formerly Department of Industrial Policy and Promotion</i>), GoI
DP ID	Depository Participant's identity number
EGM	Extra-ordinary general meeting
Electricity Act	Electricity Act, 2003
EP Act	Environment Protection Act, 1986
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
Essential Commodities Act	Essential Commodities Act, 1955
ESI Act	Employees' State Insurance Act, 1948
Euro/EUR	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
Factories Act	The Factories Act, 1948
FDI	Foreign direct investment
Federal Food Drug and Cosmetic Act	Federal Food Drug and Cosmetic Act, 1938
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal/fiscal year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FSS Act	The Food Safety and Standards Act, 2006
FSSAI	Food Safety and Standards Authority of India
FSSC	Food Safety System Certification
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GST	Goods and services tax
HR	Human Resource
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India, New Delhi
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IMF	International Monetary Fund
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies Act 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Ind AS 24	Indian Accounting Standard 24 issued by the ICAI
IT Act	Information Technology Act, 2002
ITC	ITC Limited
Legal Metrology Act	Legal Metrology Act, 2009
MAT	Minimum alternate tax
MCA	The Ministry of Corporate Affairs, Government of India

Term	Description
MICR	Magnetic Ink Character Recognition
Minimum Wages Act	The Minimum Wages Act, 1948
Mn	Million
MSEIL	Metropolitan Stock Exchange of India Limited
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value
NPD	New Product Development
NR/Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRE accounts	Non-Resident External accounts
NRI	Non-Resident Indian
NRO accounts	Non-Resident Ordinary accounts
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
ODI	Overseas Direct Investment
OTCEI	OTC Exchange of India
P/E Ratio / P/E	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Patent Act	The Patent Act, 1970
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC or Registrar of Companies	The Registrar of Companies, Chandigarh
RoNW	Return on Net Worth
SAP	Systems Applications and Products
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	The Securities and Exchange Board of India established under section 3 of the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI 2016 Circular	Circular dated October 10, 2016 bearing no. SEBI/HO/MRD/DSA/CIR/P/2016/110, issued by the SEBI
SEBI 2017 Circular	Circular dated August 1, 2017 bearing no. SEBI/HO/MRD/DSA/CIR/P/2017/92, issued by the SEBI
SMETA	Sedex Members Ethical Trade Audit
STT	Securities Transaction Tax
S&E Acts	Shops and Establishment Acts of various states in India
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	The Trademarks Act, 1999
U.S Securities Act	United States Securities Act of 1933, as amended
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Water Act	Water (Prevention and Control of Pollution) Act, 1974

Industry Related Terms

Term	Description
Anmol	Anmol Industries Limited
Britannia	Britannia Industries Limited

Term	Description
CAGR	Compound Annual Growth Rate
CDIT	Consumer Durables and Information Technology
CSD	Canteen Stores Department of Government of India
DFIA Scheme	Duty Free Import Authorisation scheme
EBITDA	Earning before interest, taxes, depreciation and amortisation excluding other income
EBITDA%	EBITDA/revenue from operations
EPCG	Export Promotion Capital Goods
FMCG	Fast Moving Consumer Goods
F&G	Food and Grocery
GDP	Gross Domestic Product
GT	General Trade
Harvest Gold	Harvest Gold Private Limited
HRD	Human Resource Development
ICFNR	The Indian Council for Fertilizer and Nutrient Research
IMF	International Monetary Fund
kg	Kilogram
KWP	Kilowatt Peak
MEIS	Merchandise Exports from India scheme
Modern	Modern Foods Industries Limited
Mondelez	Mondelez India Foods Private Limited
MT	Metric Tonne
mtpa	Metric Tonnes Per Annum
Net Asset Value	Net Asset Value per Equity Share represents the net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.
Net Worth	Net Worth = Equity Share Capital + Other Equity (including Securities Premium and Surplus/(Deficit))
NG	Non-glucose
Parle	Parle Products Private Limited
PFCE	Private Final Consumption Expenditure
PPP	Purchasing Power Parity
QSR	Quick Service Restaurants
SKU	Stock Keeping Unit
SoR	Share of Requirement
Technopak	Technopak Advisors Private Limited
UK	United Kingdom

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

Financial Data

Unless indicated otherwise, the financial information in this Prospectus is derived from our Restated Consolidated Financial Information. Certain additional financial information pertaining to our Group Companies are derived from their respective financial statements. The Restated Consolidated Financial Information included in this Prospectus as at the Restated Consolidated Balance Sheet as at September 30, 2020, September 30, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended March 31, 2020, March 31, 2019, March 31, 2018, for the period beginning April 1, 2020 to September 30, 2020 and for the period beginning April 1, 2019 to September 30, 2019, and the statement of significant accounting policies, and other explanatory information, as prescribed under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act the SEBI ICDR Regulations, and the guidance notes issued by ICAI. For further information see, “*Financial Statements*” on page 218.

Unless the context otherwise requires, any financial data, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 22, 149 and 305, respectively and elsewhere in this Prospectus have been calculated on the basis of our Restated Consolidated Financial Information unless otherwise stated.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in their respective sources.

Non-Indian GAAP Financial Measures

We use a variety of financial and operational performance indicators to measure and analyse our operational performance from period to period, and to manage our business. Our management also uses other information that may not be entirely financial in nature, including statistical and other comparative information commonly used within the Indian financial services industry to evaluate our financial and operating performance. The key financial and operational performance indicators and ratios are defined along with a brief explanation in the section, “*Supplementary Financial Information*” on page 216.

These financial and operational performance indicators have limitations as analytical tools. As a result, these financial and operational performance indicators should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in its financial statements.

Further, these financial and operational performance indicators are not defined under Ind AS, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance or profitability measures under Ind AS, IFRS

or U.S. GAAP. While these financial and operational performance indicators may be used by other financial institutions operating in the Indian financial services industry, other financial institutions may use different financial or performance indicators or calculate these ratios differently, and similarly titled measures published by them may therefore not be comparable to those used by us.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been derived from an industry report titled “*Report on Indian Biscuit & Bakery Industry*”(the “**Technopak Report**”) prepared and issued by Technopak Advisors Private Limited which has been commissioned by us. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the BRLMs, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Prospectus is meaningful depends upon the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors - This Prospectus contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information*” on page 47. Accordingly, investment decision should not be based solely on such information.

We have commissioned the Technopak Report for the purpose of confirming our understanding of the industry in connection with the Offer. Further, in this regard, Technopak has issued the following disclaimer:

“This information package is distributed by Technopak Advisors Private Limited (hereinafter “Technopak”) on a strictly private and confidential and on ‘need to know’ basis exclusively to the intended recipient. This information package and the information and projections contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other person(s), except in accordance with a consent granted by Technopak. The person(s) who is/are in possession of this information package or may come in possession at a later day hereby undertake(s) to observe the restrictions contained herein.

The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation. This information package is distributed by Technopak upon the express understanding that no information herein contained has been independently verified. Further, no representation or warranty (expressed or implied) is made nor is any responsibility of any kind accepted with respect to the completeness or accuracy of any information as maybe contained herein. Also, no representation or warranty (expressed or implied) is made that such information remains unchanged in any respect as of any date or dates after those stated here in with respect to any matter concerning any statement made in this Information package. Technopak and its directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or of any omissions from the information package and any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this information package and/or further communication in relation to this information package.

All recipients of the information package should make their own independent evaluations and should conduct their own investigation and analysis and should check the accuracy, reliability and completeness of the information and obtain independent and specified advice from appropriate professional adviser, as they deem necessary”

Currency and Units of Presentation

All references to “**Rupees**” or “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India. All references to “**US\$**”, “**U.S. Dollar**”, “**USD**” or “**U.S. Dollars**” are to United States Dollars, the official currency of the United States.

In this Prospectus, our Company has presented certain numerical information in millions. One million represents ‘10 lakhs’ or 1,000,000. Further, one billion represents ‘1,000 million’ or ‘1,000,000,000’. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Prospectus contains conversions of U.S. Dollars and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Prospectus into Indian Rupees are provided below.

Currency	Exchange rate as on September 30, 2020	Exchange rate as on March 31, 2020	Exchange rate as on March 31, 2019 ⁽²⁾	Exchange rate as on March 31, 2018 ⁽¹⁾
1 USD	73.80	75.39	69.17	65.04
1 EURO	86.57	83.05	77.70	80.62

Source: www.rbi.org.in and www.fbil.org.in

(1) Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and bank holidays, respectively.

(2) Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 30, 2019, March 31, 2019 being a Saturday and Sunday, respectively.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*project*”, “*propose*”, “*will*”, “*will continue*”, “*seek to*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward looking statements.

All statements contained in this Prospectus that are not statements of historical fact constitute ‘forward looking statements’. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our business and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:

- the continuing effect of the COVID-19 pandemic on our business and operations;
- inability to anticipate, respond and meet the tastes, preferences or consistent quality requirements of our consumer or accurately predict and successfully adapt to changes of market demand;
- restriction on use of brand name and negative publicity of the products;
- violations of certain listing requirements by one of our Group Companies and disciplinary actions against our Promoter and one of the Non-Executive Director;
- incurring additional debt in the future, exposing us to interest rate fluctuations, and restrict our operational flexibility in certain ways;
- loss incurred/to be incurred by one of our Group Companies;
- differences between our Promoter, Mr. Anoop Bector and some of his disassociated relatives, which may result in a legal dispute
- inability to meet the obligations under certain export promotion schemes;
- non-compliances with certain legislations;
- experiencing negative cash flow in future;
- inability to maintain the competitive position;

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 22, 149 and 305, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future results and gains or losses could materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statements based on them could prove to be inaccurate.

Neither our Company, the Selling Shareholders, nor the Syndicate, or any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with regulatory requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments from the date of this Prospectus until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, each Selling Shareholder, shall severally and not jointly, ensure that the investors in India are informed of material developments in relation to statements and undertakings specifically confirmed or undertaken by such Selling Shareholder with respect to itself and its respective portion of the Offered Shares in this Prospectus until the time of the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders, as the case may be, in Prospectus shall, severally and not jointly, deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Promoter and Promoter Group*”, “*Financial Statements*” “*Objects of the Offer*”, “*Our Business*”, “*Offer Procedure*” and “*Main Provisions of Articles of Association*” on pages 22, 107, 346, 207, 218, 93, 149, 376 and 394, respectively.

Summary of Business

We are one of the leading companies in the premium and mid-premium biscuits segment and the premium bakery segment in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers and digestives under our flagship brand ‘*Mrs. Bector’s Cremica*’. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, pizza bases and cakes under our brand ‘*English Oven*’.

For further details, see “*Our Business*” on page 149.

Summary of Industry

The Indian biscuits and bakery retail market is valued at ₹ 450.00 billion and is expected to grow at a CAGR of approximately 9% over the next five years. Biscuits and other snacking bakery products such as rusks, wafers and tea cakes contribute almost ₹ 400.00 billion or 89% to the total market share. The balance 11% is contributed by breads including loaves, buns, pizza bases which together account for ₹ 50.00 billion. Biscuit industry is characterised by few large players, regional brands as well as small scale industries. In the unbranded sector, over 30,000 small, very small and tiny units spread all over the country. The biscuit industry was also reserved for small-scale earlier but it was de-reserved in 1997-98. In the unbranded bread sector, there are about 75,000 bread manufacturers spread all over including some of those operating even residential premises.

For further details, see “*Industry Overview*” on page 107.

Promoter

Our Promoter is Mr. Anoop Bector.

Offer Size

Offer	18,769,701* Equity Shares, aggregating up to ₹ 5,405.40 million
of which	
Fresh Issue ⁽¹⁾	1,408,592* Equity Shares, aggregating up to ₹ 405.40 million
Offer for Sale ⁽²⁾⁽³⁾	Up to 17,361,109* Equity Shares aggregating up to ₹ 5,000.00 million by the Selling Shareholders (comprising of: (i) up to 8,506,944* Equity Shares aggregating up to ₹ 2,450.00 million by Linus, (ii) up to 1,336,805* Equity Shares aggregating up to ₹ 385.00 million by Mabel, (iii) up to 6,458,333* Equity Shares aggregating up to ₹ 1,860.00 million by GW Crown, (iv) up to 1,059,027* Equity Shares aggregating up to ₹ 305.00 million by GW Confectionary)

*Subject to finalization of the Basis of Allotment

⁽¹⁾ The Offer has been authorised by our Board pursuant to its resolution dated August 14, 2020 and authorised by our Shareholders pursuant to their resolution dated October 16, 2020.

⁽²⁾ For details on authorisation of the Selling Shareholders in relation to their respective portion of their Offered Shares, see “*The Offer*” and “*Other Regulatory and Statutory Disclosures*” on pages 55 and 355.

⁽³⁾ The respective portion of the Offered Shares being offered by the Selling Shareholders have been held by them for a period of at least one year immediately preceding the date of filing of the Red Herring Prospectus with SEBI, in terms of the SEBI ICDR Regulations.

The Offer constitutes 31.95 % (subject to finalisation of the Basis of Allotment) of the post-Offer paid up equity share capital of our Company.

Objects of the Offer

The Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (₹ in million)
Financing the project cost towards Rajpura Expansion Project	405.40

Pre-Offer shareholding of our Promoter, the Promoter Group and the Selling Shareholders

The equity shareholding of our Promoter, the Promoter Group and the Selling Shareholders as on the date of this Prospectus and the percentage of pre-Offer equity share capital is set forth below:

S. No.	Category of Shareholder	Pre-Offer Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer equity share capital (%)
<i>Promoter</i>			
1.	Mr. Anoop Bector	12,550,800	21.89
<i>Promoter Group</i>			
1.	Ms. Rashmi Bector	100	0.00
2.	Mr. Ishaan Bector	100	0.00
3.	Mr. Suvir Bector	100	0.00
4.	Anoop Bector HUF	2,005,970	3.50
5.	AB Family Trust	5,955,462	10.39
6.	IB Family Trust	4,763,111	8.31
7.	SB Family Trust	4,763,111	8.31
	Total (A)	30,038,754	52.40
<i>Selling Shareholders</i>			
1.	Linus	13,120,790	22.88
2.	Mabel	1,380,150	2.41
3.	GW Crown	11,170,496	19.48
4.	GW Confectionary	1,099,540	1.92
	Total (B)	26,770,976	46.69
	Total (A+B)	56,809,730	99.09

Summary of Restated Consolidated Financial Information

Particulars	(₹ in million)				
	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	Financial Year ended 2020	Financial Year ended 2019	Financial Year ended 2018
Equity Share capital	572.68	572.68	572.68	572.68	572.68
Other equity	3,005.04	2,471.38	2,620.31	2,374.84	2,093.46
Net worth	3,577.72	3,044.06	3,172.99	2,947.52	2,666.14
Revenue from operations	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
Profit after tax	388.83	101.74	304.03	331.50	358.93
Basic earnings per equity share (in ₹)	6.79	1.78	5.31	5.79	6.27
Net asset value per equity share (in ₹)	62.47	53.15	55.76	51.47	46.56
Total borrowings (excluding interest accrued)	1,223.83	1,466.20	1,311.65	1,602.36	1,331.02

Qualifications of the Auditors which have not been given effect to in the Restated Consolidated Financial Information

Our Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoter, our Directors and our Subsidiaries as on the date of this Prospectus is provided below:

Name of Entity*	Criminal proceedings	Tax proceedings (including property tax)	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved (₹ in million)**
Company						
By the Company	33	Nil	Nil	N.A.	Nil	11.21
Against the Company	2 [#]	20 ^{##}	7	N.A.	1	73.26
Directors						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	1 [#]	1 [^]	Nil	N.A.	Nil	18.65
Promoter[^]						
By our Promoter	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Promoter	1 [#]	1 [^]	Nil	1	Nil	18.65
Subsidiaries						
By our Subsidiaries	Nil	1	Nil	N.A.	Nil	0.88
Against our Subsidiaries	Nil	Nil	Nil	N.A.	Nil	Nil
Total	37[^]	23[^]	7	1	1	104.00[^]

* There is no pending litigation involving our Group Companies which will have a material impact on our Company.

**To the extent quantifiable.

[#] Our Promoter who is also our Managing Director has been named as a party to the same criminal proceeding against the Company.

^{##} The cases related to entry tax of different years with Government of Punjab have been counted as single case.

[^] All the cases involving our Directors are against our Promoter and Managing Director Mr. Anoop Bector.

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 346.

Risk factors

For further details, see “*Risk Factors*” on page 22.

Summary of contingent liabilities of our Company

The following is a summary table of our contingent liabilities as of September 30, 2020:

(₹ in million)

Particulars of contingent liabilities	As of September 30, 2020
a) Claims against the Group not acknowledged as debts	
(i) Income tax related matters	31.03
(ii) Sales tax related matters	3.89
(iii) Civil matters	9.10
b) In respect of bank guarantees	0.41
c) In respect of bonus	10.48
d) Others	71.78

For further details, see “*Financial Statements*” on page 218.

Summary of Related Party Transactions

(₹ in million)

Nature of transaction	Particulars of Related parties with whom transactions have taken place	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	Financial Years		
				2020	2019	2018
Transactions:						
Purchase of goods	Bakebest Foods Private Limited	0.03	0.02	0.23	0.04	6.72
Sale of goods	Bakebest Foods Private Limited	0.07	-	0.27	0.15	0.02
Purchase of property, plant and equipment	Bakebest Foods Private Limited	-	-	0.72	-	-

Nature of transaction	Particulars Related parties with whom transactions have taken place	For the period	For the period	Financial Years		
		between April 1, 2020 to September 30, 2020	between April 1, 2019 to September 30, 2019	2020	2019	2018
Transactions:						
Sale of property, plant and equipment	Bakebest Foods Private Limited	-	-	-	0.07	-
Employee stock option exercised	Parveen Kumar Goel	-	-	-	0.02	-
Unsecured loan taken from	Anoop Bector	-	15.00	30.00	16.19	30.70
Unsecured loan taken from	Ishaan Bector	-	0.50	2.50	-	-
Unsecured loan repaid to	Anoop Bector	14.02	19.11	37.98	14.08	27.73
Unsecured loan repaid to	Ishaan Bector	1.39	0.75	1.42	6.30	12.13
Unsecured loan repaid to	Dharamvir Bector	-	-	-	-	0.36
Unsecured loan repaid to	Rajni Bector	0.03	0.13	0.16	0.77	1.63
Other income from	Bakebest Foods Private Limited	-	-	-	-	0.16
Finance cost on loan taken	Anoop Bector	0.25	0.57	1.09	0.90	0.49
Finance cost on loan taken	Ishaan Bector	0.02	0.01	0.03	0.25	0.82
Finance cost on loan taken	Dharamvir Bector	-	-	-	-	0.03
Finance cost on loan taken	Rajni Bector	0.00*	0.00*	0.00*	0.04	0.07
Rent paid	Anoop Bector	2.31	2.31	4.62	4.62	4.20
Rent paid	Dharamvir Bector	-	-	-	-	0.09
Rent paid	Anoop Bector HUF	1.50	1.50	3.00	3.00	3.00
Rent paid	Bakebest Foods Private Limited	0.03	0.03	0.06	0.06	0.06
Rent received	Bakebest Foods Private Limited	0.03	0.03	0.06	0.06	0.06
Rent received	Mrs. Bectors English Oven Limited	0.01	0.01	0.07	0.07	0.07
Rent received	Creteca Agro Foods Limited	0.03	0.03	0.06	0.06	0.01
Rent received	Mrs. Bectors Creteca Dairies Private Limited	0.05	0.06	0.12	-	-
Contribution to provident and other funds	Rashmi Bector	0.44	0.57	1.13	1.13	0.73
Contribution to provident and other funds	Neha Bector	0.28	0.28	0.55	0.49	0.42
Contribution to provident and other funds	Suvir Bector	0.49	0.35	0.70	0.06	-
Interim dividend paid	Anoop Bector	-	-	17.14	17.14	17.14
Interim dividend paid	Anoop Bector HUF	-	-	1.50	1.50	1.50
Interim dividend paid	Ishaan Bector	-	-	1.79	1.79	1.79
Interim dividend paid	Rashmi Bector	-	-	0.91	0.91	0.91
Interim dividend paid	Suvir Bector	-	-	1.19	1.19	1.19
Dividend received	Bakebest Foods Private Limited	-	-	45.38	54.45	18.15
Consultancy charges paid	Subhash Agarwal	-	0.10	0.51	0.62	0.61
Consultancy charges paid	Rajni Bector	1.50	-	-	-	-

Nature of transaction	Particulars Related parties with whom transactions have taken place	For the period	For the period	Financial Years		
		between April 1, 2020 to September 30, 2020	between April 1, 2019 to September 30, 2019	2020	2019	2018
Transactions:						
Salary paid	Rashmi Bector	3.90	5.10	10.20	10.20	6.54
Salary paid	Rajni Bector	0.30	1.80	3.60	3.60	2.52
Salary paid	Neha Bector	2.40	2.40	4.80	4.20	3.60
Salary paid	Suvir Bector	4.20	3.00	6.00	1.24	-

* Note: The absolute amounts for the purpose of reporting are rounded up to ₹ 0.00 million.

For further details of the related party transactions and as reported in the Restated Consolidated Financial Information, see “**Financial Information**” on page 218.

Financing arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and the Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoter and each of the Selling Shareholders in the one year preceding the date of this Prospectus

No Equity Shares were acquired by our Promoter and the Selling Shareholders, within one year preceding the date of this Prospectus.

Average cost of acquisition of Equity Shares of our Promoter and each of the Selling Shareholders

The average cost of acquisition per Equity Share by our Promoter and each of the Selling Shareholders as on the date of this Prospectus is:

Name	No. of Equity Shares held	Average cost of acquisition per equity share (in ₹)*
Promoter		
Mr. Anoop Bector	12,550,800	6.46
Selling Shareholders		
Linus	13,120,790	174.89
Mabel	1,380,150	175.46
GW Crown	11,170,496	175.46
GW Confectionary	1,099,540	175.46

*As certified by SCV & Co. LLP, Chartered Accountants, by way of their certificate dated December 8, 2020.

Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.

Split/Consolidation of equity shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. The risks described below are not only relevant to us or the Equity Shares, but also to the industry in which we operate or to India and other jurisdictions that we may operate in. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, financial condition, results of operations and prospects. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all risk factors that may arise in connection with our business or any decisions to purchase own or dispose of Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. To obtain a complete understanding of our Company, Bidders should read this section in conjunction with the sections “**Our Business**”, “**Industry Overview**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 149, 107 and 305, respectively, as well as other financial and statistical information contained in this Prospectus. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, financial condition, results of operations and prospects could be adversely affected, the trading price of the Equity Shares could decline, and Bidders may lose all or part of the value of their investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Unless otherwise stated, the financial information used in this section is derived from our Restated Consolidated Financial Information.*

*This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could materially differ from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For further details, see “**Forward Looking Statements**” on page 15.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

Risks Relating to our Business

1. ***The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

In late calendar 2019, COVID-19, commonly known as “novel coronavirus” was first reported in Wuhan, China. Since then, the virus has progressively spread globally. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a global pandemic on March 11, 2020.

In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional. Tahliwal Manufacturing Facility, Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Khopoli Manufacturing Facility were shut down for a period of around 3-6 days i.e., from March 23, 2020 to March 30, 2020 and given that we are engaged in manufacturing of biscuits and bakery products which are fast moving consumer products, and are all categorised as ‘essential goods’, our operations resumed thereafter after making adequate arrangements to meet the government’s requirement on sanitisation, and social distancing. Despite various restrictions being applicable during the nation-wide lockdown, we believe there was no material impact on our procurement of raw materials and distributions of our products to our customers. We typically maintain an inventory of raw materials for a period of 15-20 days due to which we have not faced any disruption in our manufacturing process during this period. Further, while our business operations and sales to retail customers were not impacted, the sales of our products to our QSR customers, CSDs and Indian Railway canteens and stores were significantly impacted due to COVID-19 pandemic. While the sales of our

products to the QSR customers and CSDs have improved, we cannot assure you that the position will continue to remain the same or the operations of the QSRs will substantially improve in near future and sales of our products to our QSR customers, CSDs and Indian Railway canteens and stores will revert to the pre-COVID-19 level soon.

Due to the rising number of infected cases of COVID-19 in India, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we will not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

Further, our ability to ensure the safety of our workforce and continuity of operations while conforming to measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. While we have obtained a group mediclaim policy for our staff, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and temporarily shut down a part of, or the entire manufacturing facility or our offices and branches, as necessary. Though, we have not had such an incident yet, we may be subject to such an event in the future and risks arising on account of employees affected by COVID-19 can also threaten the safe operation of our facilities, offices, loss of life, injuries and impact the well-being of our employees. Further, in light of the uncertain and rapidly evolving situation relating to the spread of COVID-19, we have taken precautionary measures intended to minimise the risk of the virus to our employees, our distributors and our customers, including virtualising our meetings to the extent possible, postponing, or canceling industry events, which may negatively impact our business.

As a result of COVID-19, in order to prevent the shortage of raw materials, we have maintained additional raw materials for our production, however, continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our consumers in a timely manner or at all, which could negatively affect our business, results of operations and financial condition.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

As on the date of this Prospectus, while we believe that our business operations have not been significantly impacted by COVID-19, there is significant uncertainty on the impact of COVID-19 on global and Indian economy and we may not be able to accurately predict its near term or long term impact on our business. To the extent that COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “**Risk Factors**” section.

2. ***Our inability to anticipate, respond to and meet the tastes, preferences or consistent quality requirements of our consumers or our inability to accurately predict and successfully adapt to changes in market demand or consumer preference could reduce demand for our products, affect our brand loyalty and impact our sales.***

Our results of operations and future growth plans, are largely dependent upon the demand for our biscuits and bakery products in the Indian and overseas markets. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences, food consumption trends, the level of consumer confidence as well as on macroeconomic factors such as the condition of the economy.

Over a period of time, there have been significant changes in consumers’ preferences on biscuits and bakery products in Indian as well as overseas market. There has been a shift towards healthier dietary options in recent times, particularly in the metropolitan and tier-I cities in which we have significant operations. With the increasing awareness of healthy diet practices and various medical conditions associated with such food products, consumers globally have started preferring low calorie products. Further, consumers’ view on nutritional profile of gluten free products, may lead to a significant shift from high consumption of our

products. Our success depends, on our ability to anticipate the tastes and dietary habits of our consumers and to offer affordable products that appeal to their needs and preferences in a timely manner.

We are also subject to the preferences of consumers in various countries or regions where our consumers are located, including in relation to the quantity, quality, characteristics and variety of our products. The quality and characteristics of our products are also subject to government policies of various countries where our products are sold, and such government policies may change from time to time. Consumer tastes and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer tastes and preferences, demand for our products may decline and we may also have to incur additional operating expenses. We must, on a regular basis, keep pace with the preferences and quality requirements of our Indian and international consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand may adversely affect our liquidity and financial condition.

3. ***We could be adversely affected due to restriction on use of our brand name and any negative publicity of our products.***

We manufacture and supply biscuits and premium bakery products and our products are sold under our well-recognised brands, 'Mrs. Bector's Cremica' and 'English Oven'. We also have a considerable presence in the export market covering 64 countries across six continents during the Financial Year ended March 31, 2020.

Pursuant to a memorandum of understanding dated November 21, 2013 ("**Brand Separation MoU**") amongst our Company, Cremica Frozen Foods Limited, Mrs. Bector's Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Mr. Ajay Bector and certain members of his family, Mr. Akshay Bector and certain members of his family, and our Promoter and certain members of his family, our Company is subject to a restriction on our right to use the brand name 'Mrs. Bector's Cremica' for our biscuits business only. Further, pursuant to a composite scheme of amalgamation and arrangement entered into between our Company, erstwhile Cremica Industries Limited, erstwhile Cremica Milk Specialities Limited, Mrs. Bectors Cremica Enterprises Limited, erstwhile Bector Foods Limited, erstwhile Cremica Foods Limited and Cremica Food Industries Limited, approved by an order of the High Court of Punjab and Haryana dated July 4, 2014 ("**Scheme of Amalgamation and Arrangement**"): (i) the breads business of Cremica Industries Limited was demerged (on a going concern basis) into Mrs. Bectors Cremica Enterprises Limited which is managed by Mr. Ajay Bector; (ii) Cremica Industries Limited (after the demerger of its breads business), Bector Foods Limited, Cremica Foods Limited and Cremica Milk Specialities Limited, merged with our Company, with effect from April 1, 2013, which is managed by our Promoter; and (iii) the Condiments Undertaking was demerged (on a going concern basis) into Cremica Foods Industries Limited which is managed by Mr. Akshay Bector. Therefore, in the future, if we may enter into new businesses such as condiments business, we shall not be able to sell such products under our brand name 'Mrs. Bector's Cremica'. As we do not have any right to use the brand for the purposes of marketing any other products that we may foray into in the future, it may require us to invest considerably in establishing our new brands which may not be accepted by our consumers and therefore, may adversely affect our business, financial condition and results of operations. Further, we could not use the brand name 'Mrs. Bector's Cremica' for sale of our breads to retail customers, and therefore, we developed and sold our breads and bakery products to retail customers under the brand 'English Oven'. While 'English Oven' as a brand has now established its presence in the premium bakery segment in Delhi (NCR), Mumbai and Bengaluru according to the Technopak Report, we cannot assure that we will be able to further strengthen and expand our 'English Oven' brand for our bakery business to retail customers.

Additionally, we may not be able to control any negative publicity on our products due to any negative publicity on other 'Cremica' products that do not form part of our product portfolio, pursuant to the Scheme of Amalgamation and Arrangement and the Brand Separation MoU. For details, see "**History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.**" and "**Promoter and Promoter Group – Change in the management and control of our Company**" on page 185 and 207, respectively.

4. ***In the past, one of our Group Companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange, OTC Exchange of India ("OTCEI") and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past.***

One of our Group Companies, CAFL was earlier listed on the OTCEI. During such period, CAFL received notices with respect to certain non-compliances such as non-submission of annual reports of CAFL for a period of five years, non-submission of details of its annual general meetings, its board meetings, shareholding patterns for various periods, non-submission of secretarial audit reports for certain periods and, non-appointment of a compliance officer etc. CAFL, by way of its application dated January 20, 2013 filed on February 12, 2013, sought for compounding of such offences. Further, SEBI had derecognised OTCEI by way of its order dated March 31, 2015 and accordingly, CAFL, a company listed on the OTCEI, was identified as an exclusively listed company of a de-recognised stock exchange and was placed on the dissemination board pursuant to the SEBI circular dated October 10, 2016 (“**SEBI 2016 Circular**”). Pursuant to being placed on the dissemination board, a notice dated March 28, 2018 and letter dated April 9, 2018 were issued by BSE which alleged CAFL had failed to submit its plan of action under SEBI 2016 Circular which required CAFL to either provide an exit option to its public shareholders or indication to meet the listing requirements within the prescribed timelines in compliance with the SEBI 2016 Circular to the BSE. Accordingly, certain actions were initiated against CAFL as well as the directors and promoters of CAFL which included our Promoter, Mr. Anoop Bector and one of our non-executive directors i.e., Ms. Rajni Bector. CAFL by way of its letters dated February 8, 2017 and April 4, 2018, intimated to BSE about the intention of listing its shares with the Metropolitan Stock Exchange of India Limited (“**MSEIL**”). Therefore, on July 16, 2018, on listing of securities of CAFL and admission for trading on the MSEIL, CAFL complied with the requirements of the SEBI 2016 Circular, subsequent to which, the name of CAFL was removed from the dissemination board by BSE as communicated by BSE pursuant to its letter dated July 20, 2018 (ref no. DCS/DB/VK/REMOV/657/2018-19).

We cannot assure that, in the future, no legal proceedings or regulatory action will be initiated against our Company, our Promoter or CAFL in this regard, which may have an adverse impact on our business, financial condition and reputation. We cannot assure that we will not be subject to any penalty or liabilities with respect to such non-compliances in the future.

5. ***We have incurred indebtedness and may incur additional debt in the future, which may expose us to interest rate fluctuations, and restrict our operational flexibility in certain ways.***

The biscuits and bakery products industry is inherently capital intensive and requires significant expenditure. Our ability to borrow, the terms of our borrowings and our cost of borrowing depend on various factors, including our results of operations, financial condition, general market conditions for biscuits and bakery products companies, economic and political conditions in the geographies where we operate, and our capacity to service debt.

As on October 31, 2020, our outstanding indebtedness was ₹ 1,271.69 million.

Our indebtedness could have several consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our free cash flows to fund working capital, capital expenditures, acquisitions and other requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;
- there could be an adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Given the nature of our business, we may continue to incur indebtedness even after the completion of the Offer, and we cannot assure you that the aforementioned risks will not have an adverse effect on our business, financial condition and results of operations.

6. ***One of our Group Companies, CAFL, has incurred losses in the Financial Year 2018 and may incur losses in the future.***

One of our Group Companies, CAFL, has incurred losses in Financial Year 2018, the details of which are as follows:

<i>(In ₹ million)</i>			
Particulars	Financial Year 2020	Financial Year 2019	Financial Year 2018
Profit/(Loss) After Tax	0.86	1.57	(16.87)

Any such losses that CAFL may incur in the future, may adversely affect our results of operations and financial condition.

7. ***We currently avail benefits under certain export promotion schemes. Any failure in meeting the obligations under such schemes, may result in adversely affecting our business operations and our financial condition.***

We currently avail benefits under certain export promotion schemes, including Duty Free Import Authorisation scheme (“**DFIA Scheme**”), Merchandise Exports from India scheme (“**MEIS**”) and Export Promotion Capital Goods (“**EPCG**”) license. As per the licensing requirement under the said schemes, we are bound by certain export obligations which require us to export goods of a defined amount, failing which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the said schemes along with interest. As of September 30, 2020 and March 31, 2020 our pending obligations against EPCG License was ₹ 71.78 million and ₹ 76.08 million, respectively which will be adjusted at the time of the consequent exports as per the required timelines. There are no pending obligations under DFIA Scheme and MEIS. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business and financial condition.

8. ***There were certain differences between our Promoter, Mr. Anoop Bector and some of his disassociated relatives, which may result in a legal dispute and could adversely impact our reputation and financial condition.***

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

One of the dissociated relatives of our Promoter, Mr. Ajay Bector, had made certain allegations against our Promoter in the past, alleging non-compliance with the terms of the family settlement by our Promoter. Further, in connection with the filing of the draft red herring prospectus of our Company dated August 10, 2018 with SEBI, Mr. Ajay Bector, by way of his letter dated September 3, 2018 (“**Letter**”) and a rejoinder dated November 15, 2018, addressed to SEBI and the BRLMs, made certain allegations against our Company and our Promoter. With respect to our Company, Mr. Ajay Bector had, *inter alia*, alleged non-disclosure of certain family settlement related agreements in the draft red herring prospectus and also alleged certain irregularities in relation to the financial information of our Company disclosed in the draft red herring prospectus. With respect to our Promoter, Mr. Ajay Bector had, *inter alia*, made allegations of misconduct and non-compliance with the terms of the family settlement by our Promoter. Our Company and our Promoter have responded to the Letter and rejoinder letter vide separate letters, both dated September 24, 2018 and December 6, 2018, respectively, denying all the allegations.

Subsequently, our Company has received a letter dated September 18, 2020, from Mr. Ajay Bector which states that Mr. Ajay Bector and his family has disassociated from our Company and therefore, should not be considered or classified as members of promoter group of our Company. We cannot assure you that we will not receive similar complaints from Mr. Ajay Bector and other dissociated relatives in the future. Further, there may occur differences between our Promoter and his relatives which may also result in a legal dispute involving our Promoter and our Company. We cannot assure you that any such legal dispute will be settled in our favour, or that no additional liability will arise out of these proceedings on our Company or Promoter. Any such legal dispute or allegations of impropriety by our Promoter or our Company could have an adverse impact on our reputation and financial condition.

9. *There have been instances of non-compliances with certain legislations, if we are unable to establish and maintain effective system of internal controls and compliance, our business may get affected. We have also received an enquiry letter from RBI, any non-compliances in this regard may affect our business and reputation.*

In the past, our controls and compliances for managing our secretarial records have been inadequate as a result of which there have been non-compliances with certain provisions of the Companies Act, 1956, and failure in maintaining certain corporate and regulatory records by our Company. For instance, in the past, we have not complied with the provisions of the Unlisted Public Companies (Preferential Allotment) Rules, 2003, as amended, with respect to three allotments undertaken by us on a preferential basis wherein the explanatory statements did not contain certain disclosures in relation to the shareholding pattern and objects of the issue.

Further, our Company has received a letter dated March 2, 2020 from the RBI seeking certain documents in relation to a stake sale by Cremica Industries Limited and Bector Foods Limited (which were merged into our Company prior to the Scheme of Amalgamation and Arrangement) to Kerry Group BV pursuant to their exit from a joint venture in 2012. In this regard, Company has responded to RBI, subsequently, there have been no further communications by RBI in this regard.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the aforementioned non-compliances and enquires from the RBI as of the date of this Prospectus, we cannot assure you that no legal proceedings or regulatory actions will be initiated against us in the future in relation to these non-compliances or enquiries made, which may have an adverse impact on our business, financial condition and reputation.

10. *Our Company, our Subsidiaries, certain of our Directors and our Promoter are involved in certain legal proceedings, which if determined adversely, may adversely affect our business, financial condition and results of operations.*

Our Company, our Subsidiaries, certain of our Directors, and our Promoter are involved in certain legal proceedings, pending at varying levels of adjudication at different fora. A summary of such legal proceedings, including material legal proceedings, is set out below.

Name of Entity [*]	Criminal proceedings	Tax proceedings (including property tax)	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	(₹ in million)
						Aggregate amount involved (₹ in million)**
Company						
By the Company	33	Nil	Nil	N.A.	Nil	11.21
Against the Company	2 [#]	20 ^{###}	7	N.A.	1	73.26
Directors						
By the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Directors	1 [#]	1 [^]	Nil	N.A.	Nil	18.65
Promoter[^]						
By the Promoter	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Promoter	1 [#]	1 [^]	Nil	1	Nil	18.65
Subsidiaries						
By the Subsidiaries	Nil	1	Nil	N.A.	Nil	0.88
Against the Subsidiaries	Nil	Nil	Nil	N.A.	Nil	Nil
Total	37[^]	23[^]	7	1	1	104.00[^]

^{*} There is no pending litigation involving our Group Companies which will have a material impact on our Company.

^{**} To the extent quantifiable.

[#] Our Promoter who is also our Managing Director has been named as a party to the same criminal proceeding against the Company.

^{###} The cases related to entry tax of different years with Government of Punjab have been counted as single case.

[^] All the cases involving our Directors are against our Promoter and Managing Director Mr. Anoop Bector.

We cannot assure you that any of the outstanding legal or other proceedings will be settled favourably, or that no additional liability will arise out of these proceedings. Defending such proceedings could involve diversion of our management's time and attention. An adverse outcome in any of these proceedings could have an adverse effect on our business, financial condition and results of operations. For further details, see "**Outstanding Litigation and Other Material Developments**" on page 346.

11. ***We have experienced negative cash flows (from investing activities and financing activities) in the past and may continue to have negative cash flows in the future. Any such negative cash flows in the future may adversely affect our business, financial condition and results of operations.***

The following table sets forth our cash flows for the periods indicated (as per our Restated Consolidated Financial Information):

Particulars	Period	Period	March	March	March
	between April 1, 2020 to September 30, 2020	between April 1, 2019 to September 30, 2019	31, 2020	31, 2019	31, 2018
	(₹ in million)				
Net cash generated from operating activities	679.71	375.52	1,094.85	539.86	464.99
Net cash used in investing activities	(564.78)	(183.31)	(432.29)	(612.51)	(1,120.36)
Net cash used from/ in financing activities	(149.50)	(224.44)	(510.85)	69.17	578.05
Cash and cash equivalents at the end of the period/year	172.42	23.05	206.99	55.28	58.76

For further information on our negative net cash flows, see “**Financial Statements**” on page 218. We cannot assure you that our net cash flows will be positive in the future. Negative cash flows in the future could adversely affect our business, financial condition and results of operations.

12. ***We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations, impact our cash flows and cause our financial results to fluctuate.***

Our financial statements are presented in Indian Rupees. However, our revenues and finance charges are influenced by the currencies of geographies where we sell our products (for example Australasia, East and South Africa, Europe, MENA region, and North America). For period between April 1, 2020 to September 30, 2020, foreign currency-linked revenue comprised around 24.51%, of our revenues from operations. The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations and cash flows have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period.

We may, therefore, suffer losses on account of foreign currency fluctuations for sale of our products to our international consumers, since we may be able to revise the prices, for foreign currency fluctuations, only on a periodic basis and may not be able to pass on all losses on account of foreign currency fluctuations to our consumers. Further, we import machinery from other countries from time to time and the prices of which will be impacted by the foreign currency exchange rate fluctuations.

While we hedge some of our foreign currency exchange risks from time to time by entering into forward exchange contracts and seek to hedge some of our future transaction by entering into similar transactions, any amount that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations.

13. ***We may be affected due to adverse outcome of certain legal proceedings in relation to cases under FSS Act with respect to products belonging to our erstwhile customer for whom we undertake contract manufacturing.***

We have received three notices from certain food safety officers under FSS Act which is in relation to mis-branding of samples of certain products which belong to our erstwhile customers for whom we undertake contract manufacturing of biscuits. Since, the products which are subject matter of the aforementioned notices belong to our erstwhile customer, the legal proceedings with respect to the aforementioned notices are being pursued by our erstwhile customer and we do not have any further details in relation to the current status of these matters. An adverse outcome against us in any of these proceedings could have an adverse

effect on our business, financial condition and results of operations. For details, see “*Outstanding Litigations against our Company - Actions taken by statutory/regulatory authorities involving our Company*” on page 346.

14. *A disruption or shutdown of our manufacturing operations or under-utilisation of our manufacturing facilities or our failure to commission our new facilities successfully or a shortage or non-availability of fuel, electricity, or water could have an adverse effect on our business, financial condition and results of operations.*

Our business is highly dependent upon our ability to manage our six manufacturing facilities that are located in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka). Our manufacturing facilities are subject to operational risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant Government authorities. Our business is dependent upon our ability to manage our manufacturing facilities effectively, which are subject to various operating risks, including those beyond our control. We also depend on heavy and expensive machinery for manufacture of our products and any breakdown in the machinery may lead to halt in our manufacturing process thus adversely affecting our business and results of operations. Although we have not experienced any material malfunction or delay in the past which would have materially impacted our financial performance, any significant malfunction or breakdown of our machinery may entail high repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. Our capacity utilisation is also affected by the product requirements by our distributors, suppliers and our institutional customers. For details on capacity utilisation of our manufacturing facilities in respect of our biscuits and bakery products, for the Financial Years 2020, 2019, 2018, and the period between April 1, 2020 to September 30, 2020, see “*Our Business – Our Manufacturing Facilities*” on page 167. Under-utilisation of our manufacturing capacities over extended periods, or significant under-utilisation in the short term, could materially and adversely impact our business, growth prospects and future financial performance.

We may also face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations. Further, several of the raw materials that we require, are perishable products and consequently, any malfunction or break-down of our machinery or equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials.

We cannot assure you that there will not be any significant disruptions in our operations or disruptions in commissioning of new manufacturing facilities in the future. Although we employ routine safety procedures in the operations of our facilities and maintain what we consider to be adequate insurance, there is a risk that an accident may occur in any of our facilities in the future. An accident may result in destruction of property or equipment, environmental damage, production or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. For example in the year 2017, a legal proceeding had been initiated by Naresh Kumar, an ex-workman of our Company, in the Court of Civil Judge, Senior Division, Himachal Pradesh, exercising powers under the Employees’ Compensation Act, 1923 seeking compensation of ₹ 1.00 million with an interest of 12% per annum for termination of employment and non-payment of compensation for the injuries sustained during the course of employment at our Tahliwal Manufacturing Facility. While this pending litigation against our Company is below the materiality threshold as per the Materiality Policy adopted by our Board as disclosed in the chapter titled “*Outstanding Litigation and Other Material Developments*” on page 345, we cannot assure that, the costs to defend any such future action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may not have a negative effect on our business, financial condition and results of operations.

Our operations also require a significant amount and continuous supply of electricity, fuel, and water and any shortage or non-availability of such utilities may adversely affect our operations. We also require substantial electricity for our manufacturing facilities, most of which is sourced from local utilities, supported by diesel generator sets installed at our facilities. We had installed a solar power generation plant

having capacity of 224.6 KWP at Greater Noida Manufacturing Facility. However, we largely depend on non-renewable sources of energy for supply of electricity to our manufacturing facilities. Further, our raw materials and our products, being perishable in nature, are required to be stored at specific temperatures, supported by continuous supply of electricity and if supply of electricity is not available for any reason, we will need to rely on alternative sources, which may not consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. If for any reason such electricity is not available, including for expansion of our facilities, we may need to shut down our facilities until any adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

We currently source our water requirements from state and municipal corporations and local body water supply, and water tankers and depend on state electricity boards and private suppliers for our energy requirements. Although we have diesel generators to meet exigencies at certain of our manufacturing facilities, we cannot assure you that our manufacturing facilities will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, financial condition and results of operations.

15. ***We do not have any long term contracts with our QSR customers and any disruption in our business operations with our QSR customers will adversely affect our business, financial condition and results of operations.***

We supply buns and other bakery frozen products to institutional customers and we are the largest supplier of buns to reputed multinational QSR chains according to the Technopak Report. The revenue from sale of buns, bakery and frozen products to our institutional clients accounted for 16.84%, 14.50%, 13.36%, 5.67% and 17.40%, of our revenue from operations in the Financial Year 2020, 2019 and 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019 respectively. We supply our buns to various international QSR chains in India, such as Burger King India Private Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited. However, we do not have any long term supply agreements with any of our QSR customers. The supply of our products to such QSR customers is typically contingent on demand arising on a day to day basis which is subject to fluctuation. We cannot assure that we will receive repeat orders from our QSR customers in the future. Further, absence of any contractual exclusivity with respect to our business arrangements with such QSR customers poses a threat on our ability to be able to continue to supply our products to these QSR customers in the future. Additionally, any change in preference of supplier by these QSR customers due to any existing peer or entry of any new peer may have a material adverse effect on our business, financial condition and results of operations.

Our business may also be significantly affected if there are any temporary or permanent closure of operations of such QSR customers in India or diversification of their products which are not supplied by us. For example, in December 2017, around 80 outlets of one of the QSR chain had suspended their operations for a period of over a month in North and East India. Further, due to the COVID-19 pandemic, our QSR, CSD businesses and supply to Indian Railway canteens has declined in the Financial Year 2020 and for the period from April 1, 2020 to June 30, 2020 which has an adverse impact on our business, financial condition and results of operations.

16. ***We have contingent liabilities disclosed and not provided for as on September 30, 2020 and profitability may be adversely affected if any of these contingent liabilities materialise.***

As of September 30, 2020, our contingent liabilities as per ***Annexure VI – Notes to Restated Consolidated Financial Information*** on page 273, that have not been provided for were as follows:

(In ₹ million)

Particulars of contingent liabilities	As of September 30, 2020
a) Claims against the Group not acknowledged as debts	
(i) Income tax related matters	31.03
(ii) Sales tax related matters	3.89
(iii) Civil matters	9.10

Particulars of contingent liabilities	As of September 30, 2020
b) In respect of bank guarantees	0.41
c) In respect of bonus	10.48
d) Others	71.78

We cannot assure that we will not incur similar or increased levels of contingent liabilities in the current Financial Year or in the future. In the event, or to the extent, that any of our contingent liabilities is realised, it could have an adverse effect on our business, financial condition and results of operations.

17. ***Our Promoter has entered into, and may enter into, ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoter, certain of our Directors are interested in the performance of our Company to the extent of Equity Shares held by them, or interests arising from the loans provided by them to our Company or to the extent of compensation received from the rent of the properties held by them.***

Our Promoter, Mr. Anoop Bector may become involved in ventures that may potentially compete with our Company. The interests of our Promoter may conflict with the interests of our other Shareholders and our Promoter may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit himself instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition and results of operations. For instance, our Promoter, owns 1.12% of the shareholding in CAFL, one of our Group Companies engaged in the business of selling biscuits, bakery products, confectionary products, chocolates and breakfast product and 99.76% shareholding in MBCDPL, one of our Group Companies engaged in the business of manufacture and sale of milk, milk powder, milk products, processed milk, ice cream, butter, ghee and other dairy products. We cannot assure that the interests of CAFL and MBCDPL will align with our business interests. For further details, see "**Group Companies**" on page 211.

Our Promoter and Managing Director, Mr. Anoop Bector and our whole-time director Mr. Ishaan Bector are interested in our Company to the extent of Equity Shares being held by them, and to the extent of the remuneration paid to them as the whole-time directors of our Company, as applicable. Mr. Anoop Bector is interested to the extent of compensation received from renting of properties held by him to the Company. Ms. Rajni Bector is interested to the extent of consultancy fees received from the Company.

Further, Mr. Anoop Bector, Mr. Ishaan Bector and Ms. Rajni Bector were also interested to the extent of interest arising out of the unsecured loans provided by them individually to our Company which were receivable until September 30, 2020. For further details, see "**Our Management**" and "**Promoter and Promoter Group**" on pages 189 and 207.

18. ***Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our reputation, business, results of operation and our financial performance.***

The estimations on demands of our products are typically based on our projections, inventory levels at our distribution networks, our understanding of the anticipation of consumption and spending by our consumers. In relation to delivery of our breads, burger buns and other bakery products to our QSR customers, we rely on orders placed by our QSR customers on a daily basis. If we overestimate demand for our products, we may face difficulty on storage of such products due to lower shelf life and complications with respect to storage of perishable products. Further, if we are unable to provide our products to our consumers due to any disruptions of our manufacturing facilities or shortage of raw materials, we may incur the risk of losing certain of our valuable consumers. While we closely monitor our inventory requirements for our biscuits and bakery products in a weekly basis, we may be exposed to various risks including the aforementioned risks. While we have faced certain interruptions due to COVID-19, in order to avoid near term loss of customers, we have ensured inventory for a period 15-20 days, to ensure that the supply of our raw materials are not impacted. All of these factors could adversely affect our reputation, business, results of operation and our financial performance.

19. ***We have in the past and may in the future be exposed to losses from exporting biscuits to certain countries which may adversely affect our business, financial condition and results of operations.***

We exported our biscuits to our customers in 64 countries across six continents in the world during the Financial Year ended March 31, 2020. However, due to political and financial instability in certain African countries in Financial Year 2019, our invoices remained unpaid or payment was delayed significantly and we had to stop exporting or substantially reduce our exports to these African countries. This was caused by political unrest, worsening socio-economic conditions and foreign currency shortage in these countries. Further, we may in the future, exit from these countries altogether. Therefore, our result of operations for the Financial Year 2019 was adversely affected and our revenue from sale of our biscuits decreased in Financial Year 2019 primarily due to our reduction in export of biscuits. While since then we have consciously reduced our exposure to such export markets and have focused to increase our exports to more developed and politically and economically more stable countries, we cannot assure you that political and economic instability will not arise in any of the countries we export to in future and such development will not adversely affect our business prospects and results of operations.

In the Financial Years 2020, 2019 and 2018, the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019, our price realisation per kilogram from sales of our Biscuits (Exports) was ₹ 94.29, ₹ 87.33, ₹ 81.04, ₹ 101.63 and ₹ 95.31 respectively. During this period, we have started focusing on generating higher margins shifting away from volume driven sales. While we have moved our focus to developed and certain emerging markets such as Asia, Australasia, Europe, MENA region and North America and reduced our business in certain African countries, we cannot assure you that we will not face similar issues in the current Financial Year or in the future, which could have an adverse effect on our business, financial condition and results of operations.

20. ***Certain properties occupied by us are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition and results of operations may be adversely affected.***

We own the land upon which our registered office is located, as well as certain land at Phillaur, (Punjab), Ludhiana (Punjab), Rajpura (Punjab) and Raigad (Maharashtra).

We have also obtained leasehold rights over property at Greater Noida (Uttar Pradesh) and Tahliwal (Himachal Pradesh). With respect to property at Greater Noida (Uttar Pradesh), we have entered into a lease deed for a period of 90 years commencing from December 30, 1999 with Greater Noida Industrial Development Authority for a one-time consideration. With respect to property at Tahliwal (Himachal Pradesh), we have entered into a lease deed with the Governor of Himachal Pradesh for a period of 95 years commencing from February 6, 2010 for a one-time consideration. With respect to property at Bengaluru (Karnataka), we have entered into a lease deed with an individual party for a period of seven years commencing from December 1, 2016, for consideration to be paid on a monthly basis. With respect to property at Dhar (Madhya Pradesh), we have entered into a lease deed for a period of 99 years commencing from December 2, 2018, with the Governor of Madhya Pradesh for a one time consideration, an annual lease rent, development charges and annual maintenance charges.

We cannot assure that the local stamp authorities will not claim additional payment on stamp duty on our lease deeds for our corporate office and facility premises. For instance, CAFL is involved in a dispute with revenue authorities of the state of Uttar Pradesh with respect to stamp duty payable in respect of our lease with the Greater Noida Industrial Development Authority. While the property in relation to which the stamp duty has been levied, has been transferred from CAFL to our Company, however, the petition has been continued in the name of the Petitioner. For details see “***Outstanding Litigation and Material Developments – Outstanding litigations by our Company***”. An instrument deemed to be not duly stamped, or insufficiently stamped, shall not be admissible as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have an adverse effect on the continuance of our operations.

21. ***We are subject to labour laws and other industry standards and our operations could be adversely affected by strikes, work stoppages or increase in wage demands.***

Our biscuit and bakery products manufacturing activities are labour intensive and require our management to undertake significant labour interface and expose us to the risk of industrial action. We are subject to a number of labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution, removal of employees and legislation that imposes financial obligations on employers upon retrenchment. In the past, we have been subject to certain strikes, lockouts and work stoppage at our facility located at Tahliwal (Himachal Pradesh) and it lasted for a few hours and since then

there have been no other incidents of strikes and lockouts. Subsequently, we have constituted a special committee comprising members from both the management and workers to ensure representation and prevent any unrest or the subsequent strikes and lockouts. We cannot assure that we will not experience any disruptions to our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands in the future, which may adversely affect our business.

Further, any disputes between our contractors and their employees, or our contractors' failure to satisfy regulatory obligations towards their workers, where we are registered as the principal employer, may also result in disruptions in our operations, or in increased compliance costs for us, which may also adversely affect our ability to complete a undertake our manufacturing activities in a timely manner.

22. ***Tax incentives and tax credits currently available to us could be modified or repealed in the future, which could adversely affect our business and prospects.***

The tax related laws that are applicable to us include the Income Tax Act, 1961 (the "**Income Tax Act**"), the Customs Act, 1962 and various rules and notifications issued by taxation authorities. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) and certain tax incentives under these statutes are applicable to our Company.

We cannot assure that any tax incentives availed of by our Company currently or historically will continue in the future or that such tax credits shall continue to be available to us in the future, to the same extent, or at all, or that any such deductions, if claimed by us, will necessarily be upheld and not challenged or denied by the relevant tax authorities.

23. ***We may not be able to successfully grow our premium biscuits and bakery segments, which may result in an adverse impact on our business prospects and results of operations.***

As part of our growth strategy, we seek to expand into premium products with higher margins. Factors such as competition, ability of our customers to buy our premium products may impact our ability to grow our market share for premium products. Our current strategy is to gain market share by introducing premium products with higher margins, however, there can be no assurance that we will be able to continue to successfully implement our strategy.

Further, the process of launching premium products requires that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. Since, we are targeting direct sales to the end consumer with our products, we will be required to undertake significant expenses for marketing our products and brand building. We may experience difficulties that could delay or hinder the successful development, introduction and marketing of our premium products in biscuits and bakery segment. We can give no assurance that we will be able to achieve the business performance, growth and profitability which we expect from our relatively new product categories and sub- categories. Further, our premium products may not generate sufficient demands in the market, which may result in an adverse effect on our business, results of operations and financial condition.

24. ***We may be affected due to seasonality in sale of our products in the future.***

Typically, there is an increase in sale of our products during the festive seasons in India which is the third quarter of a Financial Year. The sale of our biscuits and bakery products during this season is usually for the purpose of gifting of these products by our consumers. While we aim to introduce new products and attractive packaging which appeal our consumer base during festive seasons, we cannot assure that it will lead to growth in our sales and revenues in the future which may have a material adverse impact on our business, financial condition and results of operation.

25. ***Our business and prospects may be adversely affected if we are unable to maintain and grow our brand image.***

We are one of the leading companies in the premium and mid-premium biscuits segment and premium breads and other bakery products segment in North India, according to Technopak Report, with products

sold under our well-recognised brands, ‘Mrs. Bector’s Cremica’ and ‘English Oven’, which are targeted to a diverse group of consumers across various regions. We have a considerable presence in the export market with respect to sale of our biscuits where we manufacture and market our biscuits under the brand ‘Mrs. Bector’s Cremica’ as well as third party labels to 64 countries across six continents during the Financial Year ended March 31, 2020. We believe that as our brands are established in the aforementioned markets, and therefore, they serve better in attracting consumers to our biscuits and bakery products over those of our competitors.

Maintaining and enhancing the recognition and reputation of our brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintain and enhance our brands, including maintaining or improving consumer satisfaction and the popularity of our products and increasing brand awareness through various brand building initiatives such as advertising mediums, including television, cinemas, newspapers. In particular, when we launch new products and if any of those products do not meet standards for quality and taste or consumers’ subjective expectations or preference, our brand reputation and the sales of our biscuits and bakery products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, our business may be adversely affected.

We constantly seek to develop our product base in terms of quality of our products through our dedicated research and development team which enables us to introduce new products based on our consumer demands and preferences. While we seek to identify such trends in the industry and introduce new products, we cannot assure that our products would gain consumer acceptance or we will be able to successfully compete in these new product segments.

The aforesaid factors may adversely affect our business, prospects and brand image.

26. ***Any contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.***

We are subject to various contamination related risks which typically affect the biscuits and bakery industry, including risks posed by the following:

- product tampering;
- low shelf life of certain of our products;
- ineffective storage of finished goods as well as raw materials;
- product labelling errors;
- non-maintenance of high food safety standards;
- contamination of our products during processing; and
- wastage of certain products during transportation.

The risk of contamination or deterioration of our products exists at each stage of the life-cycle of our products such as sourcing of raw materials, production and delivery of the final products. Sourcing, storage and delivery of the raw materials poses significant risk in relation to contamination and deterioration in quality. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products by our super stockists, distributors and retailers until final consumption by consumers are also subject to such contamination and deterioration risks. While we follow stringent quality control processes and quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies, and though we have, in the past, not materially suffered due to any of the aforementioned, we cannot assure that our products will not be contaminated or suffer deterioration in the future.

Our manufacturing facilities for certain product categories are located in close proximity to the delivery locations. However, the finished products are primarily transferred on a ‘free on board – destination’ basis to distributors and super stockists. We cannot assure that contamination and deterioration of our products or raw materials will not occur during the transportation, and distribution due to ineffective storage facilities or any other reasons including factors unknown to us or beyond our control. If our products or raw materials are found to be amongst others, spoilt, contaminated, adulterated, tampered with, incorrectly

labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse medical condition or other damage resulting from consumption of such products by consumers which we may not be able to fully recover from our suppliers or insurance coverages. We may be also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 (“FSS Act”) along with relevant rules and regulations. Though, we have not been subject to such incidents in the past, however, we may be subject to such an event in the future, which may have a material adverse effect on our reputation, business and financial condition.

27. ***Concerns over nutritional values of our products may reduce demand for our products or increase the cost of our products.***

Health groups and consumers are increasingly linking consumption of certain food products including certain categories of biscuits and bakery products with obesity, diabetes, tooth decay, cardiovascular disease, high cholesterol and hypertension, particularly child obesity, high cholesterol and hypertension in adults. We consider this to be a serious business concern. Children, being a more impressionable set of consumers, are inclined to develop a certain preference for consumption of such biscuits and bakery products and thus, are comparatively more exposed to the aforementioned health risks. Categorisation of our products as ‘unhealthy’ may adversely affect our sales. Changes in the marketing and advertising regulatory environment for these unhealthy products may affect our turnover. Further, compulsory nutrition labelling and criteria specified for nutritional and health claims and advertisements as required under Food Safety and Standards (Advertising and Claims) Regulations, 2018, the pressure for simplifying the current system of nutrition labelling, and the need to review or develop policies on marketing and advertising with reference to children may reduce demand for our products or increase the cost of our products.

28. ***Inadequate or interrupted supply, seasonality, price fluctuation and adulteration of our raw materials could adversely affect our business, results of operations and financial condition.***

The quality of our products is highly dependent on our ability to source quality raw materials. Our primary raw materials for production of biscuits and bakery products are wheat flour, sugar, and oil and fats. The cost of our materials including packing material consumed constituted 53.46%, 54.11%, 55.64%, 52.16% and 53.09% of our revenue from operations for the Financial Year 2020, 2019, 2018, the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019 respectively. The unavailability of these raw materials can be caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, pandemic, seasonality of the raw materials, inflation, governmental regulations and policies and price volatility which are beyond our control. Given the nature of these raw materials, the raw materials are also subject to adulteration despite our quality control measures in procurement and storage. We cannot assure you that we will be able to source our raw materials in adequate quantity and quality or at all, or at a reasonable price in the future.

Further, we issue purchase orders for purchase of our raw materials based on our anticipated requirements. We do not have any long terms contracts with fixed inventory requirements and consideration in this regard. Absence of such long term contracts exposes us to the price volatility of raw materials. In case of unexpected increase in the prices of any of the raw materials, the increase in the selling price of the finished products may not be in proportion to the increase in raw material price, which may adversely affect our sales, cash flow and our overall profitability. If a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or cost increases.

29. ***Our inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities may adversely affect our business, financial condition and results of operations.***

Our operations are subject to a broad range of health, safety and environmental laws and regulations, which affect our day-to-day operations, and violations of these laws and regulations can result in fines or penalties, which may adversely affect our business, financial condition and results of operations. For instance, the provisions of the FSS Act along with relevant rules and regulations are applicable to us and our products, which sets forth requirements relating to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution of food products.

Contravention of the requirement to obtain a license or carrying a business without obtaining a license under the FSS Act is punishable with imprisonment for a period of up to six months and fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements. For details, see “**Key Regulations and Policies in India**” on page 176.

We are also subject to laws and Government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981 (the “**Air Act**”), the Water (Prevention and Control of Pollution) Act, 1974 (the “**Water Act**”) and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our manufacturing. Though, in the past, we have not been subject to any such violations, in the future, if we fail to meet environmental requirements, we may be subject to administrative, civil and criminal proceedings by Government entities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations.

Additionally, we export our products to various overseas markets including Australasia, East and South Africa, Europe, MENA region, and North America. In the overseas market, maintaining certain standards are customarily expected and compliance with food safety laws of relevant jurisdictions is required and our inability to maintain such standards and non-compliance of jurisdictional food safety laws may impact our business, financial condition and results of operations. For details, see “**Our Business – Quality Control**” and “**Government and Other Approvals**” on pages 169 and 352, respectively.

We cannot assure that such non-compliance will not occur and regulatory actions including injunction orders will not be passed against us. Though we have not been involved in any such litigation or proceeding in the past, we may become involved in any such litigation or proceedings relating to food safety or environmental matters in the future, which could divert management time and attention, and consume financial resources in such legal proceedings or cause operational delays or result in a shutdown of our manufacturing facilities. We cannot assure that we will be successful in all, or any, of such proceedings. Further, the loss or shutdown of our operations over an extended period of time, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

30. ***If we are unable to successfully expand our business operations through our manufacturing facilities, increased capacity utilisation and supply our products to various regions of India, our business, financial condition and results of operation may be adversely affected.***

We manufacture and sell a range of biscuits and bakery products primarily catering to retail consumers around the North India and certain institutional customers on a pan-India basis. Our biscuits are currently manufactured in our manufacturing facilities located in Phillaur, Rajpura (Punjab) and Tahliwal (Himachal Pradesh), for details, see “**Our Business – Our Manufacturing Facilities**” on page 167. Given that these biscuit manufacturing facilities are all located in North India, we are currently restricted to selling our biscuits in 11 states around North India. Our domestic revenue from biscuits accounted for 37.20%, 34.41%, 35.51%, 43.75% and 39.14%, of our total revenue in the Financial Year 2020, 2019, 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019 respectively. Significant high transportation costs associated with distribution of such products to farther destinations preclude us from a pan-India business network for our biscuit products.

We manufacture our bakery products in savoury and sweet categories such as breads, buns, pizza bases, frozen doughs and pizzas, cakes, cookies and cupcakes in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka). As these bakery products are inherently perishable in nature, having a shelf life of around three to four days, we may not be able to transport these products over longer distances.

We have recently started manufacturing sub breads, pizzas, garlic breads, cheese garlic bun fills, frozen cookies with the aim of supplying these products to our institutional customers such as cloud kitchens, multiplex, hotels, restaurants and cafés. We also seek to increase the capacities of our manufacturing

facilities by installing new, automated and product specific equipment such as installation of a cookies manufacturing line sourced from Denmark. We are looking to expand our premium biscuits production in Rajpura Manufacturing Facility by procuring automated equipment from Italy. Further, we have also commissioned a sheeting line capable of producing 'Focaccia Breads', 'Panini Breads', 'Ciabatta Breads', at our Greater Noida Manufacturing Facility. We have also added large blast freezing, individual quick freezing and holding freezers and are increasing our capacity by installing an automated bread and bun manufacturing line from Germany and United States of America respectively, at our Greater Noida Manufacturing Facility. We also intend to expand our distribution network to deepen our penetration in existing markets and to expand our presence in under-penetrated markets.

However, we cannot assure that we will be successful in expanding our business operations through these new manufacturing facilities and increased capacity utilisation. We may not also be able to find suitable distributors for expanding our distribution network in various regions to sell our products in the future as well. Further, we will be unable to implement our growth strategy, unless we expand our business operations and grow our distribution network. Therefore, if we are not able to expand our business network to various other regions beyond North India, it may adversely affect our business, financial condition and results of operations.

31. ***Our working capital requirements would not be met if we experience insufficient cash flows which may have an adverse effect on our business, financial condition and results of operations.***

The working capital requirement for our business is met through a combination of internal accruals, short term borrowings. In many cases, working capital is required to finance the procurement of raw materials, labour and the upkeep of our manufacturing facilities before payments are received from consumers. Our working capital requirements in the Financial Years 2020, 2019, and 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019, were ₹ 713.69 million, ₹ 867.89 million, ₹ 657.63 million, ₹ 657.31 million and ₹ 863.89 million, respectively and our holding days for working capital for Financial Years 2020, 2019, and 2018 were 33 days, 35 days and 33 days, respectively. We may be subject to various working capital risks due to delays or defaults in payment by consumers, bad debts, etc. which may restrict our ability to procure raw materials and make payments when due. In the Financial Years 2020, 2019, and 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019, we have incurred 0.93%, 0.47%, 0.07%, 1.41% and 1.77%, respectively, of our revenue on defaults in payment by consumers. Further, in the Financial Years 2020, 2019, and 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019, we have incurred 0.27%, 0.04%, 0.05%, Nil and Nil of our revenue in bad debts, respectively.

We extend credit terms to certain of our first time domestic as well as export distributors and customers and those distributors and customers pay us a specified percentage of the price of our products as an advance at the time of placing the order and the remaining amount is payable in subsequent intervals. Inability of these distributors and customers to meet our payment schedules or any delay or non-receipt of payment from such distributors and customers, which may result in loss and an increase in our working capital cycle and have an adverse effect on our business, financial condition and results of operations.

Due to various factors, including certain extraneous factors such as changes in interest rates, other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms, or at all, which may have an adverse effect on our business, financial condition and results of operations.

32. ***The loss of certain independent certification and accreditation of our products and the manufacturing practices that we have adopted could impact our business.***

We rely on independent certification of our products and must comply with the requirements of independent organisations or certification authorities including a certification from the US Food and Drug Administration under the Federal Food Drug and Cosmetic Act, as amended, the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits, 'Halal Registration' from Jamiat Ulama-I-Hind Halal Trust for manufacturing our biscuits and our Company also received Food Safety System Certification 22000 from UK AS Management Systems for manufacturing (pre-mixing, mixing, moulding, baking, cooling, sandwiching) of biscuits and cookies, manufacturing of fresh and frozen (bread, pizza base and bun) and processing of

vaccum packed fresh raw vegetable for market and institutional and an audit under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics for our Phillaur Manufacturing Facility. We could lose the certifications and accreditations for certain of our products, if we are not able to adhere to the quality standards and specifications required under such certifications and accreditations. The loss of any independent certification and manufacturing practices, may lead to loss of significant customers for our products which could have a material adverse effect on our reputation, business, financial condition and results of operations.

33. ***Our revenue significantly depends on the sale of our biscuits and any decline in the sale of our biscuits in the market would have a material adverse effect on our business, financial condition and results of operation.***

In the Financial Year 2020, Financial Year 2019 and Financial Year 2018 for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019, our revenue from sale of biscuits in India and globally excluding contract manufacturing, contributed towards 59.20%, 65.91%, 68.67%, 68.26% and 60.00%, of our revenues from operations, respectively. We will depend on the sale of our biscuits for a majority of our income in the near future. Therefore, factors such as change in consumer preference for biscuits and the increasing sales of other substitute products in the market may have an adverse impact on our total income. We cannot assure that we will be able to maintain the sale of our biscuits in the future which will have a positive impact on our total income. In addition to our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility are dedicated for manufacturing of our biscuits. If the consumer preference for our biscuits decline or sale of other substitute products increase in the future or sale of our biscuits fall due to any reason, we may experience significant loss including cost involved for establishing and maintaining these manufacturing facilities which in turn will lead to lower revenues and gross and operating margins resulting in to material adverse effect on our business financial condition and results of operation.

34. ***Our inability to expand or effectively manage our growing super stockist and distribution network or any disruptions in our supply or distribution infrastructure may have an adverse effect on our business, financial condition and results of operations.***

We rely largely on third party distributors and super stockists to sell our products to retailers who place our products in the market. For the period between April 1, 2020 to September 30, 2020, our distribution network for our biscuit products included over 748 distributors and 196 super stockists supplying to wide range of customers through 458,000 retail outlets (*Source: Technopak Report*). Our ability to expand and grow our product reach significantly depends on our ability to influence the market that we cater to and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions. We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their distributors and super stockists with more favourable arrangements. If the terms offered to such super stockists by our competitors are more favourable than those offered by us, super stockists may decline to distribute our products and terminate their arrangements with us.

We cannot assure you that we will not lose any of our super stockists or distributors to our competitors, which could cause us to lose some or all of our favourable arrangements with such super stockists and distributors and may result in the termination of our relationships with other super stockists and distributors.

Further, if our super stockists are not able to maintain a strong network of distributors, our products may not attain as much reach as our competitors' in the market and we may lose our market share. We may not also be able to find suitable super stockists to expand our distribution network in various regions to sell our products in the future as well We may be unable to engage alternative super stockists or our super stockists may be unable to engage alternative distributors in a timely fashion, or at all, which may lead to decline in the sales of our products and adversely affect our business, financial condition and results of operations.

35. ***We largely rely on third-party transportation providers for both procurement of our raw material and distribution of our products. Any failure by any of our transportation providers to deliver our raw material or our products on time, or in good condition, or at all, may adversely affect our business, financial condition and results of operations.***

We depend on various forms of transport to either receive raw materials required for our products or to deliver finished products to our consumers. However, we typically use third-party transportation providers for all of our product distribution and raw materials procurement with respect to our biscuits. This makes us highly dependent on various intermediaries such as international and domestic transportation companies, container freight station operators and shipping lines. Further, we undertake our export activities from the Mundra Port, (Gujarat), and Nhavasheva Port (Maharashtra) to which our products are transferred through railways from Ludhiana (Punjab) or directly from our facilities to the respective ports and thereafter exported. Therefore, we heavily depend on the functioning of these ports, the railway network and road infrastructure from Ludhiana (Punjab).

Factors like disruption of transportation services due to weather-related problems, strikes, accidents, or as a result of COVID-19 lockdown etc., inadequacies in the transportation infrastructure, or any such other reasons could impair the ability of our suppliers to deliver raw materials to us and our ability to deliver our processed products to our consumers in a timely manner. Our raw materials and finished products may be lost, damaged or subject to spoilage and contamination due to improper handling, negligence, transport strike or accidents or any other *force majeure* events which may not be within our control. According to the Technopak Report, we may be subject to various risks in relation to packaged food products due to lack of modern retail infrastructure. We cannot assure you that we will not experience disruptions in our operations or have an adverse impact on the quality of our biscuits and bakery products and delay in supplying our products due to any such reasons in the future. We currently transport our burger buns to various QSRs on a pan-India basis either through our own transportation services or third party transportation service providers associated with such QSRs. These products are temperature sensitive and therefore should be transferred through specific vehicles such as reefer vans. Though we maintain high standards for transportation of these burger buns, however, we cannot assure that these products will not be spoiled during transit due exposure to moisture, sunlight, etc. As a result, in the event there is any disruption in the supply or any adverse impact on the quality of our raw material and final products, performance of our business, financial condition and results of operations may be adversely affected.

We also use our own transportation services for the purpose of transporting our breads and other bakery products to our consumers. The transportation of our bakery products is critical for us as they have to be transported in particular vehicles which should be thermal proof so that the bakery products maintain a set temperature. The bakery products should be transported at a particular time to avoid any damage to the products due to weather conditions. Therefore, we may not at all times, be able to successfully transfer these products without any damages and any delay or disruptions in supplying these products may cause adverse effect on our financial conditions and results of operation.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we currently receive from the third-party transportation providers, as we do not enter into any contractual terms with them, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers may not carry adequate insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our transit insurance policy, or marine insurance policy. We cannot assure that we will receive compensation for any such claims in full amount in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition and results of operations.

36. ***If we are unable to effectively implement our business and growth strategies regarding expansion of our product portfolio, our growth, business, financial condition and results of operations may be adversely affected.***

Our future success will depend on our ability to effectively implement our business and growth strategies, including our strategy to further expand our product reach in India and globally, and also expand our product portfolio within the existing product segments, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to our consumers. We also aim to expand our premium and

mid-premium biscuits product portfolio and premium bakery products portfolio for our retail as well as institutional customers by offering niche biscuit and bakery products such health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants, pizza puffs, foot long breads, various kinds of desserts, and frozen products which will help us realise higher margins.

We also intend to further expand our procurement volumes to increase cost efficiencies and improve quality of raw materials procured. Our strategy is to diversify into products with domestic and international demand potential and higher margins. These will involve a significant increase in our expenditure, as we focus on penetrating the Indian and overseas markets.

As we expand our product portfolio, we may encounter regulatory, personnel, technological, logistics and other difficulties that may increase our expenses, delay commencement of commercial production or expansion of our distribution network, or require us to comply with applicable regulatory requirements. We may also find it difficult to find consumers willing to pay for our new products in the premium price range. However, we cannot guarantee that we will find adequate consumers as well as suitable distribution network required for supplying our frozen products to various hotel chains, QSRs, cafés and reputed restaurants on a pan-India basis. Further, our expansion into new product lines may adversely affect our risk profile due to market competition and rapidly changing market and industry conditions and, may continue to do so for the duration of the pandemic, including as a result of its impact on our ability to engage with distributors, and our and their ability to engage with customers. For further details, see “**Risk Factors — The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.**” beginning on page 22.

We cannot assure that we will be able to implement our business strategies in a timely manner or at all or that we will meet the expectations of our consumers and other stakeholders. Our business and growth strategies in relation to expansion of our product portfolio will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, implementation of these growth strategies may require us to incur additional indebtedness. We cannot assure that we will be able to implement our proposed expansion in product portfolio, and such failure may materially impact our ability to grow our business and have an adverse effect on our business, financial condition and results of operations. We cannot assure that in the future we will not discontinue production of any of our current products, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of products, which too could have an adverse effect on our growth, business, financial condition and results of operations.

37. ***Our failure to protect confidential information like our product recipes, pricing or launch information could adversely affect our competitive position.***

We intend to keep the recipes of our products confidential. We also keep information in relation to our proposed pricing of any new product, any proposed variation in price or launch of any new product confidential. Any failure to protect such confidential information due to leakage of information may impact our competitive position in the biscuits and bakery products market. The appointment letters issued to our employees who use our recipes to manufacture our biscuits and bakery products, require that all information made known to them be kept strictly confidential. Although we attempt to protect our trade secrets, the appointment letters may not effectively prevent disclosure of our proprietary information and may not provide any adequate remedy in the event of unauthorised disclosure of such information to our competitors. Consequently, such events may adversely affect our competitive position.

38. ***The emergence of modern trade channels in the form of supermarkets and high end retail outlets may adversely affect our ability to negotiate our distribution agreements, which may have an adverse effect on our results of operation and financial condition.***

We sell our products through the general trade as well as the modern trade channels. The modern trade channels for our products include supermarkets in 11 states across India. These modern trade channels have been established in recent years which in turn has resulted in penetration of large scale organised retail network in India. While we believe that this provides us an opportunity to improve our supply chain efficiencies and increase visibility and sale of our products, it has increased the negotiations on our position as well the position of our products in such stores. We cannot assure you that we will be able to negotiate our position on terms that are favourable to us or that we would be able to expand our distribution network

to such supermarkets on a pan India basis. Any inability to negotiate terms favourable to us and expand our base in various regions of India by product sales at these supermarkets, may have an adverse effect on our business, results of operations and financial condition.

39. ***We may be unable to grow our business in semi urban and rural markets, which may adversely affect our business prospects and results of operation.***

One of our future strategies is to expand our product reach to semi urban and urban markets in India. Pursuant to the Technopak Report, companies in the branded segment are increasing their focus on tier II and tier III cities, given the improving infrastructure of retail and distribution and customers' changing buying pattern. While we have a wide spread and established distribution network to cater to our retail and institution consumers with 14 operational depots, presence in over 458,000 retail outlets (*Source: Technopak Report*) and over 748 distributors and 196 super stockists for the period between April 1, 2020 to September 30, 2020, we may not be able to grow our business in semi urban and rural markets in India in a profitable manner or at all. Poor infrastructure, logistical challenges and low purchasing power of the segment of the population in these markets may prevent us from expanding our presence in these markets. We may not be able to anticipate the general disposal income levels of consumers in these segments and hence may not be able to price our products accordingly and fail to grow our businesses effectively in these markets. This may adversely affect our business prospects and results of operation.

40. ***A significant portion of our revenue is dependent on our exports to our international consumers. Any failure to fulfil the requirements of our international consumers may adversely affect our revenues, result of operations and financial condition.***

We are a leading exporter of biscuits from India, according to Technopak Report. During the Financial Year 2020, we exported biscuits under our brand as well as under third party private labels to 64 countries across six continents. We export biscuits to overseas geographies including Australasia, East and South Africa, Europe, MENA region, and North America. Our export revenues accounts for 22%, 31.50%, 33.17%, 24.51% and 20.87% of our revenue from operations in the Financial Year 2020, 2019, 2018, for the period between April 1, 2020 to September 30, 2020 and the period between April 1, 2019 to September 30, 2019 respectively. As a result, our operations are impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- currency exchange controls;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements;
- governmental bans or restrictions;
- maintaining high food safety standard and liabilities arising out of compliance requirements under food safety standards under various geographies;
- risks related to the enforceability of legal agreements and judgments in foreign countries;
- availability of government subsidies or other incentives, that benefit competitors in their local markets that are not available to us;
- competition from local players;
- withdrawal of services by shipping lines to specific countries; and
- loss or damage of goods in transit.

As part of the terms and conditions of certain of our purchase orders, we are subject to conform to standards prescribed by the United States Food and Drug Administration, the United States Department of Agriculture or any other agency with competent jurisdiction. Additionally, in the event we do not comply with specifications prescribed by our consumers, outstanding payments applicable to us may be withheld. If any disputes arising out of any non-compliances under these purchase orders, we may be subject to jurisdictions other than India. We cannot assure that such proceedings, if initiated, will not be determined against us and it may become unfeasible for our Company to manage such litigation or obtain enforcement of awards made in such suits. Decisions in any such proceedings may be adverse to our interests and our failure to successfully defend such claims may have a material adverse effect on our business, financial

condition and results of operations. We may also incur significant litigation costs as a result of pursuing any such dispute resolution mechanisms outside India.

As part of our overseas expansion strategy, we seek to increase our presence in our existing export markets as well as expand our geographical footprint in order to access a more diversified consumer base across various geographies. We plan to explore and increase our penetration in select export markets, such as Africa, Middle East and south-east Asia. We are also in the process of setting-up a new office in Dubai and we participate in trade fairs in these export markets extensively to strengthen our presence in these markets.

While we expect that we will continue to expand into our existing as well as new export markets, we cannot assure that our expansion plans will be realised in a successful manner. To the extent that we are unable to effectively manage our global markets and risks such as the above and in particular, if we implement our strategy to enter into new markets where we do not have local knowledge and resources, we may be unable to grow or maintain our sales and profitability which may have a material adverse impact on our business, financial condition and results of operations.

41. ***Our inability to adopt new technologies to adhere to our quality product standards could adversely affect our business, results of operations and financial condition.***

We focus on our product innovation capabilities through a dedicated research and development team which has enabled us to develop and market new products aligning to evolving consumer preferences. Our innovation and product development is supported by our experienced in-house research and development team that works on our new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with our marketing and supply chain management teams. However, we cannot assure you that in the future, we will be able to successfully make timely and cost effective enhancements and additions to our current research and development team and technological infrastructures. Our industry is subject to significant technological changes with constant introduction of new and enhanced processes, machineries and technologies. In the future, our failure to successfully adapt and implement such technological changes, may increase our costs, which may adversely affect our business, results of operations and financial condition.

42. ***We are required to obtain licenses and approvals under several legislations including the FSS Act and the relevant rules and regulations, the Factories Act and the S&E Acts under various states. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations.***

We are required to obtain and renew various licenses and approvals under several legislations from time to time including the FSS Act and the relevant rules and regulations, the Factories Act and the S&E Acts under various states. These approvals, licenses, registrations and permits are subject to several conditions and are primarily valid for a specific period. For example, licenses granted the FSS Act for our manufacturing facilities and depots are typically granted for a period of five years and we are required to renew such licenses after such period. However, in some cases, these licenses could have been granted for shorter period as well. These licenses contain certain terms and conditions which are required to be complied with throughout the period of the license.

We cannot assure you that we shall be able to obtain or renew such licenses or be able to continuously meet such conditions specified in such licenses or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant consents/permits/licenses/approvals. For details of the licenses and approvals for which applications for renewal have already been made, see ***“Government and Other Approvals”*** on page 352.

With respect to our proposed expansion of the facility at Rajpura (Punjab) i.e., the Rajpura Expansion Project, while we do not require to obtain any specific approval or license at this stage, we may, in the future, at future relevant stages, prior to commencing the construction process for the commissioning of the Rajpura Expansion Project, require to apply for and obtain any such approvals or licenses that may be required to be obtained. We cannot assure you that we shall be able to obtain such licenses or approvals on a timely manner or at all which may affect the timelines for commissioning the Rajpura Expansion Project. For details on licenses and approvals existing as on date, see ***“Government and Other Approvals”*** on page 352.

Further, the relevant authorities may also initiate penal actions against us, restrain our operations, impose fines/penalties or initiate legal proceedings for inability to obtain approvals in a timely manner or at all. Any such failure or delay in obtaining such consents, approvals, permits and licenses may affect our ability to continue our operations, which may in turn have an adverse effect on our business, financial condition and results of operations.

43. ***Our funding requirements and the proposed deployment of Proceeds are not appraised by any independent agency, and we have not yet placed orders for the machineries to be utilised in our Rajpura Expansion Project.***

We intend to use the Proceeds of the Fresh Issue towards financing the project cost towards the Rajpura Expansion Project. As on the date of this Prospectus, we have not placed any orders for the plants and machineries to be used for installation in the Rajpura Expansion Project. The estimated value of the plants and machineries to be installed in the Rajpura Expansion Project is ₹ 263.74 million based on our estimates and quotations received from third parties, which are subject to change in the future and are certified by a chartered engineer.

The purposes for which our Proceeds will be utilised have not been appraised by any independent entity and are based on our estimates and third party quotations. Our management will have broad discretion to use the Proceeds of the Fresh Issue and you will be relying on the judgment of our management regarding the application of these Proceeds of the Fresh Issue. Our management may not apply the Proceeds of the Fresh Issue in ways that increase the value of your investment. Additionally, our capital expenditure plans are subject to a number of variables, including the changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges. In the event the Offer is not completed in Financial Year 2021, the deployment schedule will be revised. Further, if the Proceeds are not utilised (in full or in part) for the object of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Proceeds shall be utilised in subsequent periods as may be determined by our Company, in accordance with applicable laws. The cost of certain machineries in relation to our Rajpura Expansion Project may escalate due to them being imported and due to foreign exchange fluctuations. Further, we cannot assure that we will be able to set up the aforesaid manufacturing facilities in accordance with the proposed schedule of implementation. For further details, see “*Objects of the Offer - Details of the Objects*” on page 94.

Pending utilisation of the Proceeds of the Fresh Issue, we intend to deposit such Proceeds of the Fresh Issue in scheduled commercial banks. Although the utilisation of the Proceeds of the Fresh Issue will be monitored by our Board of Directors and Audit Committee and it will not be monitored by a Monitoring Agency, there are no limitations on interim investments that we can make using such Proceeds of the Fresh Issue.

In the event our Company decides to vary the object subsequent to the Offer, it shall do so pursuant to a special resolution of the shareholders in a general meeting. A notice in respect of such resolution issued to the shareholders shall contain details as prescribed under the Companies Act 2013 and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English national daily newspaper, one Hindi national daily newspaper and one Punjabi newspaper as the Registered Office of our Company is situated in Phillaur, Punjab. Pursuant to the Companies Act 2013, the controlling shareholders of our Company will provide an exit opportunity to the shareholders who do not agree to such proposal to vary the object, in accordance with the Articles of Association or as may otherwise be prescribed by SEBI.

44. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets.***

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Our accounts receivable, inventories, certain machinery and equipment are subject to charges created in favour of specific secured lenders. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for events or actions including the following:

- any change in shareholding of our Promoter;
- any change in the capital structure of our Company;
- any additional borrowings;
- any encumbrance or security over charged assets;
- change in the ownership or control of our Company, resulting in any change in the beneficial ownership;
- any material change in the management of our Company;
- any scheme of merger, amalgamation, compromise or reconstruction;
- any change in the constitutional documents of our Company;
- pre-paying any indebtedness incurred by our Company;
- declaring any dividend on share capital of the Company, if our Company has failed to meet its obligations to pay the interest and/or commission and/or installment or installments and/or other moneys payable to the lender, so long as it is in such default;
- selling, assigning, mortgaging or otherwise disposing of any of the fixed assets charged to the lender;
- undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
- undertake guarantee obligations on behalf of any third party or any other company;
- any contractual obligation of a long-term nature or affecting our Company financially to a significant extent; and
- any change to the general nature of the business of the Company.

In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios.

We have obtained a rating of CRISIL A+ on long term facilities and CRISIL A1 on short term facilities on our financing facilities from CRISIL on June 9, 2020 and ICRA A+ on long term facilities and ICRA A1+ on short term facilities on our financing facilities from ICRA on August 28, 2020. Although we have stable credit rating with respect to our facilities currently, any future downgrading of the credit rating of our Company or our Subsidiaries by CRISIL or any other credit rating agency below a specified grade or any adverse comment from our Statutory Auditors or the statutory auditors of such Subsidiaries may qualify as an event of default under the relevant financing agreements of our Company or our Subsidiaries. Pursuant to the provisions of certain loan facilities availed of by our Company, the lenders are entitled to call notice requiring the borrower to repay (either in full or in part) the amount outstanding on any particular day. Further, a downgrade of our credit rating may also increase our interest costs.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

45. ***Any variation in the utilisation of the Proceeds or in the terms of any contract as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use the Proceeds for the purposes described in “*Objects of the Offer*” on page 93. The deployment of the Proceeds is based on internal management estimates as per our business plan based on current market conditions, prevailing market conditions, quotations received from third-party vendors, which are subject to change in the future and a certificate from an independent chartered engineer. However, such fund requirements has not been appraised by any bank, financial institution or other independent agency. Accordingly, at this stage, we cannot determine with any certainty if we will require the Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Proceeds or in the terms of any contract as disclosed in this Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Proceeds, we may not be able to obtain the Shareholders'

approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoter would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the object of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to the variation of the proposed utilisation of the Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of object of the Offer to use any un-utilised proceeds of the Offer, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the un-utilised portion of the Proceeds, if any, or varying the terms of any contract, which may adversely affect our business and results of operations.

46. ***We are dependent on a number of key management personnel, including our senior management and skilled manpower, and the loss of or our inability to attract or retain such persons could adversely affect the efficiency of our operations.***

Our performance depends largely on the efforts and abilities of our key management personnel including our senior management and other skilled manpower for our business operations. Our Promoter and Managing Director, Mr. Anoop Bector has a track record of over 25 years in our Company. Our key management team comprises qualified, experienced and highly skilled professionals who have experience across various sectors, which helps us in growing our business. For details, see "***Our Business – Employees***" on page 174.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our Company's performance depends largely on the efforts and abilities of these key management personnel including members of management and other employees. Our attrition rate of these key managerial personnel was 14.29%, 14.29% and Nil for the financial years ended March 31, 2020, 2019 and 2018, respectively. Further, there has been no attrition of our key managerial personnel for the period April 1, 2020 to September 30, 2020. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on parts of our respective contractors and subcontractors, where we have been the principal employers. Loss of the services of our key management personnel could adversely affect our business, financial condition and results of operations.

47. ***While certain of our trademarks and copyright used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.***

We have registered 'Mrs. Bector's Cremica' as our trademark for our biscuits and 'English Oven' for our bakery products under several classes. Pursuant to the Brand Separation MoU, certain trademarks for our biscuits business were transferred to our Company. While 68 trademarks that are currently operational are already registered by us in our name, we made fresh applications with respect to certain of our trademarks. Additionally, we have registered certain of our trademarks outside India. Further, we have 16 copyrights registered with the Registrar of Copyrights and two designs for which we have been granted valid registration certificates under the Designs Act. For details, see "***Government and Other Approvals – Intellectual Property***" on page 354.

In the absence of these trademark, copyright and design registrations, we may not be able to initiate an infringement action against any third party who maybe infringing our trademarks. With respect to our trademarks that have been applied for and/or objected or opposed we cannot assure you that we will be successful in such a challenge nor can we guarantee that eventually our trademark and copyright applications will be approved, which in turn could result in significant monetary loss or prevent us from

selling our biscuits and bakery products under these trademarks and copyright. As a result, we may not be able to prevent infringement of our trademarks and copyright and a passing off action may not provide sufficient protection until such time that this registration is granted. For further details, see “**Government and Other Approvals**” on page 352.

We are also exposed to the risk that other entities may pass off their biscuits and bakery products as ours by imitating our brand name, packaging material and attempting to create counterfeit products. Any such activities may impact the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition.

48. ***Our insurance coverage may not be adequate to protect us against all material risks. In the event of the occurrence of any unforeseen circumstance, our insurance coverage may not adequately protect us against a possible risk of loss.***

We could be held liable for accidents that occur during the course of our operations. In the event of personal injuries, fires or other accidents suffered at our manufacturing facilities or depots by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. We typically maintain standard fire and special perils policy, machinery breakdown policy for our assets and stock of stores and manufacturing facilities and depots to cover risks such as fire and other ancillary perils. We have also obtained insurance for transit of goods for transportation of our products as well as raw materials and we also maintain product liability insurance policy. Further, we have a money insurance policy, marine policy, directors and officer’s liability insurance policy, public liability policy, several vehicle insurance policies, a group mediclaim policy and group personal accident policy for our employees.

These insurance policies are generally valid for a year and are renewed annually. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the general risks associated with the operation of our business, we cannot assure you that each claim under the insurance policies maintained by us will be honoured fully or promptly, or that we have taken out sufficient insurance to cover all our potential losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms, including in relation to the COVID-19 pandemic, and in the event any of such risks materialise, our Company would be required to bear the financial liability (as applicable to it) and accordingly face an adverse effect on our financial position and results of operations. 100% of our fixed assets as on March 31, 2020 and for the period between April 1, 2020 to September 30, 2020, were insured. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. For further details on insurance arrangements, see “**Our Business – Insurance**” on page 174.

49. ***Our Promoter and Promoter Group will continue to retain control over our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

After the completion of this Offer, our Promoter and Promoter Group will collectively control, directly or indirectly, approximately 51.13% of our Company’s outstanding Equity Shares. As a result, our Promoter and Promoter Group will continue to exercise significant control over us. Our Promoter and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and members of our Promoter Group will act in our interest while exercising their rights in such entities. For further details, see “**Our Management**” and “**Promoter and Promoter Group**” and “**Group Companies**” on pages 189, 207 and 211, respectively.

50. ***We have entered into and may in the future enter into related party transactions and we cannot assure that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. In addition, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. We assure that all related party transactions of our Company shall be conducted in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable law as applicable.

We cannot assure you that such related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations, including as a result of potential conflicts of interest or otherwise. For more information regarding our related party transactions, see “*Summary of the Offer Document*” and “*Financial Statements*” on pages 17 and 218.

51. ***Conflicts of interest may arise out of common business objects between our Company, and one of our Group Companies.***

Our Company, and our Group Companies, may, from to time, be authorised under their respective memorandum of association or constitutional documents, as the case may be, to undertake a similar line of business.

While we do not currently have any conflict management policy or similar arrangement in place, we may in the future be required to assess any potential conflicts of interest and take appropriate steps to address such conflicts of interest, as and when they may arise.

For further details, see “*Group Companies*” on page 211.

52. ***This Prospectus contains information from industry sources including the industry report commissioned from Technopak. Prospective investors are advised not to place undue reliance on such information.***

This Prospectus includes information that is derived from a report dated October 16, 2020, titled “*Indian Biscuit & Bakery Industry*” prepared by Technopak Advisors Private Limited (the “**Technopak Report**”), pursuant to an engagement with our Company. We have commissioned this report for the purpose of confirming our understanding of the food processing industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the Technopak Report.

Technopak has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (the “**Information**”), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The Technopak Report also highlights certain industry, peer and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely amongst different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Technopak Report assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Technopak has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Technopak Report. Prospective Investors are advised not to unduly rely on the Technopak Report or extracts thereof as included in this Prospectus, when making their investment decisions.

53. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Company has adopted a formal policy on dividend distribution pursuant to a resolution of our Board dated July 10, 2018 which was subsequently amended and adopted by the resolution of our Board dated September 19, 2020. In accordance with our dividend policy, our Board shall recommend/declare dividend as per the provisions of Companies Act, 2013. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at an annual general meeting. Our Company shall pay dividend within 30 days of approval of shareholders/declaration by the Board. In the past, we made certain dividend payments to the shareholders of our Company. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For details of dividend paid by our Company in the past, see "*Dividend Policy*" on page 215.

54. ***Our Company will not receive the entire proceeds from the Offer. Some of our Shareholders are selling shares in the Offer and will receive proceeds as part of the Offer for Sale.***

The Offer includes a Fresh Issue of 1,408,592 Equity Shares aggregating up to ₹ 405.40 million by our Company and an Offer for Sale of up to 17,361,109 Equity Shares aggregating up to ₹ 5,000.00 million by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders, in proportion of the respective portion of their Offered Shares, and our Company will not receive any such proceeds. For further details, see "*Objects of the Offer*" and "*Capital Structure*" on pages 83 and 73, respectively.

External Risk Factors

Risks Related to India

55. ***The outbreak of COVID-19, or outbreak of any other similar severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine is available yet. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be

required by government authorities or steps on what we believe would be in the best interests of our employees, customers and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken globally to contain COVID-19 or treat its impact, amongst others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but we cannot assure that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further if the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

56. ***The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

57. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB- with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

58. ***We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on BSE and NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions amongst Indian customers and Indian corporations;
- epidemic or any other public health emergency in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

Further, a number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. The World Health Organization and other agencies have recently issued warnings on the COVID-19 virus and on a potential avian or swine influenza pandemic if there is sustained human-to-human transmission. If any of our employees are identified as a possible source of spreading COVID-19, swine flu, avian flu or any other similar epidemic or pandemic, we may be required to quarantine employees that are suspected of being infected, as well as others that have come into contact with those employees and we may have to shut down a part of or the entire manufacturing facility for certain period, which could have an adverse effect on our business operations. Further, the process of obtaining and/or renewing necessary registrations, approvals, licenses and permits from statutory/regulatory authorities is also likely to be impacted by the governmental restrictions and lockdowns. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of COVID-19, avian or swine influenza or other contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

59. ***Significant differences exist between Indian GAAP and IND AS, on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition.***

Our financial statements for the period between April 1, 2020 to September 30, 2020 and April 1, 2019 to September 30, 2019, as well as for the years ended Financial Years 2020, 2019 and 2018 have been prepared in accordance with the Ind AS, read with the Companies (Indian Accounting Standards) Rules, 2015. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

60. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are

unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

The Finance Act, 2020 (the “**Finance Act**”) which came into effect on July 1, 2020, has made various amendments. The Finance Act stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

The Finance Act has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“**DDT**”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

61. ***Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

Risks Related to the Offer

62. ***Under Indian law, foreign investors are subject to foreign investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such

requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Governmental agency can be obtained on any particular terms or at all.

63. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the stock exchanges, the quantum of gains and any available treaty exemption. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

64. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Risks Related to the Offer and investment in our Equity Shares

65. ***The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to factors including variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

66. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates

during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

67. ***The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, our BRLMs have previously handled issues wherein the market price of shares have been below the issue price of such shares and we cannot assure that the market price of the Equity Shares after the Offer will be equal to or higher than the Offer Price.***

The Offer Price of the Equity Shares will be determined by our Company and Selling Shareholders in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, including the basic and diluted earnings per share, price earnings ratio in relation to the offer price per equity share of the face value, comparison with listed industry peers and return on net worth as described under “**Basis for Offer Price**” on page 99, and may not be indicative of the market price for the Equity Shares after the Offer and it may decline below the Offer Price. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. Further, the BRLMs have previously handled issues wherein the market price of the issued shares declined below the issue price of shares in such issues within 30 days of their listing and in certain cases continued to trade at a price lower than their listing price on the 180th day from their listing. We cannot, therefore, assure you that the investor will be able to resell their Equity Shares at or above the Offer Price. For further details regarding the track record of past issues handled by each of the BRLMs, see “**Other Regulatory and Statutory Disclosures – Price Information of Past Issues handled by the BRLMs**” on page 361.

68. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities, by us may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “**Capital Structure**” on page 73, we cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

69. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, or such other period as may be prescribed by the SEBI events affecting the Bidders’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition and results of operations may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

70. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

71. ***The requirements of being a listed company may strain our resources.***

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

SECTION III - INTRODUCTION THE OFFER

The following table summarises details of the Offer:

Offer⁽¹⁾	18,769,701* Equity Shares aggregating up to ₹ 5,405.40 million
<i>The Offer consists of:</i>	
Fresh Issue	1,408,592* Equity Shares aggregating to ₹ 405.40 million
Offer for Sale ⁽²⁾	17,361,109* Equity Shares aggregating up to ₹ 5,000.00 million
Employees Reservation Portion ⁽³⁾	18,315* Equity Shares aggregating up to ₹ 5.00 million
Net Offer	18,751,386* Equity Shares aggregating up to ₹ 5,400.40 million
<i>Of which:</i>	
A. QIB Category^{(4) (5)}	Not more than 9,375,692* Equity Shares
<i>Of which:</i>	
Anchor Investor Portion	5,625,415* Equity Shares
Balance available for allocation to QIBs other than Anchor Investor (assuming Anchor Investor Portion is fully subscribed)	3,750,277* Equity Shares
<i>Of which:</i>	
Available for allocation to mutual funds only (5% of the QIB Category (excluding Anchor Investor Portion))	187,514* Equity Shares
Balance for all QIBs including Mutual Funds	3,562,763* Equity Shares
B. Non-Institutional Category⁽⁴⁾	Not less than 2,812,708* Equity Shares
C. Retail Category⁽⁴⁾	Not less than 6,562,986* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	57,337,922* Equity Shares
Equity Shares outstanding after the Offer	58,746,514* Equity Shares
Use of proceeds of the Offer	For details, see “ <i>Objects of the Offer</i> ” on page 93.

* Subject to finalization of the Basis of Allotment

(1) The Offer has been authorised by a resolution by our Board of Directors dated August 14, 2020 and a resolution of our Shareholders dated October 16, 2020.

(2) The Selling Shareholders have, severally and not jointly, confirmed and approved their portion in the Offer for Sale as set out below:

Selling Shareholder	Aggregate value of Equity Shares (in ₹ million)	Date of board resolution	Date of consent letter(s)
Linus	2,450.00	September 8, 2020	October 13, 2020
Mabel	385.00	August 27, 2020	October 14, 2020 and December 3, 2020
GW Crown	1,860.00	August 27, 2020	October 14, 2020 and December 3, 2020
GW Confectionary	305.00	August 27, 2020	October 14, 2020 and December 3, 2020

(3) A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion.

(4) Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Company and Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, the Equity Shares will be Allotted in the following order; (i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed; (ii) next, the Offered Shares will be Allotted, in the proportion to the number of Equity Shares offered by each Selling Shareholder in a pro-rata manner; and (iii) once Equity Shares have been Allotted as per (i) and (ii), such number of Equity Shares will be Allotted by our Company that the balance 10% of the Fresh Issue portion is also subscribed. For details, see “*Terms of the Offer*” on page 368.

(5) Our Company and the Selling Shareholders have, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion has accordingly been reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion has been made available for allocation to

domestic Mutual Funds only, subject to valid Bids having been received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which is a price determined by our Company and the Selling Shareholders in consultation with the BRLMs. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion is allowed to be added back to the QIB Category. 5% of the QIB Portion (excluding Anchor Investor Portion) has been made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) has been made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Offer Procedure” on page 376.

Notes:

- Allocation to all categories, other than Anchor Investors and Retail Individual Investors, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see “Offer Procedure” on page 376.
- For details, including grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on page 373 and 376 respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 368.

SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 218 and 305, respectively.

RESTATED CONSOLIDATED INFORMATION OF ASSETS AND LIABILITIES

(In ₹ million, unless otherwise stated)

ASSETS	As at September 30, 2020	As at September 30, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Non-current assets					
Property, plant and equipment	3,269.67	3,450.53	3,375.70	3,442.67	2,405.65
Capital work-in-progress	288.89	65.58	66.55	155.58	920.79
Right-of-use assets	145.05	159.44	151.35	167.53	183.80
Goodwill	3.95	3.95	3.95	3.95	3.95
Other intangible assets	3.20	9.05	6.13	11.97	17.81
Equity accounted investment	39.14	38.71	38.28	37.91	38.82
Financial assets					
(i) Loans	34.67	33.60	35.25	36.96	33.56
(ii) Other financial assets	1.22	0.26	0.26	0.41	9.68
Income tax assets (net)	30.84	57.13	42.61	41.77	29.33
Other non-current assets	223.40	29.24	174.29	40.68	66.22
Total non-current assets	4,040.03	3,847.49	3,894.37	3,939.43	3,709.61
Current assets					
Inventories	544.48	415.76	433.73	352.83	353.49
Financial assets					
(i) Investment	-	-	-	-	0.18
(ii) Trade receivables	729.07	877.14	750.23	1,003.28	693.83
(iii) Cash and cash equivalents	172.42	23.05	206.99	55.28	58.76
(iv) Bank balances other than (iii) above	304.18	110.53	95.50	65.02	48.51
(v) Loans	-	5.37	3.57	-	-
(vi) Other financial assets	208.90	215.33	179.42	154.78	97.34
Other current assets	81.13	110.89	93.34	199.82	148.87
Assets classified as held for sale	7.05	-	-	-	-
Total current assets	2,047.23	1,758.07	1,762.78	1,831.01	1,400.98
Total assets	6,087.26	5,605.56	5,657.15	5,770.44	5,110.59
EQUITY AND LIABILITIES					
Equity					
Equity share capital	572.68	572.68	572.68	572.68	572.68
Other equity	3,005.04	2,471.38	2,620.31	2,374.84	2,093.46
Total equity	3,577.72	3,044.06	3,192.99	2,947.52	2,666.14
Liabilities					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	1,012.01	939.41	856.53	1,072.10	947.12
(ii) Lease liabilities	11.70	18.81	15.38	26.81	42.07
Provisions	75.22	58.35	61.22	41.86	32.54
Deferred tax liabilities (net)	87.98	77.93	78.76	122.12	64.75
Other non-current liabilities	116.73	139.82	131.40	148.74	137.48
Total non-current liabilities	1,303.64	1,234.32	1,143.29	1,411.63	1,223.96
Current liabilities					
Financial liabilities					
(i) Borrowings	-	285.49	180.51	327.09	262.73
(ii) Lease liabilities	7.11	15.85	11.43	15.26	13.78

ASSETS	As at September 30, 2020	As at September 30, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
(iii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	75.44	55.60	59.19	67.43	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	540.80	373.41	411.08	420.79	389.70
(iv) Other financial liabilities	295.98	292.57	344.72	297.41	297.63
Other current liabilities	185.74	143.15	138.31	128.76	103.79
Provisions	38.67	148.46	156.89	141.97	126.86
Current tax liabilities (net)	62.16	12.65	18.74	12.58	26.00
Total current liabilities	1,205.90	1,327.18	1,320.87	1,411.29	1,220.49
Total liabilities	2,509.54	2,561.50	2,464.16	2,822.92	2,444.45
Total equity and liabilities	6,087.26	5,605.56	5,657.15	5,770.44	5,110.59

The above information should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

RESTATED CONSOLIDATED INFORMATION OF PROFIT AND LOSS

(In ₹ million, unless otherwise stated)

Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Income					
Revenue from operations	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
Other income	75.61	15.92	28.54	23.64	17.90
Total income	4,385.55	3,662.08	7,649.76	7,860.29	6,957.55
Expenses					
Cost of materials consumed	2,289.28	1,996.53	4,113.15	4,068.37	3,778.86
Purchase of stock-in-trade	-	2.51	3.70	134.14	119.68
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(41.05)	(63.16)	(42.35)	37.78	(70.65)
Excise duty	-	-	-	-	33.30
Employee benefits expense	620.53	573.18	1,178.97	1,097.31	913.07
Finance costs	54.78	78.55	150.39	126.75	61.06
Depreciation and amortisation expense	221.64	207.00	414.88	351.83	283.47
Other expenses	719.82	747.38	1,439.59	1,538.23	1,310.52
Total expenses	3,865.00	3,541.99	7,258.33	7,354.41	6,429.31
Profit before share of equity accounted investees and tax					
Share of net profit of associate accounted for using the equity method (net of tax)	0.86	0.80	0.37	0.68	0.17
Profit before tax	521.41	120.89	391.80	506.56	528.41
Tax expense:					
Current tax	121.89	61.03	128.97	117.82	164.50
Deferred tax	10.69	(41.88)	(41.20)	57.24	4.98
	132.58	19.15	87.77	175.06	169.48
Profit for the year (A)	388.83	101.74	304.03	331.50	358.93
Other comprehensive (loss)/ income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans	(5.87)	(9.12)	(8.60)	0.39	2.67
Income tax relating to remeasurement of defined benefit plans	1.47	2.30	2.17	(0.12)	(0.92)
Total other comprehensive (loss)/ income for the year (B)	(4.40)	(6.82)	(6.43)	0.27	1.75
Total comprehensive income for the year (A + B)	384.43	94.92	297.60	331.77	360.68
Earnings per equity share nominal value of ₹10 (previous year ₹10)					
Basic	6.79	1.78	5.31	5.79	6.27
Diluted	6.78	1.77	5.30	5.78	6.26

The above information should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(In ₹ million, unless otherwise stated)

Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	For the year ended March 31 2020	For the year ended March 31 2019	For the year ended March 31 2018
A. Cash flow from operating activities					
Net profit before taxation	521.41	120.89	391.80	506.56	528.41
Non-cash adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation expense	221.64	207.00	414.88	351.83	283.47
Allowances on trade receivable and other advances	60.94	64.71	71.18	36.50	4.64
Gain on sale of investments (net)	-	-	-	(1.10)	(0.67)
Net change in fair value of financial assets at FVTPL	-	-	-	-	0.06
Bad debts written off	-	-	20.23	2.81	3.39
Liabilities no longer required written back	(55.43)	-	(4.98)	-	-
Amortisation of government grants	(11.45)	(9.52)	(18.82)	(15.04)	(9.97)
Change in fair value of derivative contracts	(21.11)	4.40	19.24	(5.11)	22.53
Unrealised foreign exchange (gain) / loss	12.04	(16.09)	(26.69)	21.30	(13.68)
Net loss / (gain) on sale of property, plant and equipment	(0.27)	(2.16)	(0.59)	0.38	2.44
Employee share-based payment expense	0.30	1.62	(0.02)	4.40	3.99
Interest expense	54.78	78.55	150.39	126.75	61.06
Interest income	(7.83)	(3.82)	(8.19)	(5.71)	(6.08)
Share of equity accounted investment	(0.86)	(0.80)	(0.37)	(0.68)	(0.17)
Operating profit before working capital changes	774.16	444.78	1,008.06	1,022.89	879.42
Movement in working capital:					
Decrease/ (increase) in non current loans	0.58	3.36	1.71	(3.40)	1.25
(Increase) in current loans	3.57	(5.37)	(3.57)	-	-
(Increase)/decrease in other financial assets	(19.22)	(60.39)	(24.73)	(52.46)	(19.41)
(Increase) in other non-current assets	0.10	(0.61)	(0.29)	-	-
Decrease/ (increase) in other current assets	12.21	88.93	106.48	(50.95)	(85.47)
(Increase)/ decrease in inventories	(110.75)	(62.93)	(80.90)	0.66	(77.40)
Decrease/ (increase) in trade receivables	(51.76)	78.21	189.12	(370.06)	(102.13)
Increase in current provisions	(62.79)	6.49	14.92	15.11	17.21
Increase in non current provisions	8.13	7.37	10.76	9.71	-
Increase in other liabilities	44.21	14.98	12.86	16.16	(18.04)

Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	For the year ended March 31 2020	For the year ended March 31 2019	For the year ended March 31 2018
(Decrease)/ increase in trade payables	145.97	(59.20)	(14.81)	98.52	11.85
(Decrease)/ Increase in other financial liabilities	2.00	(3.78)	(1.11)	(2.64)	12.75
Cash generated from operations	746.41	451.84	1,218.50	683.54	620.03
Income tax paid	(66.70)	(76.32)	(123.65)	(143.68)	(155.04)
Net cash from operating activities (A)	679.71	375.52	1,094.85	539.86	464.99
B. Cash flows from investing activities					
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(364.38)	(148.70)	(424.75)	(615.89)	(1,180.04)
Proceeds from sale of property, plant and equipment	3.06	7.09	14.51	3.12	3.62
Net proceeds of investments	-	-	-	1.67	48.69
Net (investments)/redemption in bank deposits (having original maturity of more than three months)	(209.64)	(45.36)	(30.33)	(7.24)	1.34
Interest received	6.18	3.66	8.28	5.83	6.03
Net cash used in investing activities (B)	(564.78)	(183.31)	(432.29)	(612.51)	(1,120.36)
C. Cash flows from financing activities					
Proceeds from issue of equity share capital	-	-	-	0.00	-
Share premium on exercise of share based option	-	-	-	0.05	-
Proceeds from non-current borrowings *	255.88	30.53	81.09	399.56	757.56
Repayments of non-current borrowings *	(163.19)	(108.34)	(203.98)	(192.57)	(165.41)
(Repayments)/ proceeds from/to current borrowings *	(180.51)	(58.34)	(167.80)	64.36	97.14
Payment of lease liabilities (including interest on lease liabilities)	(7.49)	(9.04)	(18.17)	(17.95)	(11.43)
Finance cost paid	(54.19)	(79.25)	(149.88)	(121.44)	(57.32)
Dividend paid on equity shares (including dividend distribution tax)	-	-	(52.11)	(62.84)	(42.49)
Net cash (used in)/from financing activities (C)	(149.50)	(224.44)	(510.85)	69.17	578.05
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(34.57)	(32.23)	151.71	(3.48)	(77.32)
Cash and cash equivalents at the beginning of the year	206.99	55.28	55.28	58.76	136.08

Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	For the year ended March 31 2020	For the year ended March 31 2019	For the year ended March 31 2018
Cash and cash equivalents at the end of the year	172.42	23.05	206.99	55.28	58.76
i. Components of cash and cash equivalents:					
Cash in hand	1.38	3.33	3.81	3.45	2.46
Balance with banks					
- in current accounts	109.38	19.72	143.11	51.83	56.30
- on deposit accounts with original maturity upto 3 months	61.66	-	60.07	-	-
	172.42	23.05	206.99	55.28	58.76
ii. Movement in financial liabilities					
Opening balance of borrowings					
Non-current borrowings	1,131.14	1,275.27	1,275.27	1,068.29	442.81
Current borrowings	180.51	327.09	327.09	262.73	165.59
Lease liabilities (on adoption of Ind AS 116)	26.81	42.07	42.07	55.85	27.61
Interest on borrowings	2.41	4.81	4.81	3.67	3.31
Movement					
Cash flows	(87.82)	(136.15)	(290.71)	271.33	722.63
Payment of lease liabilities	(7.49)	(9.04)	(18.17)	(17.95)	(11.43)
Interest expense	54.78	78.55	150.39	126.75	61.06
Interest paid	(54.19)	(79.25)	(149.88)	(121.44)	(57.32)
Other non-cash movements					
- Addition of lease liabilities	-	-	-	-	36.29
Closing balance of borrowings					
Non-current borrowings	1,223.83	1,180.71	1,131.14	1,275.27	1,068.29
Current borrowings	-	285.49	180.51	327.09	262.73
Lease liabilities (on adoption of Ind AS 116)	18.81	34.66	26.81	42.07	55.85
Interest on borrowings	2.07	2.49	2.41	4.81	3.67

The above information should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

GENERAL INFORMATION

Our Company was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. The name of our Company was changed to Mrs. Bectors Food Specialities Limited pursuant to a resolution of the shareholders dated December 7, 2001 and a fresh certificate of incorporation dated December 10, 2001 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. For details, see “*History and Certain Corporate Matters*” on page 183.

Registration Number: 033417

Corporate Identity Number: U74899PB1995PLC033417

Registered Office

Mrs. Bectors Food Specialities Limited

Theing Road
Phillaur, Jalandhar 144 410
Punjab, India

Corporate Office

Mrs. Bectors Food Specialities Limited

11-A Udyog Vihar, Greater Noida
Gautam Budh Nagar
Uttar Pradesh 201 308, India

Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies
Corporate Bhavan, 1st Floor
Plot no. 4-B, Madhya Marg, Sector 27B
Chandigarh 160 019, India

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Prospectus:

Name and Designation	DIN	Address
Mr. Subhash Agarwal	02782473	House No. 400/1, Rani Jhansi Road, Civil Lines, Ludhiana 141 001, Punjab, India
<i>Designation:</i> Chairman and Independent Director		
Mr. Anoop Bector	00108589	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India
<i>Designation:</i> Managing Director		
Mr. Ishaan Bector	02906180	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India
<i>Designation:</i> Whole Time Director		
Mr. Parveen Kumar Goel	00007297	House No. 230-A, Near Kali Mata Mandir, Rishi Balmiki Nagar, Ludhiana 141 001, Punjab, India
<i>Designation:</i> Whole Time Director		
Ms. Rajni Bector	00108730	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India
<i>Designation:</i> Non-executive Director		
Mr. Rahul Goswamy	07357011	House 15, Bukit Tunggal Road, Singapore 309 699
<i>Designation:</i> Non-Executive Nominee Director*		

Name and Designation	DIN	Address
Mr. Nem Chand Jain	02894923	House No. B-19/1135, Rajpura Road, Behind Marino Ice Cream, Tagore Nagar, Ludhiana 141 001, Punjab, India
<i>Designation: Independent Director</i>		
Mr. Rajiv Dewan	00007988	96-F, Rishi Nagar, Ludhiana 141 001, Punjab
<i>Designation: Independent Director</i>		
Mr. Tarun Khanna	02306480	B-9/21, Second floor, Vasant Vihar, South West Delhi – 110057, India
<i>Designation: Non-Executive Nominee Director**</i>		
Ms. Pooja Luthra	03413062	I-1626, 2 nd Floor, Chittranjan Park, New Delhi- 110019, India
<i>Designation: Independent Director</i>		

*Nominee of Gateway Partners

**Nominee of Linus

For brief profiles and further details in respect of our Directors, see “*Our Management*” on page 189.

Chief Financial Officer

Mr. Parveen Kumar Goel is the Chief Financial Officer of our Company. His contact details are as follows:

Mr. Parveen Kumar Goel

Theing Road, Phillaur

Jalandhar 144 410

Punjab, India

Tel: (+91) 182-6225418

E-mail: parveen.goel@cremica.in

Company Secretary and Compliance Officer

Mr. Atul Sud is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Mr. Atul Sud

Theing Road, Phillaur

Jalandhar 144 410

Punjab, India

Tel: (+91) 182-6225418

E-mail: compliance@cremica.in

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.

All offer-related grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

SBI Capital Markets Limited

202, Market Tower 'E'
Cuffe Parade, Mumbai 400 005
Maharashtra, India
Tel: (+ 91 22) 2217 8300
E-mail: mbfsl.ipo@sbicaps.com
Website: www.sbicaps.com
Investor Grievance E-mail:
investor.relations@sbicaps.com
Contact Person: Mr. Janardhan Wagle/Mr. Aditya
Deshpande
SEBI Registration No.: INM000003531

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Tel: (+91 22) 2288 2460
E-mail: cremica.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor Grievance E-mail:
customercare@icicisecurities.com
Contact Person: Mr. Shekher Asnani/Mr.
Anurag Byas
SEBI Registration No.: INM000011179

IIFL Securities Limited

10th Floor, IIFL Center, Kamala City
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: (+91 22) 4646 4600
E-mail: cremica.ipo@iiflcap.com
Website: www.iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Contact Person: Mr. Pinkesh Soni/ Ms. Nishita Mody
SEBI Registration No.: INM000010940

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, and positioning strategy	SBICAP, ICICI Securities, IIFL	SBICAP
2.	Pre-Offer due diligence of our Company including its operations/management/business plans/legal etc., Drafting and design of DRHP, RHP and Prospectus. The BRLMs ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	SBICAP, ICICI Securities, IIFL	SBICAP
3.	Drafting and approval of all statutory advertisements	SBICAP, ICICI Securities, IIFL	ICICI Securities
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in 3 above, including corporate advertising, brochures, media monitoring, etc. & filing of media compliance report	SBICAP, ICICI Securities, IIFL	ICICI Securities
5.	Appointment of intermediaries (including co-ordinating all agreements to be entered with such parties): registrar to the Offer, advertising agency, printers, monitoring agency, Banker to the Offer, Sponsor Bank, Anchor Escrow Bank, Share escrow agent, syndicate members/brokers to the Offer and underwriters.	SBICAP, ICICI Securities, IIFL	IIFL

Sr. No.	Activity	Responsibility	Co-ordination
6.	Preparation of road show presentation and FAQs for the road show team	SBICAP, ICICI Securities, IIFL	SBICAP
7.	International institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules 	SBICAP, ICICI Securities, IIFL	SBICAP
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules 	SBICAP, ICICI Securities, IIFL	IIFL
9.	Non - institutional and retail marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> • Finalising media, marketing and public relations strategy; • Finalising centers for holding conferences for brokers, etc.; • Follow - up on distribution of publicity and Issue material including forms, the Prospectus and deciding on the quantum of Issue material; and • Finalising collection centers 	SBICAP, ICICI Securities, IIFL	ICICI Securities
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, intimation to Stock Exchange for anchor portion and deposit of 1% security deposit with designated stock exchange.	SBICAP, ICICI Securities, IIFL	ICICI Securities
11.	Managing the book and finalisation of pricing in consultation with our Company and the Selling Shareholders	SBICAP, ICICI Securities, IIFL	SBICAP
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and banks, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to anchor investors, follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, finalisation of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.	SBICAP, ICICI Securities, IIFL	IIFL

Payment of the applicable securities transaction tax (“STT”) on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.

Co-ordination with SEBI and stock exchanges for refund of 1% security deposit and submission of all post- Offer reports including final post- Offer report to SEBI.

Syndicate Members

SBICAP Securities Limited

Marathon Futurex
12th Floor A & B–Wing, N. M. Joshi Marg,
Lower Parel, Mumbai 400 013, Maharashtra, India
Tel: +91 22 4227 3300
Email: archana.dedhia@sbicapsec.com
Website: www.sbismart.com
Kind Attention: Ms. Archana Dedhia

Investec Capital Services (India) Private Limited

1103-04, 11th Floor, B Wing, Parinee Crescenzo,
Bandra Kurla Complex
Mumbai 400 051, Maharashtra, India
Tel: +91 22 6849 7509
E-mail: suhani.bhareja@investec.co.in
Website: www.investec.com/india.html
Kind Attention: Ms. Suhani Bhareja

Legal Counsel to the Offer as to Indian Law

Shardul Amarchand Mangaldas & Co

Shardul Amarchand Mangaldas & Co.

Amarchand Towers
216, Okhla Industrial Estate Phase - III
New Delhi 110 020, India
Tel: (+91 11) 4159 0700

Prestige Sterling Square, Madras Bank Road,
Off Lavelle Road, Bengaluru 560 001
Karnataka, India
Tel: +91 80 6674 9999

Legal Counsel to Gateway Partners

AZB & Partners

AZB House
Plot No. A8-Sector 4
Noida 201 301 India
Tel: (+91 120) 417 9999
Fax: (+91 120) 417 9900

Special Purpose International Legal Counsel to the BRLMs

Squire Patton Boggs (MEA) LLP

Dubai International Financial Centre (DIFC)
Burj Daman Office Tower, Level 10
P.O. BOX 111713
Dubai, United Arab Emirates
Tel: +971 4 447 8700
Fax: +971 4 456 1271

Registrar to the Offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083 Maharashtra, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
E-mail: bector.ipo@linkintime.co.in
Investor Grievance E-mail: bector.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker to the Offer

ICICI Bank Limited

Capital Market Division, 1st Floor
122, Mistry Bhavan Dinsaw Vaccha Road
Backbay Reclamation, Churchgate,
Mumbai- 400020, Maharashtra, India
Tel: +91 22 66818911/ 66818923/ 66818924
Email: kmr.saurabh@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Saurabh Kumar
SEBI Registration No.: INBI000000004

Bankers to our Company

HDFC Bank Limited

Civil Lines, Jalandhar
Ludhiana 141 001
Punjab, India
Tel: +91 70655 40201
E-mail: parul.aora@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Ms. Pahul Arora

ICICI Bank Limited

ICICI Bank Tower, Near Chakli Circle, Old Padra
Road, Vadodra, Gujarat 390007
Tel: +91 85588 27657
E-mail: surya.bedi@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Surya Bedi

Self Certified Syndicate Banks

The list of SCSBs is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through

Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at [http:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ([https:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40](https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40)) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/Designated CDP Locations/Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at the website of SEBI at [http:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at [http:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time.

Statutory Auditors of our Company

B S R & Co. LLP, Chartered Accountants

Building No. 10, 12th Floor, Tower B
DLF Cyber City, Phase-II, Gurugram 122 002
Haryana, India

Tel: (+91 124) 719 1000

E-mail: rajivgoyal@bsraffiliates.com

Firm Registration Number: 101248W/W-100022

Peer Review Number: 011748

B S R & Co. LLP, Chartered Accountants by way of the certificate dated October 17, 2020, have confirmed that they hold a valid peer review certificate dated July 2, 2019 issued by the Peer Review Board of ICAI, New Delhi.

Changes in Auditors

There has been no change in the statutory auditors of our Company during the last three years.

Expert

Except as stated below, our Company has not obtained any expert opinions:

- (i) Our Company has received written consent from the Statutory Auditors namely, BSR & Co. LLP Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name in this Prospectus as required under Section 26 of the Companies Act, 2013 and as an “expert” as defined under Section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditor of our Company and in respect of (i) their examination reports on our Restated Consolidated Financial Information, dated November 28, 2020; and (ii) statement of possible special tax benefits dated December 8, 2020 and such consent has not been withdrawn as of the date of this Prospectus. The term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
- (ii) Our Company has received a written consent from Mr. Anil Kumar Soni, independent chartered engineer, to include his name in this Prospectus as an “expert” as required under the Section 2(38) of the Companies Act, 2013. In connection with his certificate dated December 3, 2020, in relation to the capacity utilisation and certificate dated December 3, 2020, in relation to the estimated cost of Rajpura Expansion Project, included in this Prospectus and such consent has not been withdrawn as of the date of this Prospectus.

Monitoring Agency

The Fresh Issue size of the Offer is less than ₹ 1,000.00 million and accordingly, our Company is not required to appoint a monitoring agency under the SEBI ICDR Regulations.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Appraising Entity

The object for which the Proceeds will be utilised has not been appraised by any agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Trustees

As the Offer is of Equity Shares, the appointment of trustees is not required.

Filing of the Draft Red Herring Prospectus

A copy of the Draft Red Herring Prospectus was filed at SEBI Corporation Finance Department, Division of Issues and Listing, SEBI Bhavan, Plot No. C4 A, ‘G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India, electronically on the platform provided by SEBI.

Filing of the Red Herring Prospectus

A copy of the Red Herring Prospectus has been filed and the copy of this Prospectus, along with the material contracts and documents referred to in this Prospectus shall be filed at:

The Registrar of Companies

Punjab, Chandigarh & Himachal Pradesh

Corporate Bhavan, 1st Floor
Plot no. 4-B, Madhya Marg, Sector 27B
Chandigarh 160 019
India

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band and minimum Bid lot which has been decided by our Company and the Selling Shareholders, in consultation with the

BRLMs and advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Patiala edition of Chardhikala, a Punjabi newspaper (Punjabi being the regional language of Punjab where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective website. The Offer Price has been determined by our Company and Selling Shareholders, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (other than Anchor Investors) mandatorily participated in this Offer only through the ASBA process. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see “Offer Procedure” “Offer Structure” on page 376 and 373 respectively.

The Book Building Process was subject to change. Bidders were advised to make their own judgment about an investment through this process prior to submitting a Bid.

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Offer, and does not illustrate bidding by Anchor Investors)

Bidders could Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20.00 to ₹ 24.00 per share, an Offer size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding Centers during the bid period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1,000	23.00	1,500	50%
1,500	22.00	3,000	100%
2,000	21.00	5,000	166%
2,500	20.00	7,500	250%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. Our Company and the Selling Shareholders, in consultation with the BRLMs, will finalise the Offer Price at or below such cut-off, i.e., at or below ₹ 22.00. All bids at or above the Offer Price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

Our Company and Selling Shareholders have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM are as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated December 19, 2020. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten *
<i>(in ₹ million)</i>		
SBI Capital Markets Limited 202, Maker Tower "E" Cuffe Parade Mumbai 400 005 Tel.: +91 22 22178300 Email: mbfsl.ipo@sbicaps.com	6,256,367.00	1,801.74
SBICAP Securities Limited Marathon Futurex, 12th Floor A & B-Wing, N. M. Joshi Marg Lower Parel, Mumbai – 400 013 Maharashtra, India Tel.: +91 22 4227 3300 E-mail: archana.dedhia@sbicapsec.com	100.00	0.03
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing Parinee Crescenzo, Bandra Kurla Complex Mumbai – 400 051 Maharashtra, India Tel.: +91 22 6849 7509 E-mail: suhani.bhareja@investec.co.in	100.00	0.03
ICICI SECURITIES LIMITED ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai – 400 020 Maharashtra, India Tel.: (+91 22) 2288 2460 Email: mbfsl.ipo@icicisecurities.com	6,256,567.00	1,801.80
IIFL SECURITIES LIMITED 10th Floor, IIFL Centre Kamala Mills, Senapati Bapat Marg Lower Parel (West), Mumbai – 400 013 Maharashtra, India Tel.: +91 22 4646 4600 Email: cremica.ipo@iiflcap.com	6,256,567.00	1,801.80
Total	18,769,701.00	5,405.40

* Computed at the Offer Price of ₹ 288.00 per Equity Share, net of Employee Discount.

The abovementioned amounts are provided for indicative purposes only and would be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below.

Particulars	Aggregate nominal value (in ₹)	Aggregate value at Offer Price* (in ₹)
A) AUTHORISED SHARE CAPITAL⁽¹⁾		
65,000,000 Equity Shares of face value of ₹ 10 each	650,000,000.00	-
B) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
57,337,922 Equity Shares of face value of ₹ 10 each	573,379,220.00	-
C) PRESENT OFFER IN TERMS OF THIS PROSPECTUS		
Offer of 18,769,701* Equity Shares of face value of ₹ 10 each	187,697,010	5,405,399,163
<i>Of which:</i>		
Fresh Issue of 1,408,592* Equity Shares of face value of ₹ 10 each aggregating up to ₹ 405.40 million ⁽²⁾	14,085,920	405,399,771
Offer for Sale of 17,361,109* Equity Shares of face value of ₹ 10 each aggregating up to ₹ 5,000.00 million ⁽³⁾	173,611,090	4,999,999,392
<i>Which includes:</i>		
Employee Reservation Portion of up to 18,315* Equity Shares aggregating up to ₹ 5.00 million of face value of ₹ 10 each ⁽⁴⁾	183,150	4,999,995
Net Offer of up to 18,751,386* Equity Shares of face value of ₹ 10 each	187,513,860	5,400,399,168
D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
58,746,514* Equity Shares of face value of ₹ 10 each	587,465,140	-
E) SECURITIES PREMIUM ACCOUNT		
Before the Offer (in ₹ million)		243.92
After the Offer (in ₹ million)		646.76

*Subject to finalisation of the Basis of Allotment.

(1) For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see “**History and Certain Corporate Matters - Amendments to our Memorandum of Association**” on page 183.

(2) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on August 14, 2020 and authorised by our Shareholders pursuant to their resolution dated October 16, 2020.

(3) For details on authorisation of the Selling Shareholders in relation to their respective portion of their Offered Shares, see “**The Offer**” and “**Other Regulatory and Statutory Disclosures**” on pages 55 and 355.

A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion

Notes to Capital Structure

1. Share Capital History

(a) History of Equity Share capital of our Company

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment/cancellation of Equity Shares	Names of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/Nature of allotment
September 15, 1995	10 Equity Shares each were allotted to Mr. Chitranjan Dua and to Mr. Deepak Adlakha pursuant to subscription to the MOA	20	10	10	Cash	Subscription to the MOA
May 11, 2001	2,500 Equity Shares each were allotted to Mr. Dharamvir Bector, Mr. Ajay Bector, Mr. Anoop Bector and Mr. Akshay Bector, 350,000 Equity Shares were allotted to Cremica Industries Limited, 149,000 Equity Shares were allotted to BFL 95,000 Equity Shares	704,000	10	10	Cash	Preferential Allotment

Date of allotment/cancellation of Equity Shares	Names of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/Nature of allotment
	were allotted to Cremica Foods Limited and 100,000 Equity Shares were allotted to Cremica Agro Foods Limited.					
January 12, 2007	66,805 Equity Shares were allotted to Cremica Agro Foods Limited.	66,805	10	2,647	Cash	Preferential Allotment
September 30, 2010	78,056 Equity Shares were allotted to IL&FS Trust Company Limited (acting as trustees of Business Excellence Trust – India Business Excellence Fund) pursuant to conversion of Series A Preference Shares and Series B Preference Shares and 144,962 Equity Shares were allotted to India Business Excellence Fund-I pursuant to conversion of Series B Preference Shares.	223,018	10	10	Cash	Conversion of Series A Preference shares and Series B Preference Shares into Equity Shares
March 30, 2011	73,080 Equity Shares were allotted to Mr. Dharamvir Bector, 72,500 Equity Shares were allotted to Mr. Ajay Bector, 72,500 Equity Shares were allotted to Mr. Akshay Bector, 72,500 Equity Shares were allotted to Mr. Anoop Bector, 1,937,345 Equity Shares were allotted to Cremica Agro Foods Limited, 10,150,000 Equity Shares were allotted to Cremica Industries Limited, 4,321,000 Equity Shares were allotted to BFL, 5,655,000 Equity Shares were allotted to Cremica Foods Limited, 2,263,624 Equity Shares were allotted to IL&FS Trust Company Limited, 4,203,898 Equity Shares were allotted to India Business Excellence Fund-I.	28,821,447	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 29:1
April 1, 2013	-	(22,469,418)				<i>Pursuant to the Scheme of Amalgamation and Arrangement, the paid-up share capital of our Company was cancelled and reduced by 22,469,418 Equity Shares with respect to 11,246,706 Equity Shares held by Cremica Industries Limited, 5,258,675 Equity Shares held by Bectors Food Limited and 5,964,037 Equity Shares held by Cremica Foods Limited in our Company due to crossholding. For details see “History and Certain Corporate Matters – Details regarding material acquisitions/ divestments, mergers, amalgamation, revaluation of assets etc. in the last ten years” on page 185.</i>

Date of allotment/cancellation of Equity Shares	Names of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/Nature of allotment
September 10, 2014	4,902,293 Equity Shares were allotted to Mr. Dharamvir Bector, 2,183,549 Equity Shares were allotted to Mr. Ajay Bector, 1,489,068 Equity Shares were allotted to Mr. Akshay Bector, 1,881,440 Equity Shares were allotted to Mr. Anoop Bector, 986,850 Equity Shares were allotted to Dharamvir Bector HUF, 637,240 Equity Shares were allotted to Mr. Suvir Bector, 1,037,841 Equity Shares were allotted to Mr. Ishaan Bector, 826,298 Equity Shares were allotted to Rashmi Bector, 254,500 Equity Shares were allotted to Sana Bector, 1,109,286 Equity Shares were allotted to Mr. Akhilesh Bector, 746,178 Equity Shares were allotted to Ms. Geeta Bector, 1,408,694 Equity Shares were allotted to Mr. Nikhil Bector, 790,576 Equity Shares were allotted to Ms. Samira Bector, 939,300 Equity Shares were allotted to Mr. Ajay Bector HUF, 939,300 Equity Shares were allotted to Mr. Akshay Bector HUF, 939,300 Equity Shares were allotted to Anoop Bector HUF, 216,226 Equity Shares were allotted to Ms. Rajni Bector, pursuant to the Scheme of Amalgamation and Arrangement. For details, see " History and Certain Corporate Matters – Details regarding material acquisitions/ divestments, mergers, amalgamation, revaluation of assets etc. in the last ten years " on page 185.	21,287,939	10	N.A.	Other than Cash	Pursuant to the Scheme of Amalgamation and Arrangement
July 14, 2017	11,424,337 Equity Shares were allotted to Mr. Anoop Bector, 1,002,985 Equity Shares were allotted to Anoop Bector HUF, 606,298 Equity Shares were allotted to Ms. Rashmi Bector, 1,193,179 Equity Shares were allotted to Ishaan Bector, 792,578 Equity Shares were allotted	28,633,811	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 1:1

Date of allotment/cancellation of Equity Shares	Names of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/Nature of allotment
	to Mr. Suvir Bector, 228,946 Equity Shares were allotted to Mr. Ajay Bector, 6,560,395 Equity Shares were allotted to Linus, 690,075 Equity Shares were allotted to Mabel, 5,585,248 Equity Shares were allotted to GW Crown, 549,770 Equity shares were allotted to GW Confectionary					
March 22, 2019	100 Equity Shares each allotted to Mr. Manoj Verma, Mr. Parveen Kumar Goel and Mr. Neeraj Agarwal.	300	10	174.62	Cash	Allotment under ESOP Plan 2017
December 6, 2020	21,500 Equity Shares allotted to Mr. Manoj Verma, 12,881 Equity Shares allotted to Mr. Parveen Kumar Goel, 12,000 Equity Shares allotted to Neeraj Aggarwal, 5,726 Equity Shares allotted to Mr. Asim Bhaumik, 2,024 Equity Shares allotted to Mr. Mayank Arora, 2,000 Equity Shares allotted to Mr. Rajeev Dubey, 1910 Equity Shares each allotted to Mr. Seeraj Beri and Mr. Gurdeep Singh Sidhu, 1900 Equity Shares each allotted to Mr. Joginder Singh and Mr. Dinesh Thakur, 1,887 Equity Shares allotted to Sanjay Raina, 1,000 Equity Shares allotted to Mr. Vinod Singh Chauhan, 954 Equity Shares each allotted to Mr. Tejvir Singh Solanki, Mr. Mukesh Pareek and Mr. Ajay Singla and 500 Equity Shares allotted to Mr. Prasanta Singh Sahoo.	70,000	10	174.62	Cash	Allotment under ESOP Plan 2017

(b) *History of preference share capital of our Company*

Date of allotment/	Names of the allottees	Number of Preference shares#	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for/Nature of allotment
Series A Preference Shares						
August 21, 2006	100,000 optionally convertible redeemable preference shares were allotted to Jade	100,000	50	2,000	Cash	Allotment

Date of allotment/	Names of the allottees	Number of Preference shares#	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for/Nature of allotment
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Series A Preference Shares

Dragon
(Mauritius)
Limited.

Series B Preference Shares

January 12, 2007	260,000 compulsorily convertible preference shares were allotted to Jade Dragon (Mauritius) Limited.	260,000	50	2,000	Cash	Allotment
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Series A Preference Shares and Series B Preference Shares were then transferred to IL&FS Trust Company Limited (acting as trustees of Business Excellence Trust – India Business Excellence Fund) and to India Business Excellence Fund-I, respectively on September 29, 2010 which were subsequently converted into 223,018 Equity Shares on September 30, 2010. For details, see “- **History of Equity Share capital built up of our Company**” on page 73.

(c) Equity Shares issued for consideration other than cash

Our Company has not issued any Equity Shares for consideration other than cash or bonus at any time since incorporation, except as set forth below.

Date of allotment	Name of the allottee	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason of nature of allotment
March 30, 2011	73,080 Equity Shares were allotted to Mr. Dharamvir Bector, 72,500 Equity Shares were allotted to Mr. Ajay Bector, 72,500 Equity Shares were allotted to Mr. Akshay Bector, 72,500 Equity Shares were allotted to Mr. Anoop Bector, 1,937,345 Equity Shares were allotted to Cremica Agro Foods Limited, 10,150,000 Equity Shares were allotted to Cremica Industries Limited, 4,321,000 Equity Shares were allotted to BFL, 5,655,000 Equity Shares were allotted to Cremica Foods Limited, 2,263,624 Equity Shares were allotted to IL&FS Trust Company Limited, 4,203,898 Equity Shares were allotted to India Business Excellence Fund-I.	28,821,447	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 29:1
September 10, 2014	4,902,293 Equity Shares were allotted to Mr. Dharamvir Bector, 2,183,549 Equity Shares were allotted to Mr. Ajay Bector, 1,489,068 Equity Shares were allotted to Mr. Akshay Bector, 1,881,440 Equity Shares were allotted to Mr. Anoop Bector, 986,850 Equity Shares were allotted to Dharamvir Bector HUF, 637,240 Equity Shares were allotted to Mr. Suvir Bector, 1,037,841 Equity Shares were allotted to Mr. Ishaan	21,287,939	10	N.A.	Other than cash	Pursuant to the Scheme of Amalgamation and Arrangement

Date of allotment	Name of the allottee	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason of nature of allotment
	Bector, 826,298 Equity Shares were allotted to Rashmi Bector, 254,500 Equity Shares were allotted to Sana Bector, 1,109,286 Equity Shares were allotted to Mr. Akhilesh Bector, 746,178 Equity Shares were allotted to Ms. Geeta Bector, 1,408,694 Equity Shares were allotted to Mr. Nikhil Bector, 790,576 Equity Shares were allotted to Ms. Samira Bector, 939,300 Equity Shares were allotted to Mr. Ajay Bector HUF, 939,300 Equity Shares were allotted to Mr. Akshay Bector HUF, 939,300 Equity Shares were allotted to Anoop Bector HUF, 216,226 Equity Shares were allotted to Ms. Rajni Bector, pursuant to the Scheme of Amalgamation and Arrangement. For details, see <i>“History and Certain Corporate Matters – Details regarding material acquisitions/ divestments, mergers, amalgamation, revaluation of assets etc. in the last ten years”</i> on page 185.					
July 14, 2017	11,424,337 Equity Shares were allotted to Mr. Anoop Bector, 1,002,985 Equity Shares were allotted to Anoop Bector HUF, 606,298 Equity Shares were allotted to Ms. Rashmi Bector, 1,193,179 Equity Shares were allotted to Ishaan Bector, 792,578 Equity Shares were allotted to Mr. Suvir Bector, 228,946 Equity Shares were allotted to Mr. Ajay Bector, 6,560,395 Equity Shares were allotted to Linus, 690,075 Equity Shares were allotted to Mabel, 5,585,248 Equity Shares were allotted to GW Crown, 549,770 Equity shares were allotted to GW Confectionary	28,633,811	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 1:1

(d) Equity shares issued out of revaluation reserves

Our Company has not issued Equity Shares out of revaluation reserves since its incorporation.

(e) Offer of Equity Shares pursuant to schemes of arrangement

Except for allotment of 21,287,939 Equity Shares pursuant to a Scheme of Amalgamation and Arrangement approved under Sections 391 to 394 of the *erstwhile* Companies Act, 1956, no other allotments have been made pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or under Sections 230 to 232 of the Companies Act, 2013, as applicable. For details, see *“History and Certain Corporate Matters – Details regarding material acquisitions/ divestments, mergers, amalgamation, revaluation of assets etc. in the last ten years”* on page 185 and *“– History of Equity Share capital of our Company”* above.

(f) **Equity Shares issued at a price lower than the Offer Price in the last year**

Our Company has not issued Equity Shares at a price lower than the Offer Price, during a period of one year preceding the date of the Red Herring Prospectus and this Prospectus.

(g) **Issue of Equity Shares under employee stock option schemes**

For details of Equity Shares issued by our Company pursuant to the exercise of options which have been granted under the ESOP 2017, see “*Employee Stock Option Plan*” on page 88.

2. **History of the Equity Share Capital held by our Promoter**

As on the date of this Prospectus, our Promoter Mr. Anoop Bector holds 12,550,800 Equity Shares of face value of ₹ 10 each constituting 21.89% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) **Build-up of our Promoter’s shareholding in our Company:**

Following is the build- up of the Equity Shareholding of our Promoter, since incorporation:

Date of allotment/transfer/acquisition of Equity Shares	Nature of acquisition/transaction	Number of Equity Shares	Nature of consideration	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)	Percentage (%) to Pre-Offer Paid-up Capital	Percentage (%) to Post- Offer Paid-up Capital
Mr. Anoop Bector							
May 11, 2001	Allotment	2,500	Cash	10	10	Negligible	Negligible
March 30, 2011	Bonus issue of Equity Shares in the ratio of 29:1	72,500	N.A.	10	N.A.	0.13	0.12
September 10, 2014	Allotment pursuant to the Scheme of Amalgamation and Arrangement	1,881,440	Other than cash	10	N.A.	3.28	3.20
December 26, 2014	Transfer of 216,226 Equity Shares by Ms. Rajni Bector pursuant to a gift deed dated December 26, 2014 between Ms. Rajni Bector and Mr. Anoop Bector, 501,325 Equity Shares by Mr. Dharamvir Bector pursuant to a gift deed dated December 26, 2014 between Mr. Dharamvir Bector and Mr. Anoop Bector, 1,992,233 Equity Shares by Mr. Akshay Bector pursuant to a gift deed dated December 26, 2014 between Mr. Akshay Bector and Mr. Anoop Bector.	2,709,784	Gift	10	N.A.	4.73	4.61

Date of allotment/transfer/acquisition of Equity Shares	Nature of acquisition/transaction	Number of Equity Shares	Nature of consideration	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)	Percentage (%) to Pre-Offer Paid-up Capital	Percentage (%) to Post-Offer Paid-up Capital
Mr. Anoop Bector							
June 10, 2015	Transfer of 2,489,710 Equity Shares by Mr. Dharamvir Bector pursuant to a gift deed dated June 10, 2015, executed between Mr. Dharamvir Bector and Mr. Anoop Bector.	2,489,710	Gift	10	N.A.	4.34	4.24
August 24, 2015	Transfer of 2,221,486 Equity Shares by Mr. Ajay Bector pursuant to a gift deed dated July 31, 2015, executed between Mr. Ajay Bector and Mr. Anoop Bector.	2,221,486	Gift	10	N.A.	3.87	3.78
September 2, 2015	Transfer of 2,489,709 Equity Shares by Mr. Dharamvir Bector pursuant to a gift deed dated September 2, 2015, executed between Mr. Dharamvir Bector and Mr. Anoop Bector.	2,489,709	Gift	10	N.A.	4.34	4.24
September 17, 2015	Transfer of 2,221,486 Equity Shares from Mr. Anoop Bector to Mr. Ajay Bector	(2,221,486)	Gift	10	N.A.	(3.87)	(3.78)
October 21, 2015	Transfer of 25,000 Equity Shares to Linus	(25,000)	Cash	10	349.24	(0.04)	(0.04)
October 30, 2015	Transfer of 264,477 Equity Shares by Motilal Oswal Private Equity Advisors Private Limited on behalf of IL&FS Trust Company Limited.	264,477	Cash	10	72	0.46	0.45
November 3, 2015	Transfer of 491,171 Equity Shares by India Business Excellence Fund-I.	491,171	Cash	10	72	0.86	0.84
December 11, 2015	Transfer of 366,814 Equity Shares by Motilal Oswal Private Equity Advisors Private Limited.	366,814	Cash	10	72	0.64	0.62

Date of allotment/transfer/acquisition of Equity Shares	Nature of acquisition/transaction	Number of Equity Shares	Nature of consideration	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)	Percentage (%) to Pre-Offer Paid-up Capital	Percentage (%) to Post-Offer Paid-up Capital
Mr. Anoop Bector							
April 4, 2016	Transfer of 681,232 Equity Shares by India Business Excellence Fund-I.	681,232	Cash	10	72	1.19	1.16
July 14, 2017	Bonus Issue	11,424,337	N.A.	10	N.A.	19.92	19.45
November 27, 2020	Transfer of 10,297,874 Equity Shares to Mrs. Rashmi Bector pursuant a gift deed dated November 27, 2020, executed between Mr. Anoop Bector and Mrs. Rashmi Bector.	(10,297,874)	Gift	10	N.A.	(17.96)	(17.53)
Total		12,550,800				21.89	21.36

(b) Equity shareholding of our Promoter and Promoter Group

The table below presents the shareholding pattern of our Promoter and Promoter Group as on the date of this Prospectus:

S. No.	Name of the shareholder	Number of Equity Shares	Pre-Offer Percentage of issued Equity Share capital (%)
Promoter			
1.	Mr. Anoop Bector	12,550,800	21.89
Total (A)		12,550,800	21.89
Members of the Promoter Group			
2.	Ms. Rashmi Bector	100	Negligible
3.	Mr. Ishaan Bector	100	Negligible
4.	Mr. Suvir Bector	100	Negligible
5.	Anoop Bector HUF	2,005,970	3.50
6.	AB Family Trust	5,955,462	10.39
7.	IB Family Trust	4,763,111	8.31
8.	SB Family Trust	4,763,111	8.31
Total (B)		17,487,954	30.51
Total (A+B)		30,038,754	52.40

(c) Details of Promoter's contribution locked-in for three years

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter (assuming full conversion of vested options, if any, under the ESOP Plan 2017), shall be locked in for a period of three years as minimum Promoter's contribution from the date of Allotment and the shareholding of our Promoter in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up*	Nature of transaction	Face Value per Equity Share (₹)	Offer/Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Mr. Anoop Bector	324,966	April 4, 2016	Transfer of 681,232 Equity Shares by India Business Excellence Fund-I	10	72	0.57	0.55	December 22, 2023
	11,424,337	July 14, 2017	Bonus Issue in ratio of one Equity Share for each Equity Share held on record date	10	Nil	19.92	19.45	December 22, 2023
Total	11,749,303					20.49%	20.00%	

* Subject to finalisation of Basis of Allotment

**All Equity Shares allotted to our Promoter were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, please note that:

- (i) The Equity Shares offered for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.
- (ii) The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.
- (iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.
- (iv) As on the date of the RHP and this Prospectus, none of the Equity Shares held by our Promoter are pledged.
- (v) All the Equity Shares held by our Promoter are in dematerialised form.

3. **Other Lock-in requirements**

- (i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoter and locked in for three years as specified above, and pursuant to Regulation 17 of the SEBI ICDR Regulations the entire pre-Offer Equity Share capital of our Company, other than the Equity Shares which are successfully transferred as part of the Offer for Sale and any unsubscribed portion of the Offer for Sale by the Selling Shareholders, will be locked-in for a period of one year from the date of Allotment. Further, Equity Shares allotted to our employees (whether currently employed or not) under the ESOP Plan 2017 will also be exempted from lock-in pursuant to Regulation 17 of the SEBI ICDR Regulations.
- (ii) Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's contribution from the date of filing of this Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter, which are locked-in may be transferred to and amongst the members of the Promoter Group or to any new promoter, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

(iv) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

4. *Shareholding of our Selling Shareholders*

As on the date of this Prospectus, the Linus holds 13,120,790 constituting 22.88% and Gateway Selling Shareholders collectively hold 13,650,186 Equity Shares constituting 23.81% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) **Linus**

Following is the build- up of the Equity Shareholding of Linus:

Date	Nature of acquisition/transfer	Number of Equity Shares	Nature of Transaction	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)
October 21, 2015	Transfer of 25,000 Equity Shares by Mr. Anoop Bector, transfer of 1,027,985 Equity Shares by Ajay Bector HUF, transfer of 220,000 Equity Shares by Ms. Rashmi Bector transfer, of 790,576 Equity Shares by Ms. Samira Bector, transfer of 228,756 Equity Shares by Mr. Nikhil Bector, transfer of 127,240 Equity Shares by Mr. Ishaan Bector, transfer of 716,561 Equity Shares by IL&FS Trust Company Limited on behalf of India Business Excellence Fund and transfer of 1,330,756 Equity Shares by India Business Excellence Fund-I	4,466,874	Transfer	10	349.24
December 8, 2015	Transfer of 209,899 Equity Shares by IL&FS Trust Company Limited on behalf of India Business Excellence Fund-I, transfer of 389,824 Equity Shares by India Business Excellence Fund-I, transfer of 970,288 Equity Shares by Mr. Nikhil Bector and transfer of 523,510 Equity Shares by Mr. Ajay Bector	2,093,521	Transfer	10	350.92
July 14, 2017	Bonus Issue	6,560,395	Bonus issue	10	N.A.
Total		13,120,790			

Board of directors

The Board of Directors of Linus is as follows:

- (1) Bilal Ibrahim Sassa; and
- (2) Doonaye Sookye

Promoter and Controlling Persons

CX Partners Fund 1 Limited, ASP 2012 Emerging Markets Fund, ASP 2013 Emerging Markets Fund, ASP 2014 Emerging Markets Fund, AS 2015 Non-US Fund, ASP Co-Investment Fund III – A, ASP Co-Investment Fund III – C and CX Capital Management Limited hold control over Linus.

Date of incorporation: May 20, 2015

(b) **Gateway Selling Shareholders**

(i) **Mabel**

Following is the build- up of the Equity Shareholding of Mabel:

Date of allotment/(transfer)/acquisition of Equity Shares	Nature of acquisition/transfer	Number of Equity Shares	Nature of Transaction	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)
December 8, 2015	Transfer of 690,075 Equity Shares by Mr. Ajay Bector	690,075	Transfer	10	350.92
July 14, 2017	Bonus Issue	690,075	Bonus issue	10	N.A.
Total		1,380,150			

Board of directors

The Board of Directors of Mabel is as follows:

- (1) Rahul Goswamy;
- (2) Fatweena Bibi Ameen Uteene-Mahamod; and
- (3) Sharmanand Jhurreea

Date of Incorporation: February 18, 2015

(ii) **GW Crown**

Following is the build- up of the Equity Shareholding of GW Crown:

Date of allotment/(transfer)/acquisition of Equity Shares	Nature of acquisition/transfer	Number of Equity Shares	Nature of Transaction	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)
December 8, 2015	Transfer of 25,000 Equity Shares by Anoop Bector HUF, transfer of 1,659,650 Equity Shares by Mr. Nikhil Bector, transfer of 3,760 Equity Shares by Mr. Ishaan Bector, transfer of 131,000 Equity Shares by Mr. Suvir Bector, transfer of 783,929 Equity Shares by India Business Excellence Fund through its trustee IL&FS Trust Company Limited, transfer of 1,455,877 Equity Shares by India Business Excellence Fund –I and transfer of 1,526,032 Equity Shares by Mr. Ajay Bector	5,585,248	Transfer	10	350.92
July 14, 2017	Bonus Issue	5,585,248	Bonus issue	10	N.A.
Total		11,170,496			

Board of directors

The Board of Directors of GW Crown is as follows:

- (1) Rahul Goswamy; and
- (2) Anand Kumar.

Date of Incorporation: March 27, 2015

(iii) GW Confectionary

Following is the build- up of the Equity Shareholding of GW Confectionary:

Date of allotment/(transfer)/acquisition of Equity Shares	Nature of acquisition/transfer	Number of Equity Shares	Nature of Transaction	Face Value per Equity Share (₹)	Issue/(sale)/purchase Price per Equity Share (₹)
December 8, 2015	Transfer of 549,770 Equity Shares by Mr. Ajay Bector	549,770	Transfer	10	350.92
July 14, 2017	Bonus Issue	549,770	Bonus issue	10	N.A.
Total		1,099,540			

Board of directors

The Board of Directors of GW Confectionary is as follows:

- (1) Rahul Goswamy; and
- (2) Anand Kumar

Date of Incorporation: March 27, 2015

Controlling persons of GW Crown, GW Confectionary and Mabel:

- (i) GW Crown, GW Confectionary and Mabel are directly wholly owned by Gateway Fund Company Pte. Ltd.
- (ii) Gateway Fund Company Pte. Ltd. is directly wholly owned by Gateway Fund I, L.P. (the “Fund”).
- (iii) Gateway Partners Limited (the “GP”) is the general partner of the Fund. The GP has full control over the business and affairs of the Fund, including making all investment and divestment decisions and voting the securities and interests held by the Fund, via the Investment Committee of the Fund.
- (iv) The limited partners of the Fund do not have any control over the business and affairs of the Fund, including the making of investment and divestment decisions and voting the securities and interests held by the Fund.
- (v) The shareholders (direct or indirect) of the GP do not have, in their capacity as shareholders (direct or indirect) of the GP, any control over the business and affairs of the Fund, including the making of investment and divestment decisions and voting the securities and interests held by the Fund, and do not have any beneficial ownership in the securities and interests held by the Fund other than beneficial ownership obtained through the investment in the Fund itself.
- (vi) For (i) above, please also note that Gateway Fund Company Pte. Ltd. owns 100% of all shares in GW Crown and GW Confectionary and Mabel.

5. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Prospectus.

Category	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a% of total no. of shares (calculated as per SCRR, 1957) As a% of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)			No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a% assuming full conversion of convertible securities (as a% of diluted share capital (XI)=(VII)+(X) as a% of (A+B+C2))	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No. of Voting Rights	Total as a% of total voting rights	Equity shares			Classes e.g.: Y	Total	No. (a)	As a% of total shares held (b)	
(A)	Promoter & Promoter Group	8	30,038,754	-	-	30,038,754	52.39	-	-	-	-	52.39	-	-	-	-	52.39
(B)	Public	21	27,299,168	-	-	27,299,168	47.61	-	-	-	-	47.61	-	-	-	-	47.61
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying Custodian/Depository Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	29	57,337,922	-	-	57,337,922	100.00	-	-	-	-	100.00	-	-	-	-	100.00

6. **Shareholding of Directors and Key Managerial Personnel in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company.

S. No.	Shareholder	Number of Equity Shares of face value of ₹ 10 each held	Percentage of Equity Share Capital held (%)
1.	Mr. Anoop Bector	12,550,800	21.89
2.	Mr. Manoj Verma	21,600	Negligible
3.	Mr. Parveen Kumar Goel	12,981	Negligible
4.	Mr. Neeraj Agarwal	12,100	Negligible
5.	Mr. Asim Bhaumik	5,726	Negligible
6.	Mr. Mayank Arora	2,024	Negligible
7.	Mr. Rajeev Dubey	2,000	Negligible
8.	Mr. Ishaan Bector	100	Negligible
9.	Mr. Suvir Bector	100	Negligible
	Total	12,607,431	21.99

7. As on the date of this Prospectus, our Company has 29 Shareholders.

8. **Details of shareholding of the major Shareholders of our Company**

(a) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each held	Percentage of Equity Share capital (%)
1.	Linus	13,120,790	22.88
2.	Mr. Anoop Bector	12,550,800	21.89
3.	GW Crown	11,170,496	19.48
4.	AB Family Trust	5,955,462	10.39
5.	IB Family Trust	4,763,111	8.31
6.	SB Family Trust	4,763,111	8.31
7.	Anoop Bector HUF	2,005,970	3.50
8.	Mabel	1,380,150	2.41
9.	GW Confectionary	1,099,540	1.92
	Total	56,809,430	99.09

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each held	Percentage of Equity Share capital (%)
1.	Linus	13,120,790	22.88
2.	Mr. Anoop Bector	12,550,800	21.89
3.	GW Crown	11,170,496	19.48
4.	AB Family Trust	5,955,462	10.39
5.	IB Family Trust	4,763,111	8.31
6.	SB Family Trust	4,763,111	8.31
7.	Anoop Bector HUF	2,005,970	3.50
8.	Mabel	1,380,150	2.41
9.	GW Confectionary	1,099,540	1.92
	Total	56,809,430	99.09

(c) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each held	Percentage of Equity Share capital (%)
1.	Mr. Anoop Bector	22,848,674	39.90
2.	Linus	13,120,790	22.91
3.	GW Crown	11,170,496	19.51
4.	Mr. Ishaan Bector	2,386,358	4.17
5.	Anoop Bector HUF	2,005,970	3.50
6.	Mr. Suvir Bector	1,585,156	2.77
7.	Mabel	1,380,150	2.41
8.	Ms. Rashmi Bector	1,212,596	2.12
9.	GW Confectionary	1,099,540	1.92
	Total	56,809,730	99.20

- (d) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each held	Percentage of Equity Share capital (%)
1.	Mr. Anoop Bector	22,848,674	39.90
2.	Linus	13,120,790	22.91
3.	GW Crown	11,170,496	19.51
4.	Mr. Ishaan Bector	2,386,358	4.17
5.	Anoop Bector HUF	2,005,970	3.50
6.	Mr. Suvir Bector	1,585,156	2.77
7.	Mabel	1,380,150	2.41
8.	Ms. Rashmi Bector	1,212,596	2.12
9.	GW Confectionary	1,099,540	1.92
	Total	56,809,730	99.20

9. Employee Stock Option Plan

Pursuant to the resolution of our Board of Directors dated February 20, 2017 and of our shareholders' dated June 30, 2017, our Company has instituted the ESOP Plan 2017 which became effective from June 30, 2017 and continues to be in force as on the date of this Prospectus. In accordance with ESOP Plan 2017, the maximum number of Equity Shares exercisable per option granted cannot exceed 572,676 Equity Shares.

ESOP Plan 2017 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Details of ESOP Plan 2017:

Particulars	Details				
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until September 30, 2020	From October 1, 2020 until December 18, 2020
Total options outstanding as at the beginning of the period	Nil	141,742	175,801	131,417	142,871
Total options granted	141,742	34,359	Nil	11,454	Nil
Exercise price of options in ₹ (as on the date of grant of options)	174.62	174.62	N.A.	174.62	N.A.
Options forfeited/ lapsed/ cancelled (cases where options cancelled due to termination of employment)	Nil	Nil	44,384	Nil	Nil
Variation of terms of options	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	Details																																
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until September 30, 2020	From October 1, 2020 until December 18, 2020																												
Money realised by exercise of options (₹.)	Nil	52,385 (300 Equity Shares)	Nil	Nil	12,223,309 (70,000 Equity Shares)																												
Total number of options outstanding as at the end of the period	141,742	175,801	131,417	1,42,871	72,871																												
Total options vested (including the options that have been exercised and options cancelled due to termination of employment before vesting date)	Nil	42,952	53,154	50,748	Nil																												
Options exercised (since implementation of the ESOP scheme)	Nil	300	Nil	Nil	70,000																												
Total number of Equity Shares arising as a result of granted options without considering effect of options cancelled (including options that have been exercised)	1,41,742	34,359	Nil	11,454	Nil																												
Employee wise details of options granted to	<table border="1"> <thead> <tr> <th>Employee Name</th> <th>Options granted</th> </tr> </thead> <tbody> <tr> <td colspan="2">-During the Fiscal year 2018</td> </tr> <tr> <td>Mr. Parveen Kumar Goel</td> <td>17,180</td> </tr> <tr> <td>Mr. Manoj Verma</td> <td>28,634</td> </tr> <tr> <td>Mr. Neeraj Aggarwal</td> <td>17,180</td> </tr> <tr> <td>Mr. S S Chaudhari</td> <td>5,726</td> </tr> <tr> <td>Mr. Asim Bhaumik</td> <td>5,726</td> </tr> <tr> <td>Mr. Mayank Arora</td> <td>5,726</td> </tr> <tr> <td colspan="2">-During the Fiscal year 2019</td> </tr> <tr> <td>Mr. Rajeev Dubey</td> <td>8,590</td> </tr> <tr> <td>Mr. Asim Bhaumik</td> <td>2,863</td> </tr> <tr> <td colspan="2">-During July to October 2020</td> </tr> <tr> <td>Mr. Deepak Kumar Jain</td> <td>5,727</td> </tr> <tr> <td>Mr. Deep M.S Bajaj</td> <td>5,727</td> </tr> </tbody> </table>					Employee Name	Options granted	-During the Fiscal year 2018		Mr. Parveen Kumar Goel	17,180	Mr. Manoj Verma	28,634	Mr. Neeraj Aggarwal	17,180	Mr. S S Chaudhari	5,726	Mr. Asim Bhaumik	5,726	Mr. Mayank Arora	5,726	-During the Fiscal year 2019		Mr. Rajeev Dubey	8,590	Mr. Asim Bhaumik	2,863	-During July to October 2020		Mr. Deepak Kumar Jain	5,727	Mr. Deep M.S Bajaj	5,727
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ii) Any other employee (other than KMP) who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	<table border="1"> <thead> <tr> <th>Employee Name</th> <th>Options granted</th> </tr> </thead> <tbody> <tr> <td colspan="2">-During the Fiscal year 2018</td> </tr> <tr> <td>Mr. Vishal Malik</td> <td>22,908</td> </tr> <tr> <td colspan="2">-During the Fiscal year 2019</td> </tr> <tr> <td>Mr. Munindra Sehgal</td> <td>17,180</td> </tr> <tr> <td>Mr. Sanjay Raina</td> <td>2,863</td> </tr> <tr> <td>Mr. Ram Sajeevan Verma</td> <td>2,863</td> </tr> </tbody> </table>					Employee Name	Options granted	-During the Fiscal year 2018		Mr. Vishal Malik	22,908	-During the Fiscal year 2019		Mr. Munindra Sehgal	17,180	Mr. Sanjay Raina	2,863	Mr. Ram Sajeevan Verma	2,863														
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iii) Identified employees who were granted options during any one year equal to or	Nil	Nil	Nil	Nil	Nil																												

Particulars	Details				
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until September 30, 2020	From October 1, 2020 until December 18, 2020
exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant					
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (as per restated consolidated financial statements)	Financial Year	Basic EPS (₹)	Diluted EPS (₹)		
	Financial year 2018	6.27	6.26		
	Financial year 2019	5.79	5.78		
	Financial year 2020	5.31	5.30		
	Period between April 1, 2020 to September 30, 2020	6.79	6.78		
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	Nil	Nil	Nil	Nil	Nil
	(The employee compensation cost has been calculated on the basis of fair value of stock options)				
Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Particulars	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
	Fair value of options at grant date (₹)	124.01	143.94	75.12	71.62
	Enterprise value per share at grant date (₹)	347.08	347.08	190.00	203.55
	Exercise price at the grant date (₹)	349.24	349.24	174.62	174.62
	Exercise price after bonus issue (₹)	174.62	174.62	174.62	174.62
	Expected volatility (weighted-average)	34.11%	34.56%	27.12%	51.49%
	Expected life (weighted-average)	2 years	3 years	2 years	2 years
	Expected dividends	0.27%	0.27%	0.00%	0.37%
	Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%	4.48%
	Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee	The accounting policies followed are in line with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.			

Particulars	Details				
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until September 30, 2020	From October 1, 2020 until December 18, 2020
Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years					
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer				As per declaration received from key managerial persons and whole-time directors, there is no such intention to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				Not applicable as there is no employee having Equity Shares arising out of the ESOP Plan, 2017 amounting to more than 1% of the issued capital	

10. Except as disclosed in this Prospectus, neither our Promoter, nor any of the members of our Promoter Group, Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Prospectus.
11. There have been no financing arrangements whereby members of the Promoter Group, our Directors or any of their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business during a period of six months immediately preceding the date of filing of Prospectus.
12. Our Company, our Directors and the Book Running Lead Managers have not entered into any buy-back arrangement for purchase of Equity Shares being offered through this Offer.
13. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.
14. The BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares as on the date of this Prospectus.
15. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.
16. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

17. Except for any Equity Shares to be issued pursuant to any exercise of options granted pursuant to ESOP Plan 2017, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
18. Except for any Equity Shares to be issued pursuant to any exercise of options granted pursuant to ESOP Plan 2017, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or by issue of bonus or rights or further public issue of Equity Shares.
19. Up to 18,315 Equity Shares aggregating up to ₹ 5.00 million (which does not exceed 5% of the post-Offer equity share capital of our Company) has been reserved for allocation to Eligible Employees under the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price (net of Employee Discount, if any, as applicable for the Employee Reservation Portion). Only Eligible Employees could have been eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees could also be made in the Net Offer and such Bids were not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000.00. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000.00 up to ₹ 500,000.00. A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion.
20. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
21. The BRLMs and any person related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associate of the BRLMs.
22. Our Company shall ensure that any transactions in Equity Shares by our Promoter and the Promoter Group during the period between the date of filing this Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.
23. Our Promoter and members of the Promoter Group did not participate in the Offer.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of 1,408,592 Equity Shares (subject to finalisation of Basis of Allotment), aggregating up to ₹ 405.40 million by our Company and an Offer for Sale of up to 17,361,109 Equity Shares (subject to finalisation of Basis of Allotment), aggregating up to ₹ 5,000.00 million by the Selling Shareholders.

The Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell up to such number of Equity Shares held by them aggregating up to ₹ 5,000.00 million. Our Company will not receive any proceeds from the Offer for Sale.

Fresh Issue

The proceeds of the Fresh Issue (“**Proceeds**”) are proposed to be utilised for financing the project cost towards expansion of the Rajpura Manufacturing Facility by establishing a new production line for biscuits (“**Rajpura Expansion Project**”).

In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company to undertake the activities for which the funds are being raised in the Fresh Issue.

Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below.

Particulars	Amount
Proceeds	Up to ₹ 405.40 million

Proposed schedule of Implementation and Utilisation of Proceeds

We propose to deploy the Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

Particulars	Total estimated amount/expenditure	Amount to be deployed from the Proceeds in Financial Year 2022
		(₹ in million)
Financing the project cost towards Rajpura Expansion Project	405.40	405.40
Proceeds	405.40	405.40

Our fund requirements and deployment of the Proceeds for the Rajpura Expansion Project are based on management estimates as per our business plan based on current market conditions, which have been certified by Mr. Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated December 3, 2020 and quotations received from third-party vendors, which are subject to change in the future. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution or any other independent agency. These are based on current market conditions and business needs, and are subject to revisions in light of changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, which may not be in our control. In the event the Offer is not completed in Financial Year 2021, the deployment schedule will be revised. Further, if the Proceeds are not utilised (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Proceeds shall be utilised in subsequent periods as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

In case we require additional capital towards meeting the objects of the Fresh Issue, our Company may explore a range of options including utilising internal accruals and availing additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation

towards Rajpura Expansion Project is lower than the proposed deployment, such balance will be used for general corporate purposes within the permissible limit in accordance with applicable law.

Details of the Object

Financing the project cost towards Rajpura Expansion Project

We currently have six manufacturing facilities in various strategic locations in India, out of which our latest commissioned manufacturing facility is located at Rajpura, Punjab. We commenced the commercial production at our Rajpura Manufacturing Facility in August, 2018 for manufacturing biscuits, which has a total installed capacity of 15,600 metric tonne for the Financial Year March 31, 2020. As we propose to expand the production of our biscuit business, we will require additional funds for setting up a new production line for production of biscuits in Rajpura Manufacturing Facility. Therefore, we intend to utilise the Proceeds towards the cost of the Rajpura Expansion Project.

Our Rajpura Manufacturing Facility is situated on a land admeasuring approximately 615,739 square feet, located at Village – Gobindgarh, Dakhli Kami Kalan, HB No. 375, Tehsil – Ghanaur, District – Patiala (“**Land**”). The title and ownership of Land has been transferred to our Company by way of sale deeds dated October 7, 2016 and October 26, 2016, respectively. We have received all the Land related approvals from the relevant authorities for operating the Rajpura Manufacturing Facility and we further propose to expand the capacity of the Rajpura Manufacturing Facility by establishing a new production line for biscuits within the premises of the Land.

Estimated Cost

The total estimated cost of Rajpura Expansion Project is ₹ 405.40 million, as estimated by our management in accordance with our business plan approved by the Board, which has been further certified by Mr. Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated December 3, 2020. However such fund requirements have not been appraised by any bank or financial institution. The detailed break-down of estimated cost is set forth below.

		(₹ in million)
Sr. No.	Particulars	Estimated cost*
1.	Building and civil work	106.66
2.	Plant and machinery	263.74
3.	Contingencies	35.00
Total Cost		405.40

* Certified by Mr. Anil Kumar Soni, an independent chartered engineer pursuant to a certificate dated December 3, 2020

The working capital requirements for the Rajpura Expansion Project will be met from our internal accruals.

Means of Finance

The total estimated project cost for Rajpura Expansion Project is ₹ 405.40 million. We intend to fund the entire cost of the Rajpura Expansion Project from the Proceeds. As on the date of this Prospectus, our Company has not deployed any fund towards financing the Rajpura Expansion Project.

Details of means of finance for Rajpura Expansion Project are set forth below.

		(₹ in million)
Particulars	Amount	
A.	Estimated cost for expansion of our Rajpura Manufacturing Facility	405.40
B.	Amount already deployed as on the date of this Prospectus	Nil
C.	Amount proposed to be financed from the Proceeds of the Fresh Issue	405.40

The fund requirements set out above are proposed to be funded from the Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue.

Building and civil work

Building and civil works for the manufacturing facilities include site development, construction and engineering related work including construction of pre-engineered building, construction of biscuit building, construction of roads, floor finish, construction of super-structure, roof, doors, rolling shutters and windows, office furnishings, weathering course, drainage and sewerage system, earth filling, electrical planning and equipment. The total estimated cost for building and civil works for the Rajpura Expansion Project is ₹ 106.66 million pursuant to the certificate dated December 3, 2020 issued by Mr. Anil Kumar Soni, an independent chartered engineer.

Plant and machinery

While we propose to utilise ₹ 263.74 million towards purchasing plant and machinery, based on our current estimates, the specific number and nature of such plant and machinery to be procured by our Company will depend on our business requirements and the details of our plant and machinery to be procured from the Proceeds has been suitably updated in the Red Herring Prospectus as was disclosed in the Draft Red Herring Prospectus. The total estimated cost towards the purchase of machines for the Rajpura Expansion Project is ₹ 263.74 million, pursuant to the certificate dated December 3, 2020 issued by Mr. Anil Kumar Soni, an independent chartered engineer.

An indicative list of such plant and machinery that we intend to purchase, along with details of the quotations we have received in this respect is set forth below.

(₹ in million)			
S. No.	Description of plant and machinery	Total estimated cost*	Date of Quotation
1.	Atlas Copco Water Injected Screw Compressor	3.05	September 3, 2020
2.	Humidification Plant	2.50	August 31, 2020
3.	Cooling-Stacking-Packing System	12.87	October 16, 2020
4.	Conveyor Line	19.56	August 30, 2020
5.	LT Control Panels	3.55	September 3, 2020
6.	Automation System	19.09	September 1, 2020
7.	Metal Detector Machines System	2.31	September 7, 2020
8.	Moulding Line 1.2M wide [#]	9.50	September 8, 2020
9.	Power Product for 160 KVA Hipulse U, 3 phase UPS System	1.46	August 18, 2020
10.	Cross Conveyor Onedge Machine for Packaging	37.35	September 1, 2020
11.	Rotary Moulded Biscuits Line	138.65	September 15, 2020
12.	SITC Of 25TR Process Water Chiller	1.76	September 12, 2020
13.	Rectangular Duct & Round Duct	3.98	September 12, 2020
14.	Fire Fighting System	4.36	September 19, 2020
15.	500 KVA DG Set	2.60	September 14, 2020
16.	Exhaust pipe with stretcher 1010 x KVA	1.15	August 24, 2020

* Some of the quotations obtained are in foreign currencies and the exchange ratio used for the conversion is as of the date of the quotation.

[#] Our Company has received a quotation of ₹ 76.65 million (Ex works) for complete moulding line, consisting of oven, plant control system, mixer, lifter, dough trollies, dough feeder, metal detector and others, excluding installation charges and other expenses. Our Company is proposing to purchase HS500 Mixers (two units), Dough lifter cum tilter and Dough trollies (four units) amounting to ₹ 6.70 million, ₹ 1.30 million and ₹ 0.70 million, respectively from the Proceeds and additional installation charges and fitting charges approximately of ₹ 0.80 million will be incurred for these equipment, accordingly, the total estimated cost for these equipment will be ₹ 9.50 million.

The quotations in relation to the equipment are valid as on the date of this Prospectus. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Proceeds proposed to be utilised towards the purchase of plant and machinery or through contingencies, if required.

We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment at the same costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. The quantity of plant and machinery to be purchased will be based on management estimates and our business requirements. Our Company shall have

the flexibility to deploy such plant and machinery according to the business requirements of our Company and based on estimates of our management.

No second-hand or used machinery is proposed to be purchased out of the Proceeds. Each of the units of plant and machinery mentioned above is proposed to be acquired in a ready-to-use condition.

Our Promoter, Directors and Key Managerial Personnel do not have any interest in the proposed acquisition of the plant and machinery or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the plant and machinery.

Contingencies

We have created a provision for contingency of ₹ 35.00 million to cover cost of other smaller auxiliary equipment, related taxes, levies and other duties, as applicable, logistics costs related to procurement of plant and machinery, any exchange rate fluctuations and any increase in the estimated cost for the proposed Rajpura Expansion Project.

Proposed Schedule of Implementation

The expected schedule of implementation for the proposed Rajpura Expansion Project is set forth below.

Particulars of the activities	Estimated date of commencement	Estimated date of completion
Building construction	April 2021	December 2021
Installation of machinery	January 2022	March 2022
Trial production	March 2022	March 2022
Commercial production	April 2022	N.A.

Power and water

The power supply of our Rajpura Manufacturing Facility has been obtained from Punjab State Power Corporation Limited. Further, we have existing water supply arrangement with Central Ground Water Authority (“CGWA”) for our Rajpura Manufacturing Facility. Our approval from the CGWA has expired on July 30, 2020, for which we have made an application for renewal on July 15, 2020 prior to expiry of the approval.

Government and other approvals

As on the date of this Prospectus, our Company has not deployed any fund towards financing the Rajpura Expansion Project and has not commenced the construction of building and other civil works in relation to establishing the new production line for biscuits, including site development and engineering related work. The licenses and approvals that we have obtained in relation to Rajpura Manufacturing Facility, such as, license under Factories Act, approval from FSSAI, land related approvals, adequately covers the proposed scope and ambit of the Rajpura Expansion Project. While we do not require any further licenses/approvals from any governmental authorities at this stage of the proposed Rajpura Expansion Project, we will apply for all such necessary approvals that we may require at future relevant stages, prior to commencing the construction process for or prior to commissioning of the proposed production line for biscuits at the Rajpura Manufacturing Facility. For details, see “**Risk Factors – We are required to obtain licenses and approvals under several legislations including the FSS Act and the relevant rules and regulations, the Factories Act and the Shops and Establishments Acts under various states. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations**” on page 42.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ 335.20 million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The Company shall bear all costs of the Offer, including all registration, listing, filing and qualification fees and printers, legal and accounting fees and disbursements, provided that the costs specifically relating to the Offer for Sale of the respective portion of the Offered Shares by each Selling Shareholder (other than costs which directly accrue to the Company) in the Offer, shall be borne by such Selling Shareholder in proportion to the respective Offered Shares, and if borne by the Company initially then reimbursed by such Selling Shareholder to the Company upon the successful completion of the Offer, from the proceeds of the Offer, subject to applicable law and as may be mutually agreed between our Company and the Selling Shareholders. In the event the Selling Shareholders fail to take an exit by way of the Offer on or before March 31, 2021, then such expenses shall be reimbursed out of the dividend received from our Company by each of the Selling Shareholders and the balance expenses, if any, shall be paid by them at the time of their respective exits.

The estimated Offer expenses are as follows:

Activity	Estimated expenses	As a% of the total estimated Offer expenses	As a% of the total Offer size
Fees payable to the BRLMs	123.11	36.7%	2.3%
Advertising and marketing expenses	56.54	16.9%	1.0%
Fees payable to the Registrar to the Offer	24.73	7.4%	0.5%
Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable ⁽¹⁾	9.73	2.9%	0.2%
Processing fees to the SCSBs and to the Sponsor Bank for ASBA Forms procured by Registered Brokers, RTAs or CDPs ⁽²⁾	33.91	10.1%	0.6%
Printing and distribution of issue stationery	21.00	6.3%	0.4%
Fees to regulators, including stock exchanges	9.10	2.7%	0.2%
Others			
(i) Book building, listing fees and other regulatory expenses;	17.79	5.3%	0.3%
(ii) Fees payable to legal counsel; and	10.06	3.0%	0.2%
(iii) Miscellaneous.	29.23	8.7%	0.5%
Total estimated Offer expenses	335.20	100.0%	6.2%

⁽¹⁾ Selling commission payable to the SCSBs on the portion for RIBs, Non-Institutional Bidders and Employee Reservation Portion which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.20% of the Amount Allotted (plus applicable taxes)
Employee Reservation Portion*	0.25% of the Amount Allotted (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

⁽²⁾ No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

⁽³⁾ Processing fees payable to the SCSBs of ₹10/- per valid application (plus applicable taxes) for processing the Bid cum Application Form for Non-Institutional Bidders and Eligible Employees which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to SCSB for blocking.

⁽⁴⁾ Brokerage, Selling commission and processing/uploading charges on the portion for RIBs (using the UPI mechanism), Non-Institutional Bidders and Employee Reservation Portion which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for RIBs	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.20% of the Amount Allotted* (plus applicable taxes)
Employee Reservation Portion*	0.25% of the Amount Allotted (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs and Employee Reservation Portion using 3-in-1 accounts/Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs and Employee Reservation Portion procured through UPI Mechanism and Non Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs*	₹ 10 per valid application (plus applicable taxes)
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<i>Portion for Non-Institutional Bidders*</i>	<i>₹ 10 per valid application (plus applicable taxes)</i>
<i>Employee Reservation Portion*</i>	<i>₹ 10 per valid application (plus applicable taxes)</i>

* Based on valid applications

Uploading charges/ processing fees for applications made by RIBs and Employee Reservation Portion using the UPI Mechanism would be as under:

<i>Members of the Syndicate / RTAs / CDPs</i>	<i>₹ 30 per valid application (plus applicable taxes)</i>
<i>Sponsor Bank</i>	<i>₹ 8 per valid application (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws</i>

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Proceeds.

Monitoring of Utilisation of Funds

Since the size of the proposed Fresh Issue is less than ₹ 1,000.00 million, our Company shall not be required to appoint a monitoring agency to monitor Utilisation of the Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Offer unless our Company is authorised to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013.

Appraising Entity

The above fund requirements have not been appraised by any bank or financial institution.

Other Confirmations

No part of the Proceeds will be paid to our Promoter, Directors, our Subsidiaries, our Group Companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, our Subsidiaries or our Group Companies in relation to the utilisation of the Proceeds of the Offer.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 and the Offer Price is 28.8 times the face value.

Bidders should also refer to the sections titled “*Risk Factors*”, “*Our Business*” and “*Financial Statements*” on pages 22, 149 and 218, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- One of the leading brands in biscuits and bakery businesses in North India
- One of the leading exporter of biscuits
- Established presence in retail and institutional bakery business
- Modern and automated production process with a focus on quality control
- Wide spread and established sales and distribution network
- Experienced promoter and management team

For further details, see “*Our Business – Our Strengths*” on page 151.

Quantitative Factors

Information presented in this section is derived from the Restated Consolidated Financial Information. For details, see “*Financial Statements*” on page 218.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”)

As per Restated Consolidated Financial Information of the Company:

Year/Period Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2020	5.31	5.30	3
March 31, 2019	5.79	5.78	2
March 31, 2018	6.27	6.26	1
Weighted Average	5.63	5.62	
Six months ended September 30, 2020 *	13.58	13.56	

*The Earnings Per Share for the six months ended September 30, 2020 has been annualized assuming that profit will be constant during the second half of financial year 2020-21.

Notes:

(1) Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$.

(2) The face value of each Equity Share is ₹10.

(3) Earnings per Share is calculated in accordance with Ind AS 33 ‘Earnings Per Share’.
As per Ind AS 33 - Earnings Per Share

(i) Basic Earnings per share (INR) = $\frac{\text{Net Profit/(loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares\#}}$

(ii) Diluted Earnings per share (INR) = $\frac{\text{Net Profit/(loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive shares\#}}$

#Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. This has been adjusted for all periods presented by giving effect to bonus and subdivision subsequent to balance sheet date Weighted average number of dilutive equity shares.

2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ 286 to ₹ 288 per Equity Share

As per Restated Consolidated Financial Information of the Company:

Particulars	P/E at Floor price (No. of times)	P/E at Cap price (No. of times)
Based on basic EPS for Financial Year 2020 on Restated Financial Information	53.86	54.24
Based on diluted EPS for Financial Year 2020 on Restated Financial Information	53.96	54.34

Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 86.44, the lowest P/E ratio is 32.51 and the average P/E ratio is 63.92.

Particulars	Name of the company	P/E Ratio	Face value of equity shares (Rs.)
Highest	Nestle India Limited	86.44	10
Lowest	Prataap Snacks Limited	32.51	5
Industry Composite	-	63.92	

Note:

(1) The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with Listed Industry Peers”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see “Comparison with Listed Industry Peers” hereunder.

(2) P/E figures for the peer is computed based on closing market price as on November 27, 2020, of relevant peer Companies as available at BSE, (available at www.bseindia.com) divided by Basic EPS for FY 20 (CY 19 for Nestle)

3. Return on Net Worth (“RoNW”)

As per Restated Consolidated Financial Information of the Company:

Year/Period Ended	RoNW %	Weight
March 31, 2020	9.52	3
March 31, 2019	11.25	2
March 31, 2018	13.46	1
Weighted Average	10.75	
Six months ended September 30, 2020#	19.61	

The RONW for the six months ended September 30, 2020 has been annualized assuming that profit will be constant during second half of financial year 2020-21.

Notes:

Return on Net Worth (RoNW) (%) = $\frac{\text{Net Profit/ Loss after tax (as restated)}}{\text{Net worth at the end of the year}}$

Net Worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit))

Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. $\{(\text{Return on Net Worth x Weight}) \text{ for each year} \} / \{ \text{Total of weights} \}$

4. Net Asset Value per Equity Share (“NAV”) (Face value of ₹ 10 each)

NAV	Restated Consolidated (₹)
As on September 30, 2020	62.47
As on March 31, 2020	55.76
After the Offer#	
- At the Floor Price	68.00
- At the Cap Price	68.01
- At the Offer Price	68.01

Net Asset Value after Offer has been computed without considering any issue related expenses.

5. Comparison with Listed Industry Peers

Name of the company	Revenue from operations and other income for Financial Year 2020 (₹ in million)	Face value per Equity Share (₹)	Closing price on November 27, 2020 (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RON W (%)	NAV per Share (₹)
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Mrs. Bectors Food Specialities Limited*	7,649.76	10.00	-	54.34 [^]	5.31	5.30	9.52%	55.76
Peer Group								
Nestle India Limited **	1,26,157.80	10.00	17,657.60	86.44	204.28	204.28	101.93%	200.41
Britannia Industries Limited ***	1,18,789.50	1.00	3,634.10	62.28	58.35	58.34	31.65%	183.09
Prataap Snacks Limited ***	14,029.98	5.00	650.50	32.51	20.01	20.01	7.72%	259.24
DFM Foods Limited ***	5,147.20	2.00	362.65	74.47	4.87	4.86	16.79%	29.03

[^] P/E figure has been computed based on Offer Price of ₹ 288.00 divided by diluted EPS for FY 20

* Based on Consolidated Restated Consolidated Financial Information as on and for the period ended March 31, 2020

** **Source:** Audited IND AS financials submitted to stock exchanges for the Financial Year ended December 31, 2019

*** **Source:** All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the financial results of the respective company for the year ended March 31, 2020 submitted to stock exchanges.

Notes:

(1) Total Revenue from operations as reported in company financials including other income

(2) Face value per share as reported in company financials

(3) P/E figures for the peer is computed based on closing market price as on November 27, 2020, of relevant peer companies as available at BSE, (available at www.bseindia.com) divided by Basic EPS for FY 20 (CY 19 for Nestle) reported as mentioned in Notes above.

(4) Basic Earnings per share as reported in the relevant audited financials

(5) Return on Net Worth (%) = Net profit after tax / Net worth at the end of the year

(6) Net Asset Value per Equity Share represents = Net worth at the end of the year / Number of equity shares outstanding at the end of the year

(7) Net Worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit))

The Offer Price of ₹ 288 has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand from investors for the Equity Shares through the Book Building Process. Our Company, the Selling Shareholders and the BRLMs believe that the Offer Price of ₹ 288 is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “**Risk Factors**”, “**Our Business**”, “**Financial Statements**” and “**Management’s Discussion and Analysis Financial Conditions and Results of Operations**” on pages 22, 149, 218 and 305 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” on page 22 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Mrs. Bectors Food Specialities Limited
Theing Road, Phillaur,
Jalandhar, Punjab- 144410

Date: December 8, 2020

Dear Sirs,

Subject: Statement of possible special tax benefits (“the Statement”) available to Mrs. Bectors Food Specialities Limited (“the Company”) and its Shareholders and its material subsidiaries prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)

This report is issued in accordance with the Engagement Letter dated 27 August 2020 and addendum to engagement letter dated 11 November 2020.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company and to its Shareholders under direct and indirect taxes (together “the Tax Laws”), presently in force in India as on the signing date, which are defined in Annexure I. The Company does not have any Material subsidiary in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, i.e. the Company does not have a subsidiary whose income or net worth in the immediately preceding year (i.e. 31 March 2020) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. We wish to highlight that the distinction between ‘general’ and ‘special’ tax benefits is not clear as the said terms have not been defined under the ICDR Regulations. Accordingly, we have provided comments on those tax benefits which are available consequent to undertaking a transaction / approval on the basis of specific facts of the Company. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising a fresh issue of equity shares by the Company and an offer for sale of equity shares by certain shareholders (the “Proposed Offer”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For B S R & Co. LLP

Chartered Accountants

ICAI firm registration number: 101248W /W-100022

Rajiv Goyal

Partner

Membership No.: 094549

ICAI UDIN: 20094549AAAAJW8424

Place: Gurugram, Haryana

Date: December 08, 2020

cc:

SBI Capital Markets Limited

202, Maker Tower “E”,

Cuffe parade,

Mumbai 400005

and

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg,

Churchgate,

Mumbai – 400020

and

IIFL Securities Limited

10th Floor, IIFL Center, Kamala City,

Senapati Bapat Marg, Lower Parel,

Mumbai – 400013

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Services Tax Act, 2017
3	Integrated Goods and Services Tax Act, 2017
4	Goods and Services Tax legislations as promulgated by various states
5	Customs Act, 1962
6	Customs Tariff Act, 1975
7	Foreign Trade Policy 2015-2020 (FTP)

ANNEXURE II

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”) IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company or its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill **UNDER THE TAX LAWS**

A. *Special tax benefits available to the Company*

The Company avails indirect tax benefits under the Tax Laws identified *supra*. The same have been outlined as under -:

1. ***Fiscal incentive in the form of reimbursement of Punjab Goods and Services Tax paid in cash:*** The fixed capital investment of the Company in the state of Punjab for Rajpura manufacturing facility is eligible under the Industrial and Business development Policy (“Policy”) laid down by the State Government of Punjab. The incentive is available in the form of an investment subsidy by way of reimbursement of Punjab Goods and Services tax paid by the Company in cash. The availability of said incentives is subject to fulfilment of certain conditions as prescribed in the Policy.

It may be noted that the disbursal of incentive under the Policy is subject to availability of funds in the Punjab State Government’s exchequer.

2. ***Benefits under Manufacture and Other Operations in Warehouse Regulations (MOOWR) Scheme:*** The Company has submitted an application for getting its premises registered under the MOOWR Scheme and upon sanction of such application, would be entitled to the benefits as are available under the MOOWR Scheme such as deferred customs duty payment, no restriction on clearance of finished goods in the domestic market, etc. The availability of said benefits would be subject to certain conditions as prescribed in the Scheme.

3. ***Export incentives under FTP:*** The Company is availing export incentives under following schemes as prescribed in the FTP:

- Duty Free Import Authorization (DFIA) which allows duty free import of inputs directly used for export of products;
- Merchandise Export from India Scheme (MEIS) which allows duty credit scrips as a reward to exporters. The scrips can be used to pay various duties of customs as per FTP;
- Transport and Marketing Assistance (TMA) scheme which allows exporters of specified agricultural produce to claim reimbursement of international component of freight and marketing of the said agricultural produce; and
- Export Promotion Capital Goods (EPCG) scheme which allows import of capital goods at concessional rate of customs duty subject to fulfilment of export obligations.

The availability of above incentives is subject to fulfilment of prescribed criteria under the FTP.

B. *Special tax benefits available to Shareholders*

The shareholders of the Company are not eligible to any special tax benefits under the Tax Laws identified *supra*.

NOTES:

1. The above is as per the current Tax Laws.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For Mrs. Bectors Food Specialities Limited
Authorized Signatory

Place: Gurugram, Haryana
Date: December 8, 2020

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

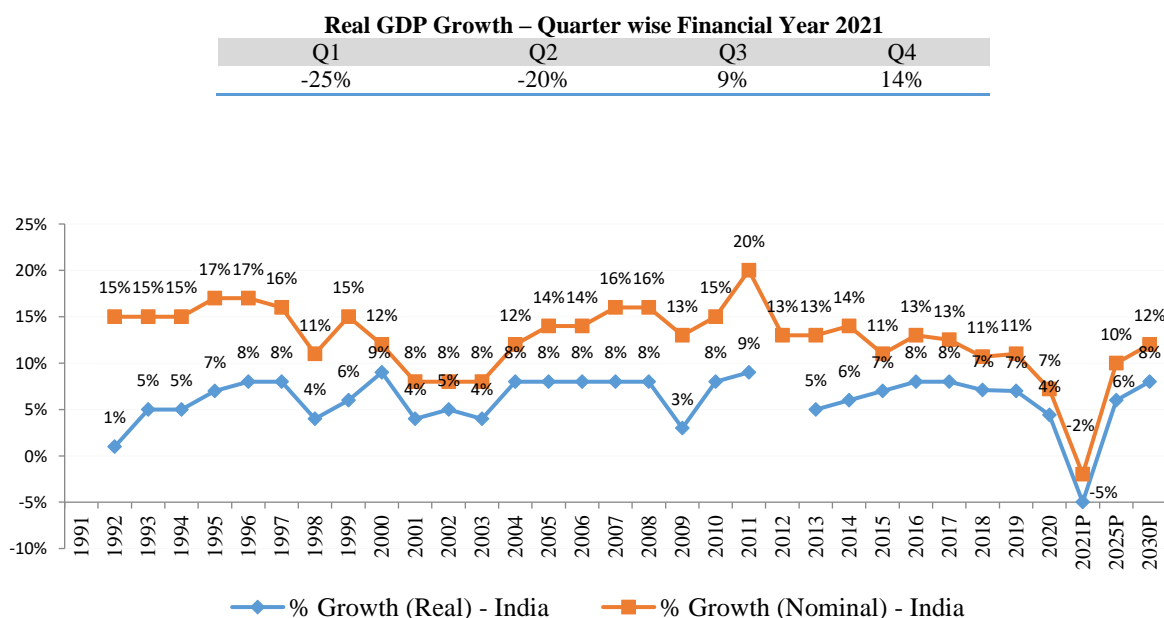
The information contained in this section is taken from the “Report on Indian Biscuit & Bakery Industry” dated September, 2020, prepared by Technopak (the “Technopak Report”). Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and the publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

MACROECONOMIC OVERVIEW OF INDIA

India’s Gross Domestic Product (“GDP”) and its growth

India is currently world’s seventh largest economy in terms of nominal GDP where its share of world GDP is 3.20% and is the third largest economy in the world in PPP terms which is contributing 7.80% share towards the world GDP. India has sustained an average growth of 6-7% since Financial Year 1991 and has become the fastest growing G20 economy since Financial Year 2015, with annual growth rates hovering around 7%. While India’s economy grew at ~7% in Financial Year 2019, the real growth rate went down to 4% in Financial Year 2020, and is estimated to dip down to –5% in Financial Year 2021 due to the outbreak of COVID-19 pandemic leading to the imposition of a lockdown towards the last quarter of Financial Year 2020 and a major part of the first quarter of Financial Year 2021. The impact of COVID-19 has caused several large economies to shrink. It is being estimated that India’s GDP is expected to resume its pre-COVID-19 momentum by Financial Year 2022.

Exhibit 1: Historical GDP growth (%)



Source: RBI data, World Bank and IMF;

*2012- GDP Spike in Real growth rate due to change of base from 2004-05 to 2011-12. Hence excluded from decadal growth rate as well.

Since Financial Years 2005, the Indian economy’s growth rate has been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. In the wake of COVID-19, India’s nominal GDP is expected to contract marginally by approximately 2% in Financial Year 2021 but will bounce back and reach US\$ 4.00 trillion by Financial Year 2025. It is also expected that growth trajectory of Indian economy will enable India to be among the top three global economies by Financial Year 2050.

Domestic consumption share makes India uniquely positioned

India has an advantage in that its domestic consumption share (measured as Private Final Consumption Expenditure – PFCE) in its GDP was ~59% in Financial Year 2019, whereas China’s domestic consumption share to its GDP was ~39% in the same year. High share of private consumption in the GDP insulates India from the economic shocks in other countries. In absolute terms it increased from US\$ 51.00 billion to US\$ 1,635.00 billion from Financial Year 1991 to Financial Year 2020.

However, with the outbreak of COVID-19 pandemic, there has been demand depression with an estimated loss of revenue worth US\$ 118.00 billion in merchandise retail in Financial Year 2021. With the economic environment becoming uncertain, not only are consumers more thoughtful about their consumption but also more conscious of their savings and investments. The consumption priorities will also be driven by the health and safety concerns and the other behavioral changes adopted as a result of the COVID-19 pandemic.

The expected drop in consumption is mainly because of consumer sentiment being weak both due to health and economic reasons. Since structurally, all the other variables remain the same, the quantum of consumption will not take long to revive. However, the loss suffered during this time manifest itself in terms of loss of momentum of growth. Introduction of a vaccine or even stabilization in the number of new cases will be instrumental in regaining the confidence.

Retail Consumption across Key Categories

In Financial Year 2020, India’s retail basket was 48% of its private consumption and it is expected to maintain this shares in private consumptions for the next five years. Food and Groceries (“F&G”) segment forms the major share of India’s merchandise retail expenditure which is ~ 66% and is expected to remain at a smaller level through Financial Year 2025.

Exhibit 2: Share of various categories in overall Indian retail basket

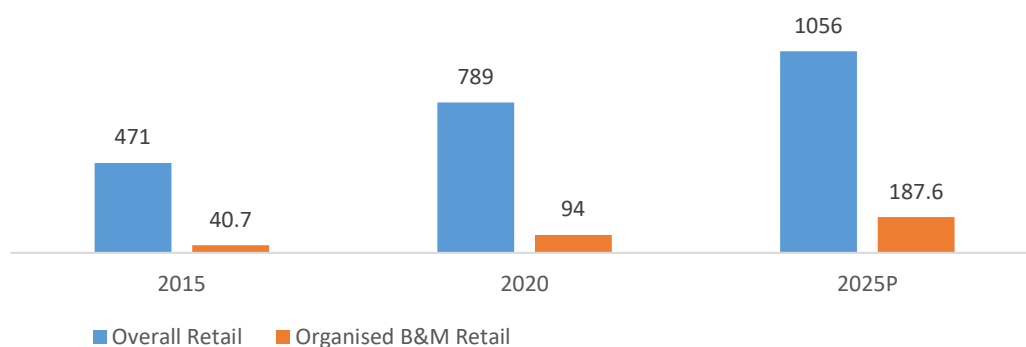
Type of Categories	Categories	2015	2020	2025
	Total Retail (US\$ billion)	446.60	792.50	1,308.80
Need based	Food and Grocery	66.90%	66.23%	66.50%
	Apparel & Accessories*	7.40%	7.88%	8.30%
Primary non-food	Jewellery	8.20%	7.89%	7.70%
	CDIT	5.60%	6.39%	6.40%
	Home & Living	4.20%	4.30%	4.20%
Other Discretionary	Pharmacy & Wellness	2.80%	2.91%	3.10%
	Footwear	1.20%	1.20%	1.10%
	Others	3.70%	3.20%	2.70%
	Total	100%	100%	100%

*Accessories includes Bags, Belts, Wallets; Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.; Source: Technopak analysis; 1 US\$ = ₹ 75; Year Indicates FY

Organized retail and category consumption

Although organized retail, primarily brick and mortar has been in India for two decades now (primarily brick and mortar), its contribution to total retail is low at 11.90% (US\$ 94.00 billion) in Financial Year 2020. The organized retail penetration was only 8.60% in Financial Year 2015.

Exhibit 3: Overall retail market (US\$ billion)



Source: Technopak Report
1 US\$ = ₹ 75

Organized brick and mortar retail in India is faced with structural challenges resulting in stunted growth.

Following are some of the key factors resulting such stunted growth:

1. **Geographic diversity:** India is a nation which is geographically spread with culturally diverse consumers. Within each micro region, there exists a multi-layered socio-economic stratum with different individualistic need for products, SKU and brands. The microscopic differentiation in demand diminishes scale economies. There are estimated 17.00 million points of sale across urban and rural towns and villages with fragmented demand in 2020.
2. **Retail real estate:** High quality retail real estate at viable costs is sparse in India. On an average, rental costs are 1.5 to 2 times the world's average which makes cost to revenue ratio for any retailer/brand unviable and unsustainable (globally the rentals as percent of sales for aspirational brands is ~8%, whereas in India it is in the range of 10-15% that can go as high as 20%).
3. **Supply Chain & Distribution:** Due to fragmented nature of consumer demand, the distance between consumption and production centres is high and will continue to grow. Warehousing and logistics infrastructure growth is still very slow making last mile service delivery difficult as cost to reach consumers is high.
4. **Sourcing:** Sourcing is a challenge in India since land holdings and production units are small. Further, co-operative movements have not been able to move beyond regions. However, with GST in place, organized players will be as competitive as unorganized players from a sourcing perspective.

But these factors play out differently for different categories of retail. For instance, the adverse impact of these factors are more pronounced in categories like F&G and furniture but they are muted in categories like lifestyle and fashion. For instance, general trade will continue to dominate retailing of packaged food with more than 95.50% retailing share in Financial Year 2020.

Exhibit 4: Share of organized retail in various retail categories

Financial Year 2020	Share of retail	Retail size (₹ billion)	% of Organized retail	Organized market size (₹ billion)	Key retailers
Food and Grocery	66.23%	39,192.00	4.50%	1,764.00	Big Bazaar, DMart, Reliance Fresh
Jewellery	7.88%	4,663.00	32%	1,492.00	Tanishq, Kalyan
Apparel and Accessories	7.89%	4,669.00	32%	1,494.00	Central, Shoppers Stop, Lifestyle, Westside, Titan
Footwear	1.20%	710.00	29%	206.00	Bata India, Metro Shoes, Khadims
Pharmacy & Wellness	2.91%	1,722.00	15%	258.00	Apollo, MedPlus
CDIT	6.39%	3,781.00	32%	1,211.00	Vijay Sales, Croma, Reliance Digital
Home & Living	4.30%	2,545.00	15.10%	384.00	Home Centre, Home Stop
Others	3.20%	1,894.00	12.70%	241.00	

Financial Year 2020	Share of retail	Retail size (₹ billion)	% of Organized retail	Organized market size (₹ billion)	Key retailers
Total	100%	59,175.00	11.90%	7,050.00	

Accessories include Bags, Belts, and Wallets;

Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.

1 US\$ = ₹ 75

Source: Technopak Report

- Food and grocery is largely retailed through unorganised channels. Vegetable and fruit vendors, local kirana shops, small scale dairies and wet market meat vendors form the cornerstone of sales in this category.
- The organised share in Food & grocery, currently at 4.50%, is projected to grow at a rate of ~22%. By 2025, the F&G organized segment shall reflect a 9% retail penetration. E-commerce is projected to be an integral driver of this growth with online grocers like Bigbasket and Grofers, marketplace players like Amazon and Flipkart and hyperlocal players like Milkbasket contributing almost 4% to the total F&G retail in 2025.

Exhibit 5: Size of Organized Retail across Categories

Categories	2015	2020	2025
Total Organized Retail (US\$ billion)	41	94	188
Food and Grocery	8	24	63
Apparel & Accessories*	9	20	34
Footwear	2	3	5
Jewellery & Watches	10	20	32
Pharmacy & Wellness	1	3	9
CDIT	7	16	28
Home & Living	2	5	10
Others	2	3	6

*Accessories include Bags, Belts, and Wallets

Source: Secondary research, Industry reports, Technopak Analysis

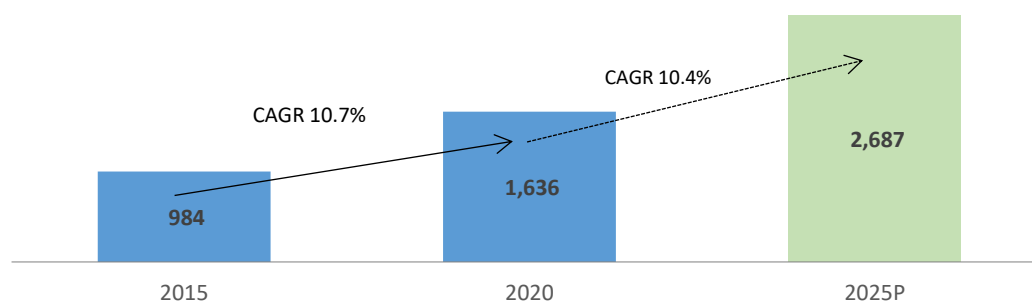
1 US\$=₹ 75

OVERVIEW OF INDIA PACKAGED FOOD MARKET

Packaged food market

India's packaged food business is currently valued at ₹ 1,636.00 billion. It has grown significantly in last five years on account of rising incomes, urbanization, favourable demographics and changing lifestyle. The sector's retail revenue size was worth ₹ 984.00 billion in Financial Year 2015, about half of its current size and has registered a CAGR of ~10.70% from Financial Year 2015 to Financial Year 2020. It is estimated to grow at CAGR of 10.40% in next five years to reach at ₹ 2,687.00 billion.

Exhibit 6: Indian Packaged Food* Market (₹ billion)



Source: Technopak Report

*Packaged Food market size is exclusive of staples, edible oil and dairy.

Demand for packaged foods surged in the first quarter of Financial Year 2021 as people stocked up in panic during the lockdown period. The shutting down of foodservice options also led to a rise in the eating occasions at home.

While other sectors in retail are expected to contract by 30-35% during Financial Year 2021 due to the impact of COVID-19, the packaged food segment is expected to grow at an accelerated growth rate of ~14%. For the first quarter of Financial Year 2021, the revenues of Britannia and our Company grew by 26% and 34% (excluding institutional bakery) respectively over the revenue of the same quarter in the last Financial Year. Players benefitted from their in-house manufacturing capabilities due to which they could streamline productivity and manage supply chain efficiency within the constraints of the lockdown. Direct to consumer outreach, wider distribution to the rural areas, increased direct supply to the retailers, tie ups with ecommerce for the last mile delivery and digital campaigns also aided the food companies in growing revenues and managing their cost of operation during this quarter.

Exhibit 7: Category wise sale of packaged food (₹ billion)

Category*	2015	CAGR (2015 – 2020)	2020	CAGR (2020 – 2025)	2025
Biscuits and Bakery**	282	11%	450	9%	696
Pasta and Noodles	48	10%	78	10%	125
Savoury Snacks	192	23%	400	15%	805
Confectionery	190	8%	286	7%	400
Sauces, Dressings & Condiments	106	8%	160	9%	250
Ice Cream & Frozen Desserts	85	7%	120	7%	170
Baby Food	34	6%	45	6%	62
Others	47	16%	97	13%	180
Total	984	13%	1,636	10.40%	2,687

Source: Secondary Research, Technopak Report

*Packaged Food market size is exclusive of staples, edible oil and dairy

**Does not include fresh artisanal cakes

Key Growth Drivers:

The shift towards packaged food from unpackaged unbranded products, premiumisation trend, competition amongst bigger brands leading to innovative product offering and performance of smaller categories is fuelling growth within packaged food.

- **Demographic change is powering a rise in domestic demand:** Growing number of youth in the workforce, urbanisation, rise in the middle-class population, as well as increase in disposable income across the socio-economic spectrum, higher among urban residents have been driving the consumption of packaged food in India. Other influencing factors include the number of women entering the workplace and the evolution of the Indian household, from a multi-generational, extended family unit to single occupant or nuclear family households. These changes mean higher disposable incomes and less time for food buying and preparation, both of which encourage a move towards convenience products such as ready meals and quick snacking options like biscuits, bakery products and savoury snacks.
- **Time Poverty:** A combination of factors such as shrinking family support structures and fast-paced work lives have combined to create a heightened sense of time compression. This phenomenon is driving exponential growth in packaged food segment especially in several categories, such as ready-to-cook or ready-to-eat products. Time compression is also behind a new set of business models that focus on convenience and offer end-to-end solutions.
- **Gradual expansion of modern retail including e-commerce:** While the current share of modern retail in packaged food sales continues to be small but this share has slowly increased over the last few years and will continue to rise going forward. The quality of retail shelves and customer interface of modern retail both brick and mortar and e-commerce aid the growth of packaged food for their ability to introduce new categories of packaged food and to offer more choice to consumers facilitating changes in shopping habits.
- **Government policies favoring growth of packaged food:** The food production and processing industry is a high focus and priority sector for the government and multiple schemes and initiatives have been launched to bolster growth in this sector
 - FDI up to 100%, under the automatic route, is allowed in food processing industry. Further, 100% FDI under government route for retail trading, including through e-commerce, is permitted in respect of food products manufactured and/or produced in India. Over the years, India has been able

to attract investment from food and beverages companies like Nestle, Cargill, McCain, Mondelez, Pepsi, Coca Cola and also from retail trade companies like Amazon and Walmart.

- Policies such as 'Food Parks' are designed to address weaknesses throughout the value chain.
- In 2016, The Food Safety and Standards Authority of India (FSSAI) launched a scheme to invest around ₹ 482 crore (US\$ 72.30 million) to strengthen the food testing infrastructure in India, by upgrading 59 existing food testing laboratories and setting up 62 new mobile testing labs across the country. National Food Laboratory (NFL), Ghaziabad, one of the two premier referral laboratories under the direct control of FSSAI was inaugurated in 2019. The one in Kolkata is also being upgraded. FSSAI plans to set up new NFLs in Mumbai and Chennai in the near future.

The recently announced reforms around agri-marketing (Amendment in Essential Commodities Act, APMC Act, and Development of a legal framework for contract farming) are expected to bring efficiencies in the value chain and improve value realization for farmers. These will also encourage inflow of private investments in the food processing industry, thereby building a platform for jobs in the rural India.

Key Emerging Trends

Emerging trends in India are affecting consumers' behaviours and consumption patterns.

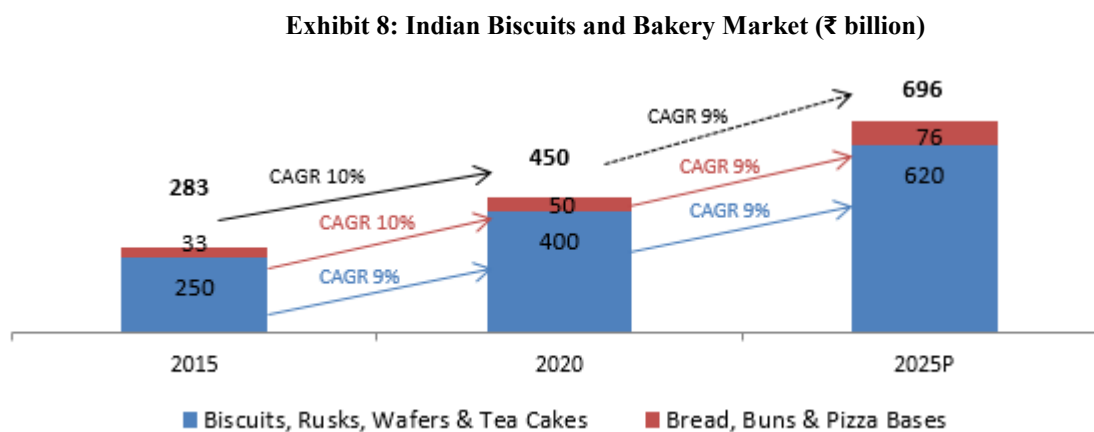
- **Consumers shifting towards packaged and branded products:** This shift first manifested in staple categories such as wheat flour, spices and pulses. However it is also becoming significant in categories like savoury snacks, biscuits, breads and buns given the growing concern for food safety and inclination towards hygienically packaged products. This shift has been accelerated by the COVID-19 pandemic and this is expected to continue in future.
- **Consumers across the spectrum are moving towards premium products:** Whether this means a change from preparing all foods from scratch to purchasing certain ready-made items, a move from standard to premium snack items, or the switch from basic staples to enriched, organic or luxury versions, consumers are moving upwards through food categories and prices. As India's different market segments evolve, they move in the same order through the same stages, with a 5-7-year time-lag. Thus, the premium currently placed on health by a high-income urban housewife will be echoed in time by a lower-income consumer, who will subsequently begin to purchase items such as soups or breakfast cereals.
- **Convenience and healthy eating trends continue to drive sales:** The perception of packaged foods is changing among consumers as there has been a significant rise in the convenience, availability and affordability of such products across the country. With the onset of information sharing through various sources like social and printed media, consumers are more informed about the benefits and downsides of packaged foods, leading to better informed decisions while consuming products.
- **Emergence of Modern Retail and Online Grocery delivery platforms:** Though the modern retail contributes only 4.50% of total Food and Grocery retail, it is expected to grow at a high rate of 22% till 2025.
 - The modern retail is dominated by Reliance Retail and Dmart. They account for 37% of the total modern retail sales. This segment has witnessed multiple M&A activities in last few years.
 - This growth in modern retail is expected to be led by ecommerce which contributes only 0.50% in 2020. However, by 2025, it is expected to contribute ~4% to the total Food and Grocery retail growing at a CAGR of 59%. Online grocery delivery platforms like BigBasket and Grofers have catalysed consumer demand for packaged food in Metros, Mini-Metros and Tier 1 cities.
 - Micro-delivery platforms like MilkBasket which deliver milk and grocery products on daily basis have inspired modern retailers to start similar service to service daily demands.
- **Growing necessity, convenience and availability to drive future growth:** Packaged food will continue to post double digit growth over the forecast period, mainly due to rising demand for convenience as a result of the increasingly hectic pace of modern life, as well as growing awareness and availability. Essential commodities like edible oils, dairy, rice, bread and breakfast cereals are dietary cornerstones and will fuel demand among

consumers, while products like biscuits, savoury snacks, breads, confectionery, spreads, soups, noodles, pasta and ice creams will remain the most dynamic categories over the forecast period.

- **Increasing participation of women in workforce:** Women in India, urban and rural, are exercising greater influence on their families and society. Several forces—including new electoral rules, better health care, and greater media focus—are behind this change. The most important factor, however, is educational opportunity. From 2005 through 2015, the enrolment rate of girls in secondary education increased from 45.30% to 81%, and it's now higher than that of boys. Young women have bridged the gap in higher education too: their enrolment rate in 2018-19 stands at almost 26.40% while that of young men is 26.30%. This shift will not only result in greater overall literacy levels but will also have a broad impact on such societal factors as workforce demographics and economic independence for women.
- **Experimentation with New Brands & Taste:** Across segments consumers are increasingly willing to try new brands, rather than remaining loyal to one. This has far-reaching implications for marketers, who now need to work not just to attract new consumers but also to retain existing ones. Seeking novelty in more than just brands, consumers are starting to play with new formats and flavors. However, this experimentation is best described as cautious. Taste continues to be of paramount importance and new purchases occur within a 'comfort-zone'. In practice, people are more likely to experiment in snacks and beverages than in meal-time choices.
- **Influence of organized food chains:** The continued growth of the HORECA sector (hotels, restaurants, and cafés) and the growing Indian propensity to eat out also affect decisions. They have primed the customers for products like pasta, pizzas, sandwiches, shakes etc. which has thereby led to the growth of in-house consumption of such products.
- **Regional companies gaining sales share and competing strongly with Leading Players:** Across packaged food strong regional leaders have evolved that have established their regional dominance while competing with national brands. Two reasons have contributed to emergence/success of regional brands. Firstly, regional focus has allowed these brands to respond to local taste and preferences of consumers faster than national brands. Secondly, their integrated supply chains (which own manufacturing) have allowed them to build competencies on quality assurance and standardisation, factors important for success of Packaged Food play. Regional brands are signified by Balaji and Prataap in Snacks; Jivraj, Anokhi and Raja in Tea; Anmol in biscuits; Bonn and Harvest Gold in bread.

OVERVIEW OF INDIAN BISCUITS AND BAKERY SEGMENT

The Indian biscuits and bakery retail market is valued at ₹ 450.00 billion and is expected to grow at a CAGR of ~9% over the next five years. Biscuits and other snacking bakery products such as rusks, wafers and tea cakes contribute almost ₹ 400.00 billion or 89% to the total market. The balance 11% is contributed by breads including loaves, buns, pizza bases which together account for ₹ 50.00 billion.



Source: Technopak Report

* Excludes artisanal cakes.

Biscuits: Biscuit industry is characterized by few large players, regional brands as well as small scale industries. In the unbranded sector, over 30,000 small, very small and tiny units spread all over the country. The biscuit industry was also reserved for small-scale earlier but it was de-reserved in 1997-98. Since then the industry is growing at a

rate of over CAGR ~10%. Per capita yearly consumption of biscuit in India is only 2.5 kg, compared to more than 10 kg in USA and Western European countries and more than 4.25 kg in south-east Asian countries such as Singapore, Hong Kong, Thailand and Indonesia.

Bread: In the unbranded sector, there are about 75,000 bread manufacturers spread all over including some of those operating even residential premises. Average per capita yearly bread consumption is estimated at 1.4 kg in India compared to 96 kg in the UK and 46 kg in the USA.

Exhibit 9: Product offering of key biscuits and bakery brands in India

Company	Biscuits	Breads	Buns	Cake	Other bakery items*
Britannia	Y	Y	Y	Y	Y
Parle	Y				Y
ITC	Y			Y	Y
Mrs. Bector's Food Specialities Limited	Y	Y	Y	Y	Y
Surya	Y			Y	
Anmol	Y			Y	Y
Bonn	Y	Y		Y	Y

Source: Technopak Report.

*Other Bakery items include kulcha, pizza base, bunfill, rusk etc.

Key growth drivers

Demand for processed and convenience food is increasing constantly because of the following factors:

- **Changing lifestyles:** The number of families in urban areas where both spouses are working are increasing and the availability of ready-to-eat bakery products are available at a reasonable price. With ease of availability of different ingredients used in baking value added products, consumers are also seeking premium, gourmet and exotic products to satisfy their desire to indulge. This shift has resulted in innovative products development.
- **Increasing preference for branded and packed cakes:** Consumers are moving from unbranded tea cakes from local bakeries to branded alternatives due to better quality perception and assurance of food safety. Furthermore, the branded tea cakes are available in a wide variety of variants/flavours. Their shelf stability, packaging and portion size facilitate a wider distribution reach, from rural retail outlets to urban supermarkets. Additionally, they are more affordable and enable the consumers to eat the product in one go.
- **Growth in organized retail:** Increase of modern supermarket chains across India has greatly helped in leveraging innovation in the bakery products such as biscuits, breads, tea cakes and buns. However, independent bakeries, which offer fresh products, still remain the preferred choice for occasion related needs of frosted cakes etc.
- **Technological advancements:** The rising demand for premium products like gourmet breads and growing focus on healthy products has necessitated the diversification and up-gradation of technology in baking. Apart from offering general equipment like planetary mixers, combi ovens, flour sifter, rack ovens, cookies machines among some, the bakery equipment manufacturers are coming up with advanced machines like complete range of donut baking machine, pizza rollers, sheeters and even photo printing machines to print image directly. The technological advancements have contributed to growth of industry.
- **Improved packaging solutions:** Packaging of bakery products plays a significant role in increasing shelf life, preventing mechanical damage, nutrition value, displaying food safety related warnings and marketing. The industry has been experimenting with packaging solutions of their products. The use of sealants for low temperature seal initiation, outstanding hot-tack strength and minimising the impact of packaging on the environment has been marked as a tremendously innovative effort for the preservation of baking products, vertical pouches or sachets has also been experimented by many bakers.

- **Innovation in ingredients:** Along with the technological advancements, Indian bakery industry has been using innovation in ingredients, for example, Lame Quick, Spongolit etc., these new age ingredients are helping in industry's growth by providing better flavour profile to the consumers.
- **Bakery Products in QSRs and Cafés:** Besides bakeries and retail outlets, most food service formats like QSRs, café, restaurants and hotels such as McDonald's, Subway, and Starbucks have cakes, cookies, puddings or pies as their dessert menu. The volume supply of these institutional customers is met by manufacturers of scale. While the products could be fresh or frozen, the frozen bakery product market is expected to grow because of this customer segment. The growth involves in bakery products like frozen bread, frozen pizza crust, frozen cake & pastry, and other frozen bakery products such as waffles, donuts, and cookies.

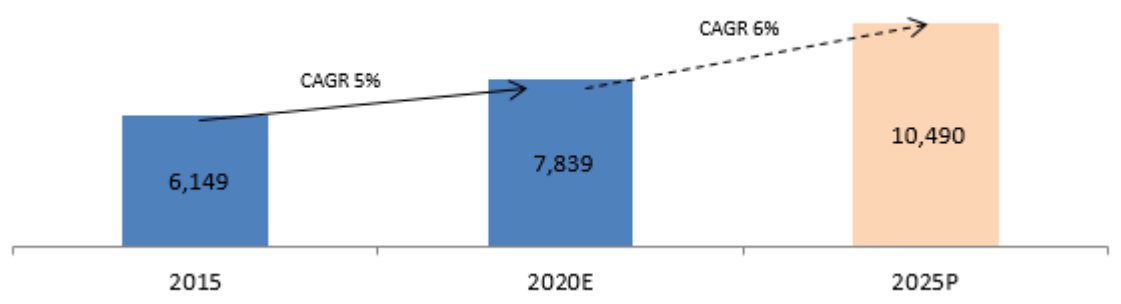
Key trends

- **New products development and premiumisation:** In order to capture the premiumisation trend, companies in the sector have successfully adopted the tool of new product development ("NPD"). Under the NPD framework, brands have launched new variants of existing products like whole-wheat bread, caramelized bread or new products for instance chocolate filled cookies. This trend will continue to play out more prominently for market leaders players of this sector. Britannia launched Treat Croissant, a centre-filled snack. ITC continues to pursue portfolio premiumisation with 'Dark Fantasy Choco Fills' witnessing accelerated growth. Our Company has also come out with its premium variants like Trufills, Sugar and Classic Crackers and Choco Chip Cookies.
- **Healthy options:** For health-conscious consumers, options such as preservative-free, cholesterol-free, soy-free, GMO-free, low-sodium, high fibre are the product categories that are becoming popular. Biscuit brands have launched healthy alternatives like digestive, oat and ragi cookies, sugar free etc. Bread brands have launched multi-grain, wheat, honey-oat etc., variants.

Global biscuit market

Global market biscuit market is estimated to be worth ₹ 7,839.00 billion in 2020 projected to grow at a CAGR of 6% over next five years. It is driven by rising urbanisation, increasing disposable incomes and demand for convenience foods. Consumers prefer to consume biscuits with tea or coffee. New flavours, taste, shapes, health claims and packaging impact consumer preferences.

Exhibit 10: Global biscuit market size (₹ billion)

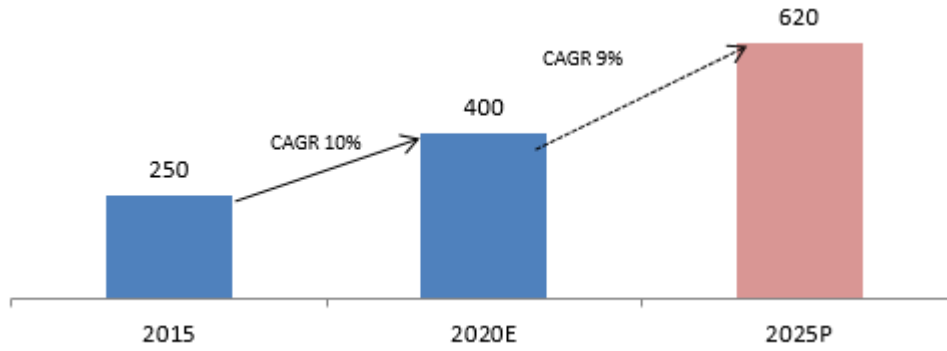


Source: Primary research, secondary research

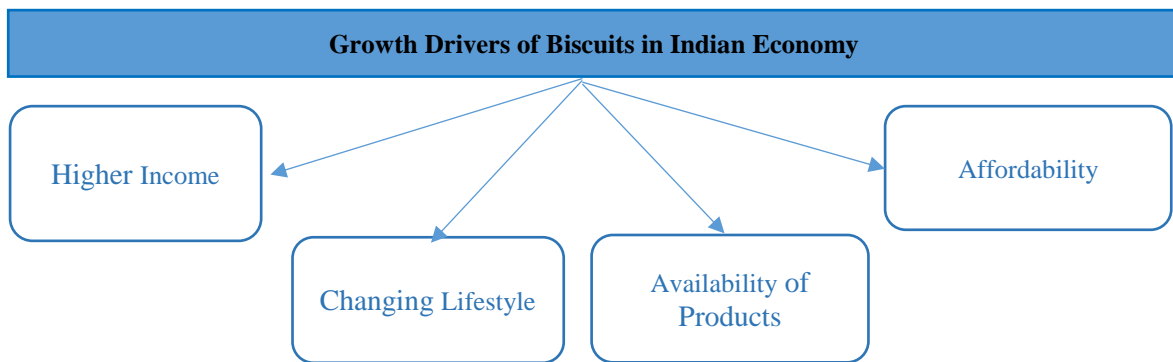
Indian Biscuit Market

The Indian biscuit market size is estimated to be ₹ 400.00 billion in 2020 representing ~5% of the global market. Indian market is expected to grow at a CAGR of 9% till 2025 and reach ₹ 620.00 billion. This growth will increase India's share in the global market to ~6% by 2025.

Exhibit 11: Indian Biscuit Market Size (in ₹ billion)



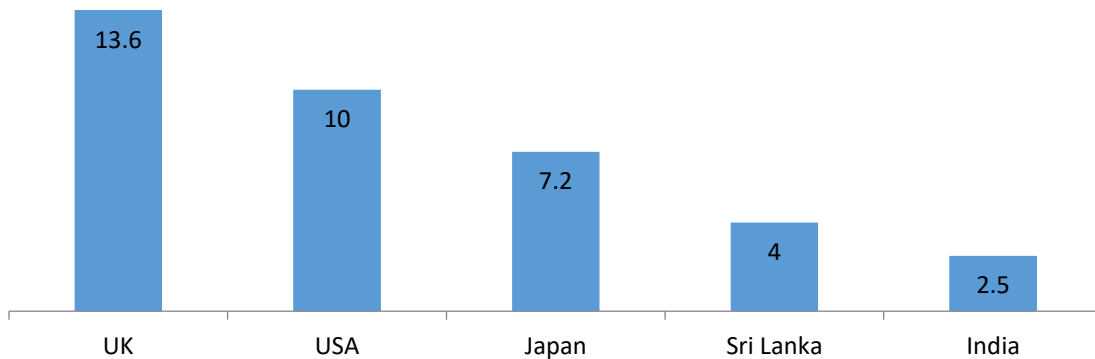
Source: Technopak Report, Primary research, secondary research.



Per capita biscuit consumption

Per capita biscuit consumption of biscuits in India has increased by 16% over the last five years. However, it is far behind developed economies like US, UK and other developing Asian economies like Japan and Sri Lanka. Though there is huge headroom for growth in India for biscuit market, it is complex market that requires regional customisation.

Exhibit 12: Per capita consumption (Kg/Year)

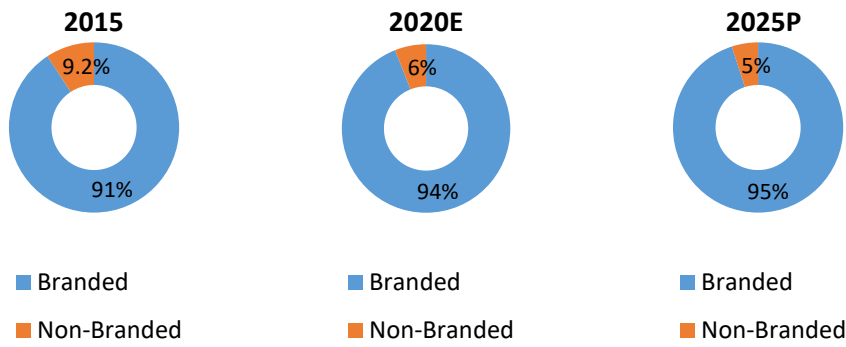


Source: Primary research, Secondary research

Branded and Non-Branded biscuits

Indian biscuit market is dominated by branded play. The penetration of branded biscuits will continue to grow because of increasing consumer preference and spending power. Non-branded biscuit is dominated by small bakery units, cottage and household type manufacturing units, which thrive on catering to local taste and close relationship with retailers. Non-branded biscuits also offer higher margins than branded biscuits to retailers.

Exhibit 13: Share of branded and non-branded biscuits



Source: Primary research, secondary research

Branded biscuit market

Growth rate for branded biscuits in terms of value is greater than the volume over the period of Financial Year 2015 to Financial Year 2020. It is driven by movement of consumers towards mid and premium biscuits. The Indian branded biscuits market is expected to grow at the rate of 9.20% or next five years.

Exhibit 14: Market Size of branded biscuit market (₹ billion)

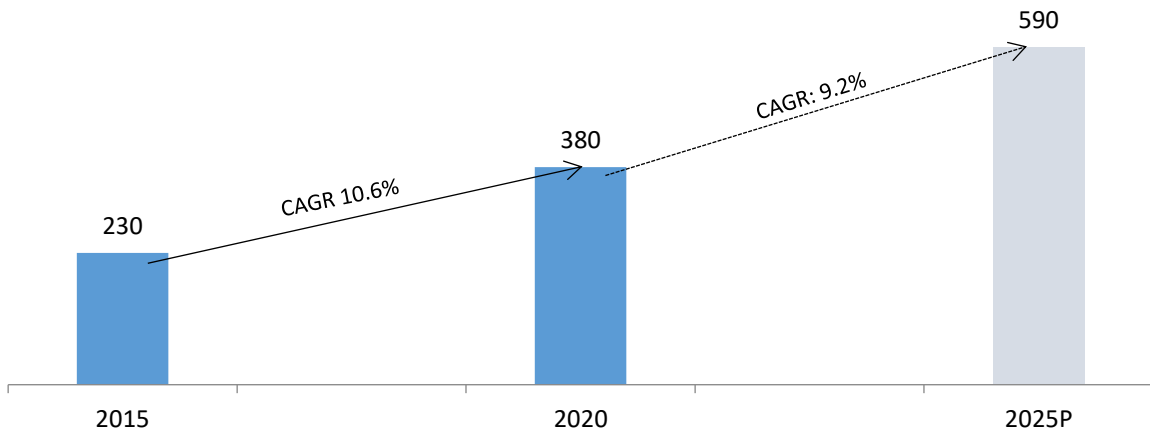
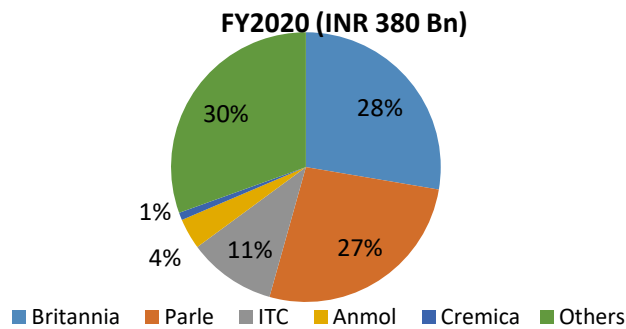


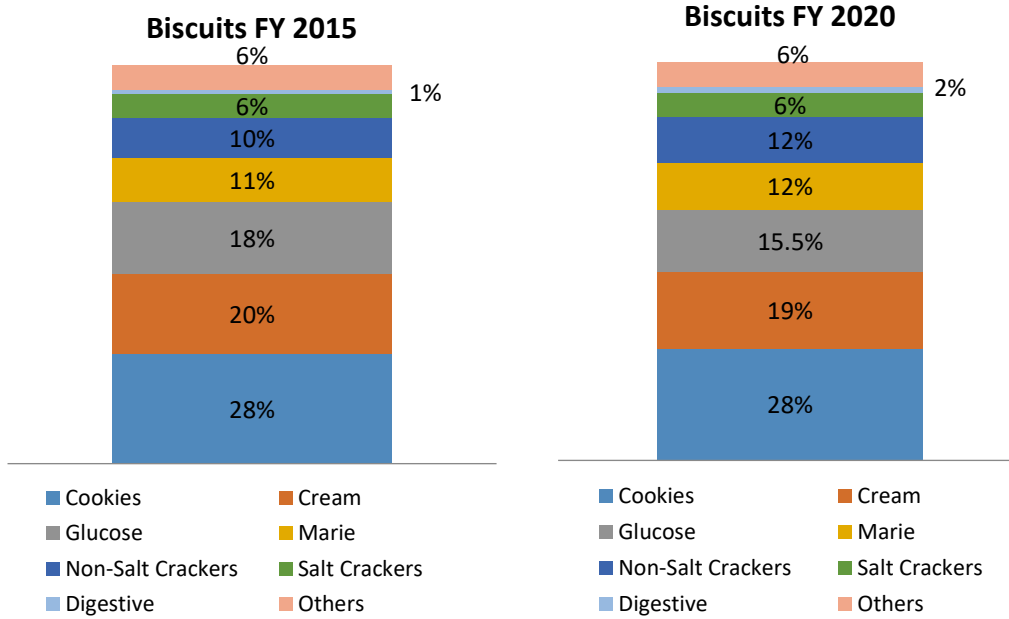
Exhibit 15: Market size of brands in branded biscuit market Financial Year 2020



Source: Technopak Report, primary research, secondary research

Indian biscuit market is dominated by lead brands like Britannia, Parle and ITC which has 65% of market share. While Parle drives a large portion of its revenues from mass product Parle-G, the company has the largest market share by volume on back of Parle-G brand. Britannia’s revenue is driven by Mid-Premium and Premium products.

Exhibit 16: Market share of branded biscuit categories Financial Year 2015 Vs Financial Years 2020 (By Value)

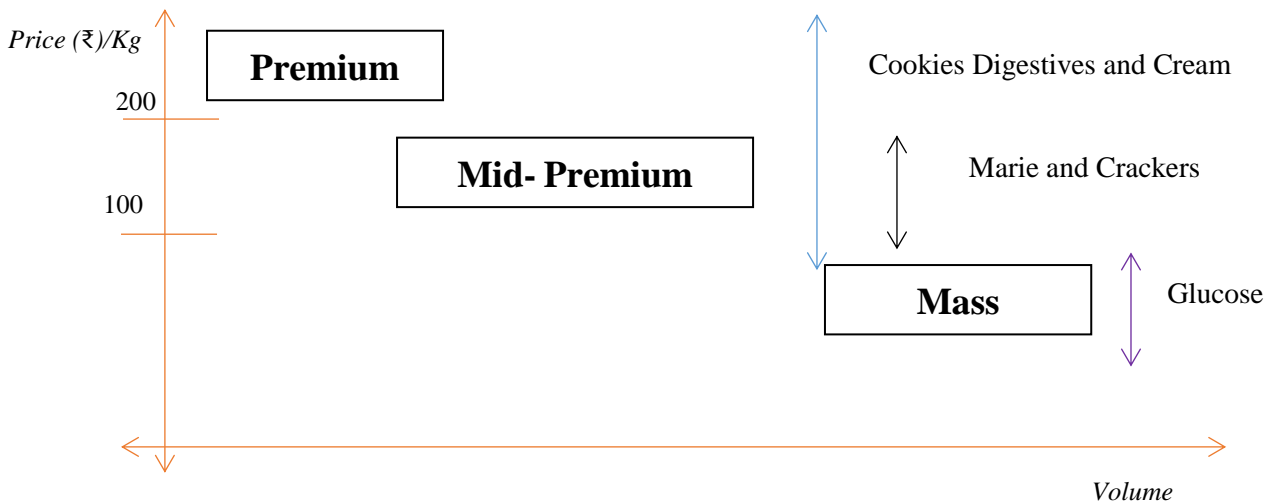


Source: Primary research, Secondary research.

Classification of Biscuits

The biscuit market in India is largely classified on two factors. On the basis of product type, the market is classified into Glucose and Non-Glucose (NG) segments. On the basis of price, it is classified into Mass, Mid-Premium and Premium segments. In the last five years, the NG market growth has outpaced Glucose market growth. Non-glucose segments mirrors mid-premium and premium price points, whereas Glucose segment mirrors mass price point.

Exhibit 17: Representation of price and volume

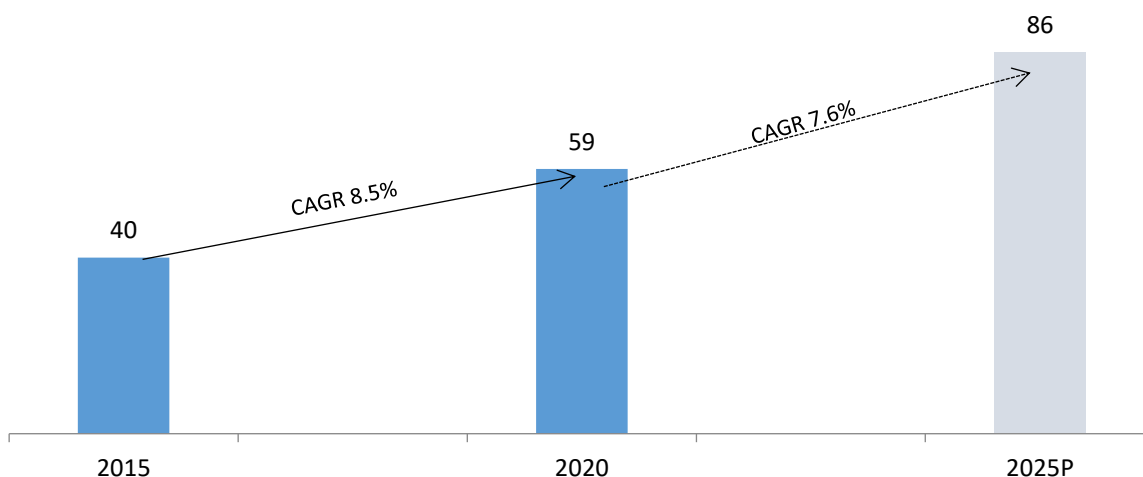


Biscuits representing mass segment are those which are priced below ₹ 100 per kg, such as glucose. Mid-Premium segment biscuits are those which are priced ₹ 100 per kg, such as, marie and crackers. Premium segment biscuits are priced above ₹ 100 per kg, such as cookies, Digestives and cream.

Mass market

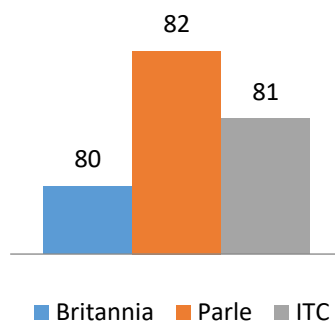
Branded mass biscuit has grown at 8.50% CAGR for the last five years. The category comprising of glucose biscuits occupies a market share of close to 15.50% by value.

Exhibit 18: Market size of branded mass biscuit market (in ₹ billion)



Source: Technopak report, Primary research, Secondary research

Exhibit 19: Market price (₹ per Kg) of Biscuit brands in Glucose category (Financial Year 2020)

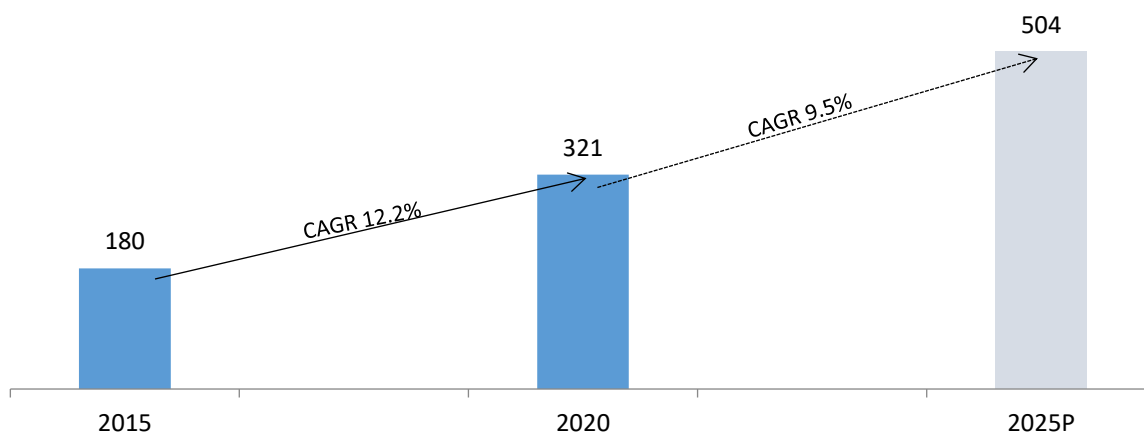


Source: Technopak Report, Primary research, Secondary research

Mid-Premium and Premium market

Total market size of mid-premium and premium biscuits is ₹ 321.00 billion that has grown at CAGR of 12.20% over last five years. The category has shown growth rate much higher than the mass category. The market for mid-premium and premium biscuits is expected to grow to ₹ 504.00 billion by Financial Year 2025 at a CAGR of 9.50% which is faster than the overall branded biscuit market growing at 9.20%.

Exhibit 20: Market size of branded mid-premium and premium biscuit market (₹ billion)

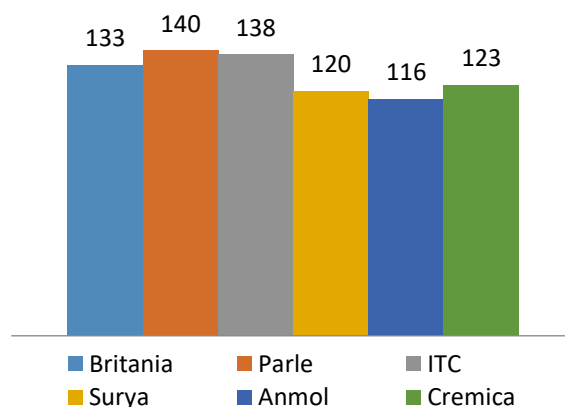


Source: Primary research, Secondary research

This growth of non-glucose segment is a reflection of the changing consumer behaviour that prefers mid and premium categories which includes the following categories: (i) Cookies; (ii) Cream; (iii) Crackers (salty and non-salty); (iv) Marie; (v) Digestive.

Cookies: Cookies are the largest category of biscuits occupying 29% of the market share by value. The category is estimated to be ₹ 10,600 crore in Financial Years 2020. It is dominated by national players such as Britannia, Parle and ITC. The segment offers high contribution margin of upwards of 10% to brands. Good Day (Britannia) brand is the market leader with more than one third of the market by value. Britannia and Parle account for more than 62% of the market share by value. Regional brands like Surya, Anmol, and Unibic have combined market share of close to 10% by value. Our Company has a market share of 2% by value. Our Company has a large portfolio of cookies that includes Golden Bytes, Choco Bico and many other variants.

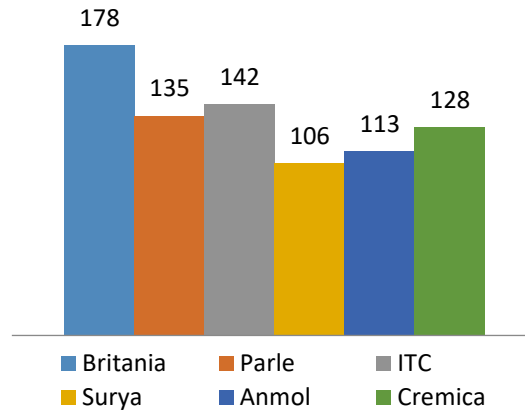
Exhibit 21: Market price (₹ per kg) of biscuit brands in cookies category (Financial Year 2020)



Source: primary research, secondary research

Cream: Cream is the second largest category of biscuits occupying 19% of market share by value. The category is estimated to be ₹ 7,200.00 crore in Financial Year 2020. It is dominated by national players such as Britannia, Parle and ITC which accounts for a combined ~65% of the total value of the cream biscuits market. Players like Surya, our Company and Anmol have combined market share of ~10% by value. Britannia’s Bourbon is the most popular brand in this segment. Our Company’s portfolio in cream biscuits includes Cremica Crèmes, Bourbon, Magicrème and TwinCrème.

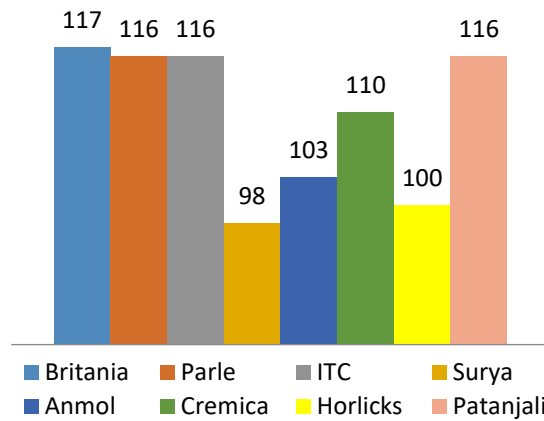
Exhibit 22: Market price (₹ per Kg) of Biscuit brands in Cream category (Financial Year 2020)



Source: Primary research, Secondary research

Marie: The category is estimated to be ₹ 4,500.00 crore in Financial Year 2020. It is dominated by Britannia with 60% market share by value owing to its Marie Gold range of biscuits. Parle and ITC have a combined market share of 16% by value.

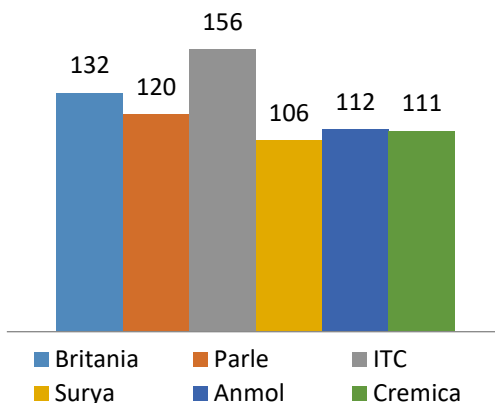
Exhibit 23: Market price (₹ per Kg) of biscuit brands in Marie category (Financial Year 2020)



Source: Primary research, Secondary research

Cracker (Salty): The category is estimated to be ₹ 2,200.00 Crore in Financial Year 2020. Parle leads the market with a value share of 28% due to its famous brand Krackjack. Players like Anmol and Surya have a significant market share in this category, close to 18% each. Our Company’s portfolio in this category includes Butter King and Jeera Lite.

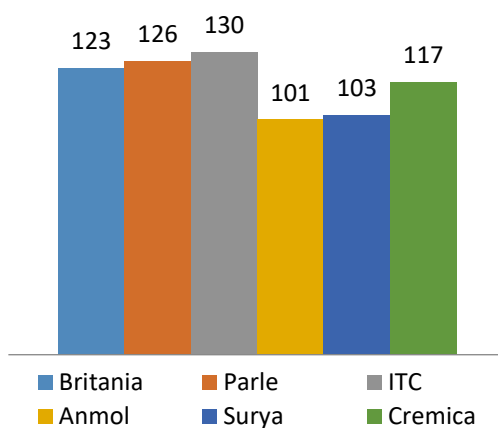
Exhibit 24: Market price (₹ per Kg) of Biscuit brands in Cracker- Salty category (Financial Year 2020)



Source: Primary research, Secondary research

Cracker (Non-Salty): The category is estimated to be ₹ 4,400.00 crore in Financial Year 2020. National players dominate the market. Parle and Britannia have a combined market share of close to 52% by value. Parle-Monaco is the most notable brand in this sub-segment. Our Company’s portfolio in this category includes Crisp ‘n’ Lite, Party Crackers, Sugar Crackers and Classic crackers.

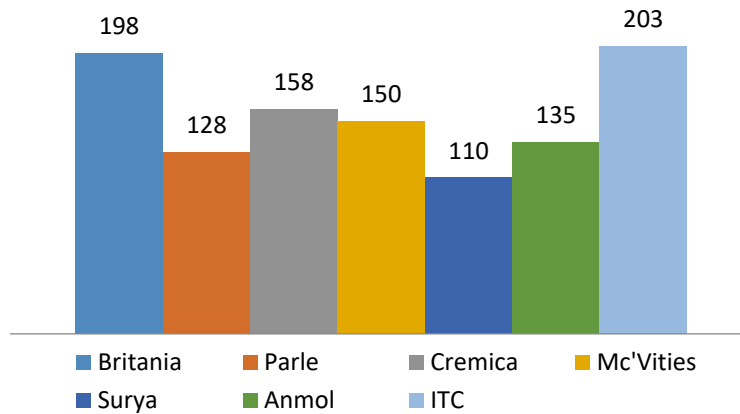
Exhibit 25: Market price (₹ per Kg) of Biscuit brands in Cracker (Non-Salty) category (Financial Year 2020)



Source: Primary research, Secondary research

Digestive: The category is estimated to be ₹ 650.00 crore in Financial Year 2020. Britannia dominates the market with a market share of close to 72% by value. Britannia offers the biscuit by name Nutri Choice, the most famous brand in the category. Our Company’s portfolio in this category includes Cremica Digestive, Cornflakes and Oatmeal Digestive.

Exhibit 26: Market price (₹ per Kg) of Biscuit brands in Digestives category (Financial Year 2020)



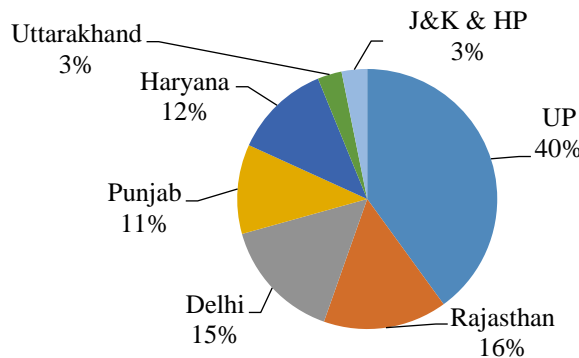
Regional Mid-Premium and Premium Biscuit market

North India accounts for 25% of the total mid-premium and premium biscuit market. The North Indian market includes Ladakh, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Rajasthan, Uttarakhand, Delhi, Punjab, Haryana and Chandigarh. Britannia, Parle and our Company are the leading biscuit brands in the premium and mid-premium segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir. Britannia and our Company are the top two Indian biscuit manufacturers in the premium and mid-premium biscuit segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir.

In the Financial Year 2020, while Parle, Britannia and ITC had a combined share of 57% in premium and mid-premium biscuits market in North India, our Company had a market share of 4.50% in the same segment in North India.

Exhibit 27: Share of States in North Indian Mid-Premium and Premium Biscuits Market (Financial Year 2020)

North Indian Mid-Premium and Premium Biscuit Market (₹ 8,000 Cr)

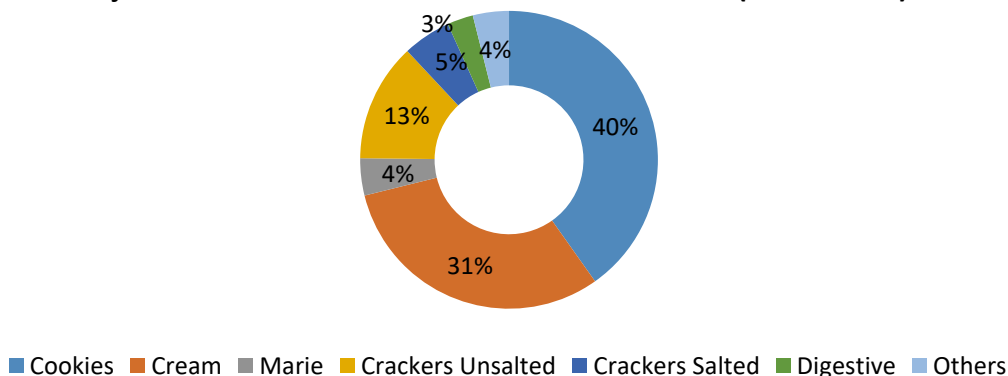


North Indian Mid-Premium and Premium Biscuits Market

Punjab: Cookies and cream biscuits category occupy 71% of the mid-premium and premium biscuit market sales by value. Top two players, Britannia and our Company account for 28% and 15% respectively of the branded mid-premium and premium biscuit market in the state.

Exhibit 28: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

Punjab Mid-Premium and Premium Biscuit Market (₹ 890 Crore)

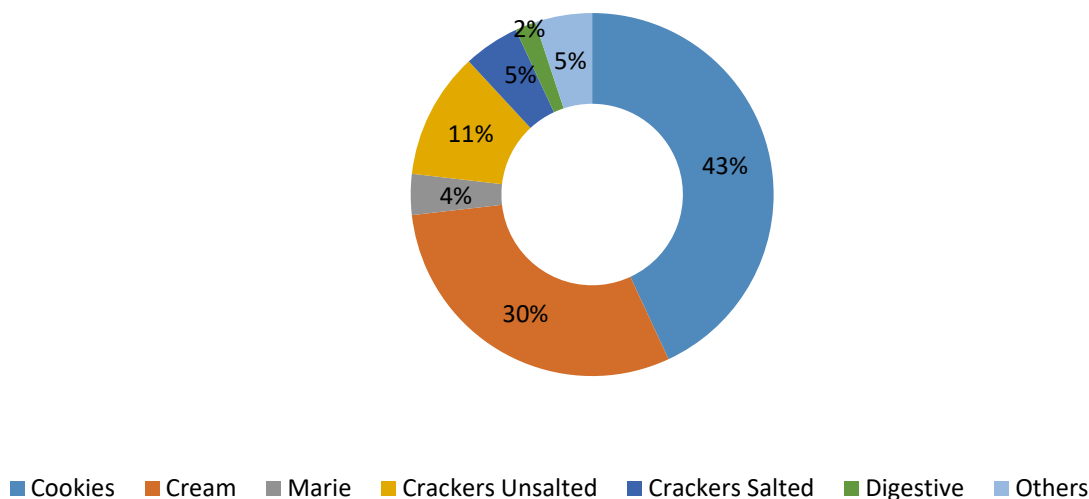


Source: Primary research, Secondary research

Haryana: Cookies and cream biscuits occupy 73% of mid-premium and premium biscuit market sales by value. Surya and Britannia dominate the Haryana market with a combined market share of 50%. Our Company is fifth largest brand with close to 9% market share of branded mid-premium and premium biscuit market in the state.

Exhibit 29: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

Haryana Mid-Premium and Premium Biscuit Market (₹ 960 Crore)

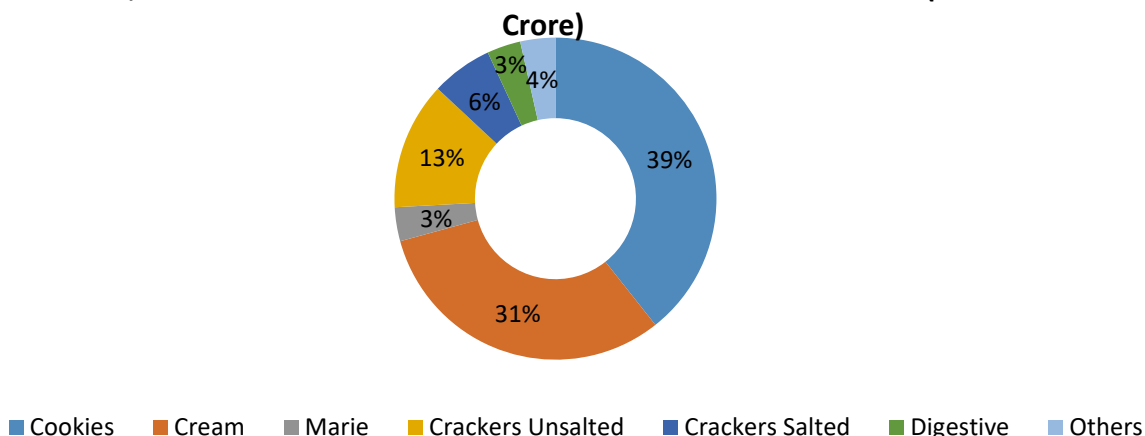


Source: Primary research, Secondary research

J&K, Ladakh and Himachal: Cookies and cream biscuits category occupy 70% of the mid-premium and premium biscuit market share by sales value. Top two players, Britannia and our Company account for 28% and 18% respectively of the branded mid-premium and premium biscuit market in the state.

Exhibit 30: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

J&K, Ladakh and HP Mid-Premium and Premium Biscuit Market (₹ 255

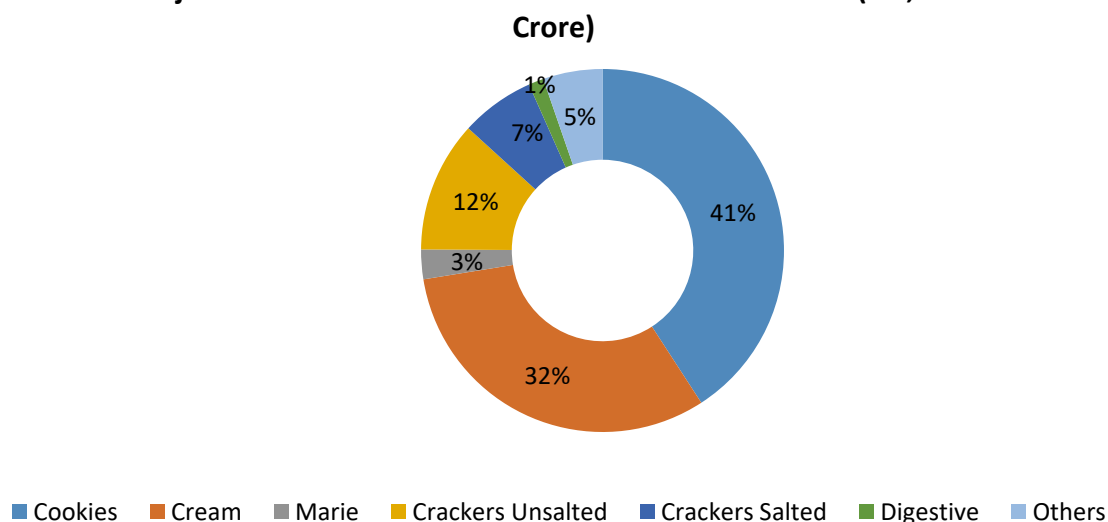


Source: Primary research, Secondary research

Rajasthan: Cookies and cream biscuits occupy 72% of mid-premium and premium biscuit market sales by value. Parle and Britannia dominate the market in Rajasthan with a market share of 42% and 19% respectively. Our Company is the fifth largest brand with close to 5% market share of branded mid-premium and premium biscuit market in the state.

Exhibit 31: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

Rajasthan Mid-Premium and Premium Biscuit Market (₹ 1,280

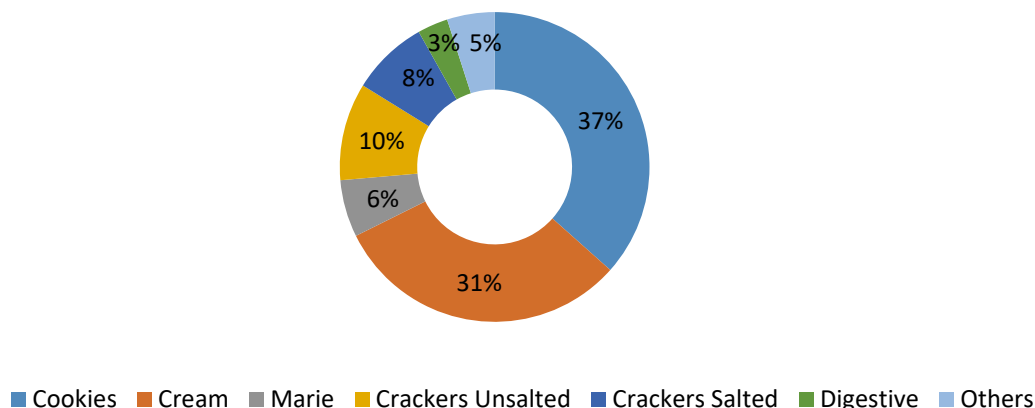


Source: Primary research, Secondary research

Delhi: Cookies and cream biscuits occupy 68% of mid-premium and premium biscuit market sales by value. Top two players, Britannia and Parle account for more than 50% of the branded mid-premium and premium biscuit market in the state. Our Company is one of the top 6 biscuit brands with close to 2% market share of branded Mid-Premium and Premium biscuit market in the state.

Exhibit 32: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

Delhi Mid-Premium and Premium Biscuit Market (₹ 1,220 Crore)

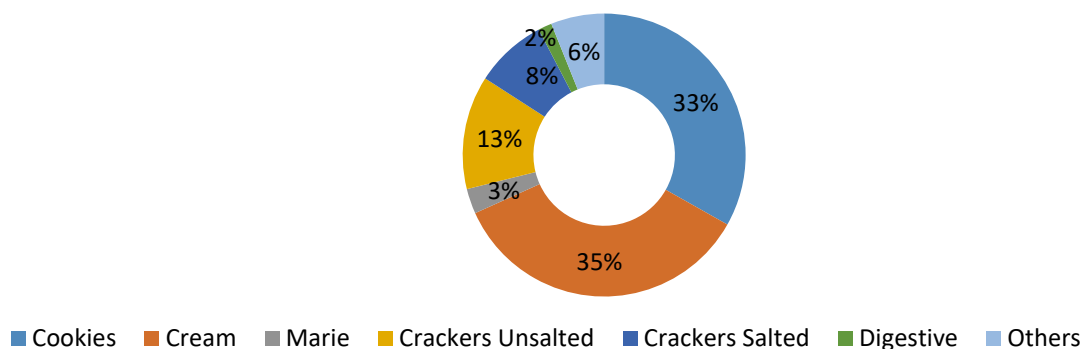


Source: Primary research, Secondary research

Uttarakhand: Cookies and cream biscuits category occupy 68% of mid-premium and premium biscuit market sales by value. Surya is the market leader with 27% market share in mid-premium and premium biscuit market. Our Company is the fifth largest brand with close to 9% market share of branded mid-premium and premium biscuit market in the state.

Exhibit 33: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

Uttarakhand Mid-Premium and Premium Biscuit Market (₹ 240 Crore)

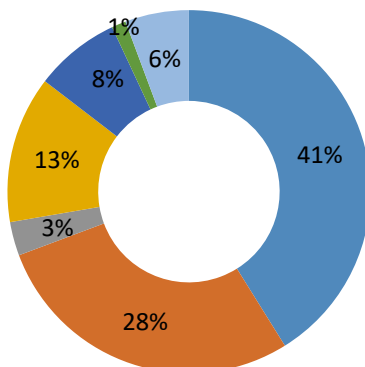


Source: Primary research, Secondary research

Uttar Pradesh: Cookies and cream biscuits occupy 69% of mid-premium and premium biscuit market sales by value. Parle and Britannia dominate the market in Uttar Pradesh with a market share of 24% and 22% respectively. Surya has a strong presence in the state with 22% market share. Our Company has close to 2% market share of branded mid-premium and premium biscuit market in the state.

Exhibit 34: Market Share of Mid-Premium and Premium Biscuit categories – By value (Financial Year 2020)

UP Mid-Premium and Premium Biscuit Market (INR 3,155 Cr)

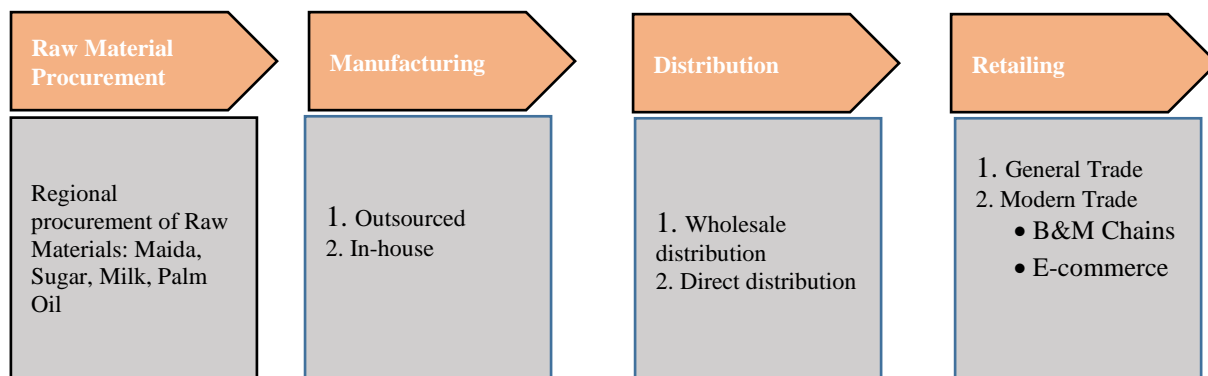


■ Cookies ■ Cream ■ Marie ■ Crackers Unsalted ■ Crackers Salted ■ Digestive ■ Others

Source: Primary research, Secondary research

VALUE CHAIN – BISCUITS

Exhibit 35: Value Chain of biscuits



Source: Technopak Report, Primary research, Secondary research

Manufacturing of branded biscuits - Outsource vs In-house

Exhibit 36: In-house vs outsource biscuit manufacturing trade-offs

Manufacturing	Characteristics
In-house	-Capital intensive -Better Margins -In-house quality control/safety
Outsourced	-Capital efficient -Faster access to new markets -low margins -Need a strong QC and food safety framework

Source: Technopak Analysis

There are specific trade-offs between in-house manufacturing and outsourced models. It is observed that leading industry players like Britannia and Parle uses a combination of in-house manufacturing and outsourced model to fulfil their demand. Our Company operates with 100% in-house manufacturing for its product to command higher margins. It is clear that no industry leader has adopted the complete outsourcing model. It is also noted that in-house manufacturing provide these leaders to leverage the export opportunity. It is so because in-house manufacturing provide better visibility and control on quality assurance and food safety standards and faster product development cycles.

Exhibit 37: Financials of key biscuit brands

	Revenue (In ₹ Cr)		CAGR	3 Year Average (Financial Year 17-19)				In-house Manufacturing
	Financial Year 2017	Financial Year 2019		Gross Margins (%)	EBITDA Margins (%)	ROE (%)	ROCE (%)	
Britannia	8,829	10,673	10%	39.30%	16.40%	29.90%	44.90%	65%
Parle*	10,545	11,950	6.5%	35.90%	6.70%	11.70%	16.90%	NA
Anmol	1,241	1,098	-6%	33.80%	11.70%	13.60%	16.10%	97%
Mrs. Bectors Food Specialities Limited**	626	786	12%	44.30%	12.10%	13%	17.30%	100%

Sources: Company filings, Primary and Secondary research

Revenue is provided for Financial Year 2019 since Financial Year 2020 financials are not available for all companies

*Consolidated Financials for Parle

** Consolidated Financials for Mrs. Bector's using IGAAP standard

Distribution channels of branded biscuits

Biscuits have shelf life of approximately six months. Like any other FMCG products, direct reach of products to retail points is pertinent to sales off-take. The reduction of distribution cost and consequently inventory cost has been the area of focus for every biscuit brand. They have expanded their retail footprint through distributors, direct reach and modern retail outlets.

Distributors/Wholesalers: Brands send their products from distribution centre to their exclusive wholesale dealers, who further sell their products to wholesalers and retailers. Wholesalers and distributors offer local knowledge, logistics and credit collection for brands. They take products to geographies where brands cannot reach directly in a commercially viable manner. Distributors/wholesales get a margin between 2% and 5% depending on brand, category and their location.

Exhibit 38: Estimated retail reach of biscuit brand in north India (2020)

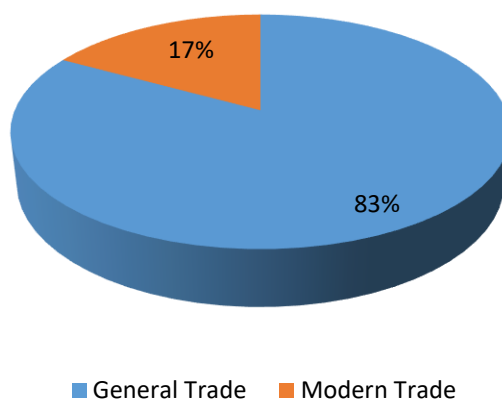
National Brands	Retail Points in North India
Parle	~17,00,000
Britannia	~14,00,000
ITC	~9,90,000
Regional Brands	Retail Points in North India
Anmol	~7,90,000
Cremica	~4,00,000

Source: Primary research, Secondary research,

Direct Reach: Brands are trying to cut time between distribution centre and retail outlet. They own the entire supply chain. Their workforce visit retail stores, analyse local demands, suggest tweaks in product placements and take orders on their mobile phones through an app. These orders are directly delivered by the brand. Such distribution models are viable and effective in urban regions. Britannia (Zero-day inventory model) and ITC are implementing direct distribution models. The direct reach has doubled for Britannia in a period of 5 years from 1.00 million retailers in 2015 to 2.00 million retailers in 2020. They are viable for urban regions, which are accessible and their demand volume is higher. Our Company is directly associated with 33% of the total retailers where its product is sold.

General Trade (“GT”) vs Modern Trade (“MT”) Approach

Exhibit 39: Share of Retail Channels for Branded Biscuit Sales in India (Financial Year 2020)



Source: Technopak Report, Primary research, Secondary research

- The percentage of MT sales in value terms as share of branded biscuit market is greater than percentage of MT sales in volume terms. It implies that the share of mid and premium biscuits MT sales is higher.
- **General Trade:** Brands offers mark-up margins to general trade outlets. They reach GT through distributors and wholesalers. Generally, company salesman takes order from retailer and it is fulfilled by distributor salesman. Brands offer higher margin or rental for shelf space for visibility. Retailers get between 10% to 20% margin depending on brand and category. New brands offers higher retailer margin up to 20% to push sales.
- **Modern Trade:** Modern trade outlets take biscuits at mark-down margins. They charge brands for display/shelf rent. They offer volume based discounts like 3+1, 4+1 or high discount for large packs to consumers. The sales of biscuits per unit space are higher in modern trade due to discounts and visibility. E-commerce is also emerging an important channel of modern retail in urban centres. While e-grocers such as Bigbasket and Grofers are limited to limited to top 24 cities, they are ready to expand their reach.
- Another large channel for trade is the Canteen Stores Department which is a solely owned Government of India Enterprise under Ministry of Defence and has its depot in all major military bases operated by the Indian Armed Forces. Our Company is one of the largest suppliers of biscuits to the Canteen Stores Department and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India.

Trends

1. **Premiumization:** Consumers prefer Mid-Premium and Premium segment biscuits with rising income and accessibility to such products. Biscuits brands encashing the trend by introducing more premium ranges. Parle launched premium product division called Platina in 2017 comprising of Hide & Seek, Milano and Nutricrunch. It had allocated 50% of its marketing spend on Platina division in the first 2 years of its launch. ITC and Britannia are already having dominant market share in the premium category. Britannia with its Pure Magic range has been dominating the market. ITC's Dark Fantasy Choco Fills have been very popular centre-filled format and high-quality packaging. These products claim to entail the usage of fine ingredients such as high quality cocoa, exotic fruits and nuts thereby elevating the biscuit eating experience. Marketing focussed on these ranges and smaller pack sizes have helped these products penetrate well in the urban market. Our Company has launched Bourbon in cream category and honey oatmeal cookies to tap the premium biscuits market.
2. **Healthy Biscuits:** Concern for health and wellness is becoming a key consideration for snacking. Healthy biscuits with high fibre digestive ingredients and sugar substitutes such as honey, fruits and dark chocolate are a rapidly growing category. Britannia's Nutri Choice has a range health focussed variants and ITC offers Sunfeast Farm Light and our Company also has cornflakes and oatmeal variants of its digestive range.

3. **Share of Requirement (SoR):** Brands offer discounts or offers on larger packs to increase consumption throughput per customers. Such packs enable customers to have multiple offering of same brands at reduced rate. Consequently, it reduces customer risk and helps brands to prime customers for their next purchase.
4. **Increased in-house consumption of packaged food due to COVID-19:** Occasions to eat out have reduced due to restriction imposed during the lockdown period along with health and economic concerns. The preference has therefore shifted towards hygienically packaged food products like biscuits and other snacks over eating out.

Key success factors

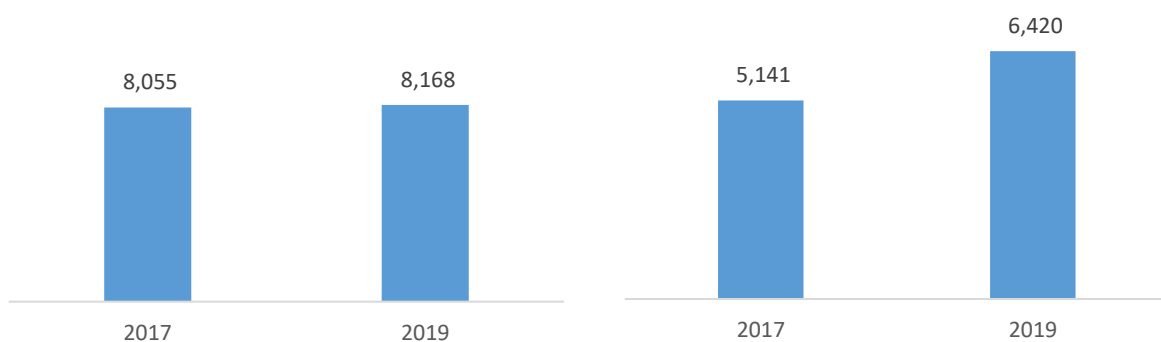
1. **Distribution:** Sales of biscuits primarily depends on distribution reach of biscuit brands. Market leaders have maximum number of distributors across general trade and modern trade channels. New brands build their distribution strategy by offering higher incentives to distributors and retailers than established brands. ITC and Britannia are also experimenting with direct distribution models for urban areas.
2. **Economies of scale:** Higher volumes give upper hand to biscuits brands with their manufactures, logistics providers, raw material suppliers, distributors and retailers. Market leaders Britannia, Parle and ITC leverage their scale to offer their products efficiently to their customers.
3. **In-house manufacturing:** It offers higher margins and better process controls. However, this becomes viable only when the brands have sufficient traction in the area close to manufacturing plant. Britannia has increased its share of in-house manufacturing to improve margins.
4. **Innovation:** Brands regularly introduce new variants in their existing line of products for their customers. They collaborate with International player and uses imported machinery to offers new products. Britannia collaborated with Aasted, a chocolate, bakery and confectionery company in Denmark and used Jensen 1000, a super compact chocolate moulding line, to make premium biscuit Pure Magic Deuce.

Global Biscuits Export Market

While global export of biscuits has grown at 0.70% by value in the Financial Year 2017-19, it has grown by volume at a CAGR of 11.70% during the same period. The faster growth in volume has been due to increase in consumption in developing markets like Africa, Asia etc.

World Exports		2017	2018	2019	CAGR(2017-2019)
Value	(in million USD)	8,055	8,584	8,168	0.70%
Volume	(in 000' Ton)	5,141	4,862	6,420	11.70%

Exhibit 40A: Global biscuits export market (USD million) Exhibit 40B: Global Biscuits Export Market (000' Tonnes)



Source: Technopak Report, Secondary research
HS Code: 190531

India's biscuit export market

Indian biscuit exports has maintained a share of ~2% of total world exports by value since 2017 and 2-3% by volume. India has exported USD 169.00-181.00 million worth of biscuits per annum in Financial Year 2017-19.

Exhibit 41: India's biscuits export market

India's Share of world exports (by value) USD million	2017	2018	2019
Total exports (world)	8,055	8,584	8,168
India's exports	169	163	181
India's share	2.10%	1.90%	2.20%

India's share of world exports (by volume) '000 tonnes	2017	2018	2019
Total exports (World)	5,141	4,862	6,420
India's exports	150	138	149
India's share	2.90%	2.80%	2.30%

The key markets for Indian Exports has been USA, Africa countries, Caribbean Islands and Middle East. India's export market has grown at a CAGR of 3.80% by value and has remained constant by volume in the period 2017-19. Parle, Britannia and our Company are the leading exporters of biscuits from India. Britannia and our Company had a share of ~22% and ~12% respectively in the total exports of biscuits from India in CY 2019. Our Company contributes more than 50% by value of biscuit exports from India to South Africa and Uganda and more than 25% by value of biscuit exports from India to Canada.

Exhibit 42: Countries to which India exports biscuits (CY 2019)

SL No.	Country	Region	Values in ₹ Cr.	Quantity in tons
1	United States of America	North America	195	14,027
2	Angola	Africa	133	21,143
3	United Arab Emirates	Middle East	109	6,807
4	South Africa	Africa	47	5,031
5	Canada	North America	47	3,181
6	Uganda	Africa	45	7,668
7	Nepal	Asia	41	2,561
8	Tanzania	Africa	38	6,156
9	Congo	Africa	35	5,539
10	Saudi Arabia	Middle East	34	1,584
11	Guinea	Africa	31	5,122
12	Somalia	Africa	30	4,302
13	Yemen	Africa	26	3,938
14	Togo	Africa	26	4,209
15	Qatar	Middle East	23	1,283
16	Australia	Australia	22	1,376
17	Congo, Democratic Republic of the	Africa	22	3,557
18	Dominican Republic	South America	22	2,338
19	Israel	Middle East	20	1,514
20	Kenya	Africa	20	2,796
21	Benin	Africa	19	2,818
22	Cameroon	Africa	16	2,637
23	Oman	Middle East	16	1,200
24	United Kingdom	Europe	16	497
25	Senegal	Africa	16	2,469

SL No.	Country	Region	Values in ₹ Cr.	Quantity in tons
	OTHERS		310	35,862
	TOTAL		1,360	1,49,617

Source: ITC Trade Map

Region	Export from India (CY 2019)	
	Values in ₹ Cr.	Quantity in Tonnes
Africa	636.5	97,140
Asia (Except Middle East)	97.9	6,427
Caribbean Community (CARICOM)	14.9	1,670
Central American Common Market	4.4	503
Europe	34.8	1,647
Middle East	235.6	18,240
North America Free Trade Agreement	249.0	17,712
Oceania	35.0	2,444
South America	52.7	3834
Total	1,360.0	1,49,617

Source: ITC Trade Map, 1 US\$=₹ 75

Caribbean Community (CARICOM) includes countries such as Haiti, Guyana, Suriname, Dominica etc.

North American Free Trade Agreement includes countries America, Canada & Mexico

Asia includes all countries except Middle East Countries (UAE, Saudi etc.)

Central America Common Market includes countries such as Costa Rica, El Salvador, Guatemala, Nicaragua

Oceania includes Australia, New Zealand, Papua New Guinea, Tonga, Solomon Islands, Vanuatu, Samoa, Fiji, Micronesia, Marshall Islands, Kiribati

Current opportunities for India's export segment:

1. **Indian players are targeting the developing countries and the growing Indian diaspora living there and in other developed nations.** Majority of Parle's demand comes from African countries as they are in a developing stage and Parle products are available at economical prices. Products like Parle G, Marie, Krack Jack are locally produced in Africa and the brand wants to predominantly target the Indian diaspora living abroad. Britannia is looking at contract packaging in Uganda and Egypt. Both these countries have got alignment with lot of countries around them, so they can export without any duties. They will manufacture in these countries and export.
2. **Players are looking at local manufacturing to customise products, lower costs and also gain entry in markets with high trade barriers.** Britannia has set up plants in Mundra SEZs in India and Nepal to manufacture exclusively for exports. Britannia plans to export cream biscuits, short dough biscuits and rusks manufactured at the Gujarat plant to international markets such as North America, the UK, African countries, Singapore, Australia, New Zealand and Malaysia. Parle also has manufacturing units in 8 countries outside of India - Cameroon, Nigeria, Ghana, Ethiopia, Kenya, Ivory Coast, Nepal and Mexico.
3. **Players like Britannia, Parle, our Company are not only exporting their low and mid-range products but are also planning to introduce their premium ranges along with manufacturing for the labels present in those countries.** Britannia plans to introduce its premium brands along with its current selling low-priced brands in international markets. Parle and our Company have customised products for international markets which would result in more local authentic flavours and combinations to attract local buyers. While our Company retails its own brands in the international market, it also caters to the requirements of retailers and food suppliers such as Shoprite and Transnational Foods for their brands and private labels.
4. **India has a fairly good share of trade with Middle Eastern and African countries.** However, in the top 6 markets such as the USA, France, UK, Germany, Netherlands and China, India has a combined share of less than 1%. India has made inroads into South American countries and currently has a low share of ~3% in the growing South American markets such as Chile, Ecuador, Paraguay, Uruguay, Brazil and Argentina and a share of 2.5% in the Oceanian countries. This represents an opportunity in these markets.

Britannia	North America, UK, Africa, Europe, Australia, South East Asia
Parle	SAARC countries, US, Europe, Africa
Cremica	North America, Australia, Europe, Middle East, Africa, Far East Asia
Anmol	Asia, Africa, Middle East, Europe and USA

Source: Secondary Research, Technopak Report

*Includes Overseas production for 2022-23

Growing Geographical Footprint of Retailers and B2B Food vendors will boost packaged food sales

Key retailers are growing their footprint across the world (especially in developing and under-developed nations). Their expansion catalyzes consumer packed food ecosystem. Consumers can access innovative products and food brands get opportunity to add new revenue streams. Such developments offer export opportunity for Indian biscuit brands.

Exhibit 43: List of global retailers and B2B food vendors

Retailer	Head Office	Business Model	Geographical Presence	No. of Stores*
ShopRite	Cape Town, South Africa	Retailer	15 countries across Africa and the Indian Ocean Islands	2,934
Dollarama	Montreal, Canada	Retailer	Present in every province of Canada (Ontario has the most stores)	1,095
Walmart	Bentonville, Arkansas, United States	Retailer	Present in 28 countries, operating under 59 different names	11,500
Tesco	Hertfordshire, England	Retailer	Present in 11 countries across Europe and Asia	6,993
Transnational Foods	Miami, Florida, United States	B2B Food Vendor	It sources canned and packaged food products from 25 different countries to retailers in the USA	

Source: Secondary Research

*No of Stores as on 11th Aug 2020

Indian biscuit brands like Britannia, Parle, Cremica etc., work with international retailers and B2B vendors to increase their export revenues.

Key imperatives going forward for the growth of biscuit exports from India:

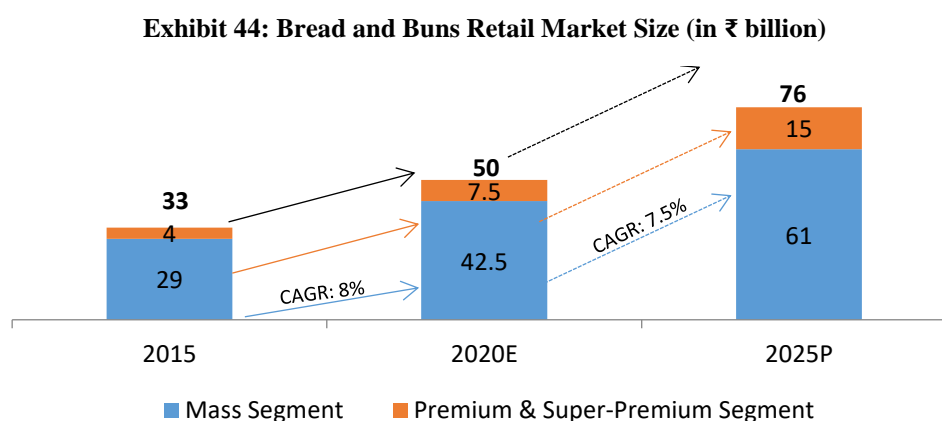
1. **Product Differentiation** – Going forward manufacturers and exporters are required to be in a position to offer product variety and do new product development to cater to the changing taste. Product portfolio of the market is changing, retailers and consumers are changing and they expect manufacturers and exporters to have installed capacity to adhere to these changes in terms of new SKU varieties, product varieties, launches etc. Players who will have this capability will be in a better position to capture a share of the market.
2. **Integrated Manufacturing and Value chain** – Integrated play at the manufacturing end allows better control on sourcing prices, better control on costs and margins. This has prompted many large players to opt for integrated play. Though many domestic brands in India have not opted for integrated manufacturing,

players like Britannia, Parle and our Company have own manufacturing to support their export business. Own manufacturing allows the player to leverage the capability for both domestic and export market.

3. Increasing Influence of Non-tariff Barriers particularly around Food Safety and Quality – Manufacturers that have installed capability to do self-certification, superior standards of quality assurance and systems & processes to adhere to the global standards will stand to benefit not only to address the non-tariff barriers but also to cater to developed markets and products with far more stringent quality profile.
4. Major players from India will not only grow the domestic market but will also capture a larger share of the export market.

INDIAN BREADS AND BUNS RETAIL MARKET

The bread and buns retail market in India is valued at ₹ 50.00 billion in Financial Year 2020 and it will continue to grow at the CAGR of 9% to reach ₹ 76.00 billion by Financial Year 2025. The growth will be mainly assisted by increase in disposable incomes, change in lifestyle and preferences of the consumers. The demand for breads is concentrated mainly around metros, tier I and larger tier II cities due to higher disposable incomes and changing meal preferences.



Source: Technopak Report, Secondary research

Market Segmentation

Bread can be classified based on the ingredients and price. Mass bread segment primarily comprises of white/sandwich bread made up of refined wheat flour (maida). Premium bread segment has emerged over the last 15 years. This comprises of products related to health and wellness such as fortified white breads, whole wheat/brown or alternative grain variants of breads, milk and fruit breads and specialty products such as pizza bases, burger buns and hot dog buns. Breads are sold in packaged and pre-sliced loaf forms with 350 gms and 400 gms as most common pack sizes.

Super-Premium bread segment comprises of exotic and speciality breads such as pita bread, focaccia, ciabatta bread and sour dough breads. These are artisanal products made by established bakers and retailed at their own bakeries and selected modern retail outlets and Grade A stores. Though the super-premium category currently has a very small share in the total bread market, it is poised to grow steadily given the growing influence of international cuisines and the growing number of premium bakeries. Many industrial manufacturers have also come out with super-premium variants.

Types of bread on the basis of shape:

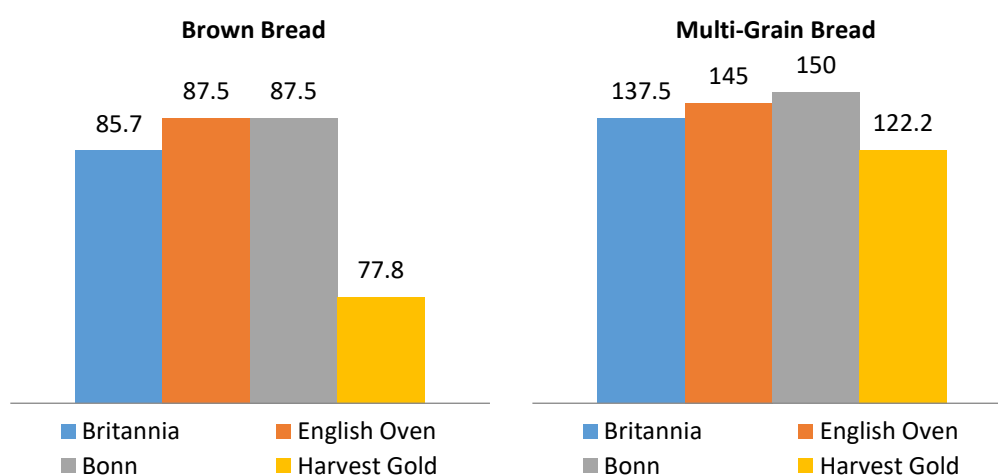
- **Sliced Bread:** Sliced bread is pre-sliced bread loaf which is available at grocery stores. This segment is led by organized players and mostly consumed as a breakfast item in households with milk, tea etc.;
- **Pavs and Buns:** Pav is a hand sized; flat-bottomed dome-shaped bakery product. This segment is also led by highly organised players. It is most commonly consumed in Northern and Western India in food items like pav bhaji and vada paav;
- **Other Bread:** This segment consists of exotic breads, burger buns and pizza bases etc. Premium product segment is led by organized players and are mostly consumed in urban areas.

Types of breads on the basis of Ingredient:

- **White Bread:** It is made from aata/maida. It is easily available at grocery stores and is commonly used in sandwiches etc. It has the highest market share and is easily available at an economical price.
- **Brown bread:** It is made up of whole wheat flour or a combination of refined and whole wheat flour. It is mostly preferred by consumers for better ingredient quality and the associated health reasons and is relatively expensive than white bread. All major brands including Britannia, Harvest Gold, Bonn and English Oven market this bread.
- **Fruit Bread:** is made of lightly enriched dough and dried fruit with higher sugar content and is the most expensive bread and serves the premium segment of bread consumers. Companies like Harvest, English Oven produce this bread.
- **Nutritional Bread:** It is made of various nutrients, multi grains like oats, rye, garlic etc. it is preferred for its nutritional content and mostly consumed in metro cities.

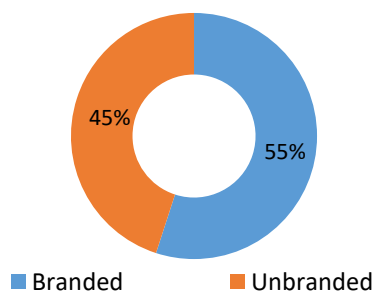
Market share of white bread is highest followed by brown, Fruit and other nutritional bread and specialty bread.

Exhibit 45: Market price (₹ per Kg) of Bread brands (Financial Year 2020)



Branded and Unbranded companies: The bread industry is divided between branded and unbranded players. In the branded segment, Britannia, Modern and English Oven are the market leaders in the country with more than 45% of the total market share. These brands have a nationwide presence. Modern is strong in South along with Mumbai in the West and Kolkata in the East. English Oven started as a regional brand in the Northern states. However they are now present in Mumbai, Pune and Bangalore as well. While these have a nationwide presence, there are regional brands focussed on certain geographies or cities. Regional players of northern part of the country are Bonn, Harvest Gold and Kitty. Mother Dairy has also forayed into this segment recently. Additionally, there are private labels of organised retail chains and e-grocers such as Fresho from Bigbasket. Companies in the branded segment are increasing their focus on tier II and tier III cities, given the improving infrastructure of retail and distribution and customers’ changing buying pattern.

Exhibit 46: Bread sales breakup (Financial Year 2020)



Source: Technopak Report, Secondary Research

India's bread industry is dominated by branded players contributing to about 55% of the total market. The unbranded companies of bread units/neighbourhood bakeries etc. consist of an estimated 85,000 bread bakers mostly located in residential areas of cities and towns.

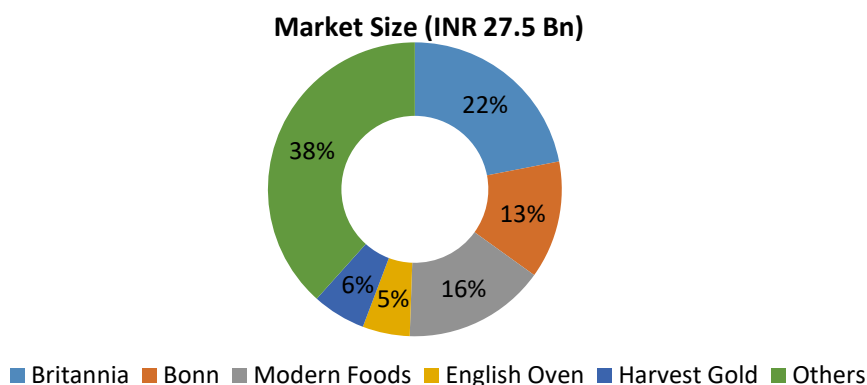
COVID-19 has adversely impacted the small scale manufacturing units due to high cost of business during that period, high labour susceptibility and comprised hygiene and safety standards. While many such players have shut down operations, the organised players have consolidated their share in the market as they are better equipped to manage the challenges of the supply chain and operations.

Exhibit 47: Classification of bread players

Types of players	Brands	Strengths	Challenges
National	Britannia, Modern, English Oven	Presence across multiple geographies with multiple offerings	Premiumisation and customising products
Regional	Harvest Gold	Deeply penetrated in their regional territory	Expansion beyond core region
Unbranded	Local bakeries	Low pricing and margins to compete with regional brands	Lack scale, Quality perception and lack customer recall

Source: Technopak Analysis

Exhibit 48: Branded Market in Financial Year 2020

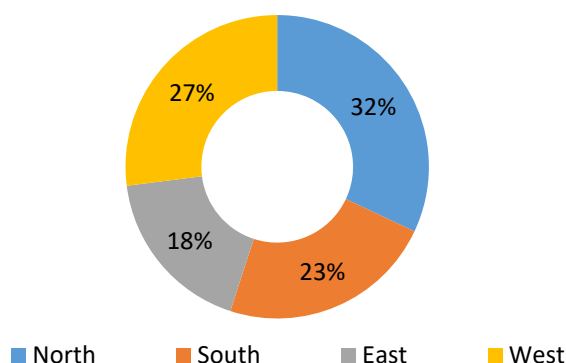


Source: Technopak Report, Secondary Research

Consumption wise pattern

Northern and Western India are the biggest consumers of bread in the country. In north part of the country consumers generally associate breakfast with bread and toast. While western part of country has higher urbanization and presence of more Tier-I and Tier-II cities.

Exhibit 49: Consumption pattern in four zones in India (Financial Year 2020)

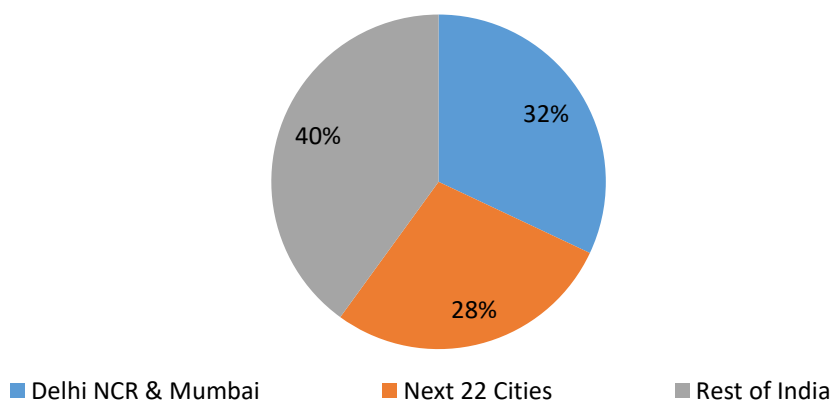


Source: Secondary and Primary Research

Northern & Western Region: Bread consumption is highest in northern region followed by western region. It is important to note that most of the bread manufacturing units are situated in northern part. Urbanization is the most important factor for highest consumption in western region. As per 2011 Census urbanisation in western states is around 44% which is highest in the country. Whereas in north urbanization is lower than other regions but the main food items (like traditional snacks and sandwich) of this region contain bread as an important ingredient. Players of northern part are English Oven, Harvest Gold, Bonn and Kitty and western parts are Super and Aabad.

Eastern & Southern region: Eastern region accounts for lowest urbanization in India which is around 25%. Consumption of bread is lowest in these parts of the country because consumers prefer traditional food items over bread-based breakfast. However the consumption of bread in southern region has increased with time due to change in lifestyle. Britannia is a national brand which sells its bread products in these regions and among regional players, Homa is famous in Assam.

Exhibit 50: Branded bread market share city wise (Financial Year 2020)



Source: Technopak Analysis

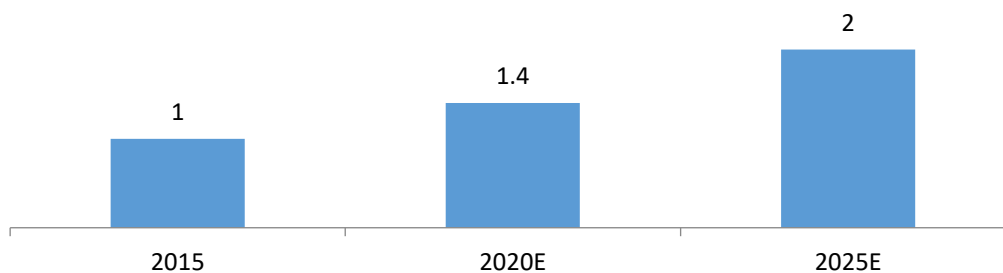
Top Two Cities: Mumbai and Delhi

Next 22 Cities: Bangalore, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat, Pune, Jaipur, Lucknow, Kanpur, Nagpur, Visakhapatnam, Indore, Bhopal, Patna, Vadodara, Chandigarh, Amritsar, Madurai, Ludhiana, Coimbatore, Kochi

Per capita consumption

The average per capita consumption of an Indian consumer is increasing. The per capita consumption has increased from 1 kg per annum in 2015 to 1.4 kg per annum in 2020.

Exhibit 51: Per capita consumption of bread (kg per annum)

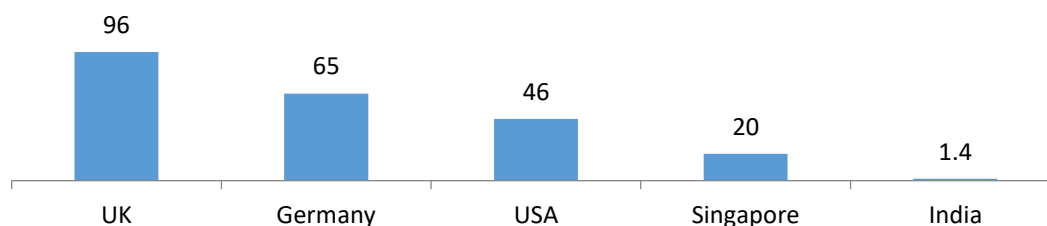


Source: Secondary Research

The per capita consumption of bread in India varies from 1.2 kg to 1.5 kg in various zones.

The average per capita consumption of bread in developed countries like UK, Germany, USA and Singapore is much higher than India. While the average per capita bread consumption in India is estimated to be ~1.4 kg in 2020, it has immense growth opportunity.

Exhibit 52: Country wise Per Capita Consumption of bread (kg per annum)



Source: Secondary Research

Key success factors

1. **Logistics-** Logistics plays very important role in the success of bread business. Since, bread is a perishable commodity it is essential to deliver product on the same day. Big companies like Britannia, Kitty Industries and Bonn Industries have their own fleet of vehicles. Kitty Industries and Bonn Industries have more than 200 and 500 vehicles for daily transport.
2. **Efficient work practices-** Companies have tailored their distribution network for purposes like time saving by direct reach and expand retail reach and to save on cost. For instance, Britannia launched “Zero day inventory” in 2018 aiming to minimising the distance between its distribution centres and retail stores. Harvest Gold and Kitty, being focussed on specific regions, have been able to directly distribute their products to retailers from their own depots.
3. **Product Innovation-** With enhanced consciousness of health and wellness, demand for bread variants like whole-wheat bread, brown bread and multi grain bread is continuously increasing. All major companies have launched breads in health and wellness food space to tap cosmopolitan and health conscious consumers.
4. **Safety Measures-** Regulatory environment is also leading to a healthier shift, Food Safety Standard authority of India (FSSAI) banned the usage of potassium bromate in food industry in 2016; Potassium Bromate was used as an additive by majority of bread makers in India earlier. After the ban was posed, all the companies in India have stopped using the ingredient keeping consumer’s health in mind.

Future outlook-

- **Introduction of new product variants-** With the evolving food pattern and shift in eating habits of consumers it is important to introduce new variants of bread with time. Though white bread has highest share in market among all, brown bread, whole wheat bread have gained a significant portion of the market, newer varieties of breads like multigrain breads and flavoured breads like garlic cheese breads are the new emerging bread categories. Tastes are evolving beyond having bread with butter or jam combination as consumers are trying to integrate different varieties of breads with different cuisines and recipes.
- **Increased in-house consumption due to COVID-19:** Occasions to eat out have reduced due to restriction imposed during the lockdown period along with health and economic concerns. This had led to an increased in-house consumption of bread both as an easy meal option and as experimentation with different cuisines at home.
- **Increasing per capita income-** With the increasing average per capita income of Indian consumers, there is a rise in food consumption in India. Overall increase in disposable income will result in high standard of living of Indian middle class. A change in lifestyle of middle-class population will favour bread consumption. Manufacturers have already started to tap the rising affluent urban population by introducing premium and healthier variants in the market.
- **Increasing per capita consumption-** The average per capita consumption of bread in European countries like UK and German is highest at 96 and 65 Kg, followed by USA at 46 kg and Singapore at 20 kg respectively. Per capita bread consumption in India is estimated to be around 1.4 kg in 2020 which is very

less compared to the developed countries. Low per capita consumption in India represents a high market potential.

Health & wellness segment-

As health conscious consumers segment is growing the demand for healthy breads are also increasing. Future growth will depend on ability of companies to shift their focus to healthy breads like whole-wheat bread brown bread from white bread. Health-conscious customers are also experimenting with Organic bread. Currently this space has limited players like Bangalore based Taantraa organic and Kolkata based Townhouse 10. Gluten-free, oil-free, sugar free and flour free products are also coming up for health conscious customers.

INDIAN FOOD SERVICE MARKET

Introduction to Indian Food Services Market

The Indian food services market has gained momentum in the last decade due to changing consumption patterns that have seen an increase in a tendency to eat out that had not traditionally been a feature of Indians' lifestyles. This has ensured a constant growth of the Indian food services market, which has evolved considerably since the 1980s, when the numbers of organized brands were negligible and the market was widely dominated by unorganized players. A noticeable shift began in 1996 with the opening up of restaurants such as McDonald's, Pizza Hut and Domino's Pizza, followed by Subway, KFC, Burger King, Haldiram's, Moti Mahal and Taco Bell, amongst others.

Food Services Market Structure

The food services market can be broken down into three broad segments: unorganized, organized standalone and chain. The three segments can be divided further as shown below:

Exhibit 53: Branded bread market share city wise (Financial Year 2020)

Key Segments in the Food Services Market		Average Price Point per person (₹)
Unorganized Formats	The unorganized segment dominates the Indian food service market and comprises of Dhabas and roadside eateries that have been the most common options for eating out. The segment lacks standardization in terms of menu, operations and format. <ol style="list-style-type: none"> 1. Dhabas 2. Roadside Eateries (Street stalls, Hawkers, Trolleys, Standalone sweet shops) 	10-100
Organized Formats*		
Fine Dining	A full-service restaurant with high quality interiors, specific cuisine speciality, high standard of service translating to high APC (Average per customer). Fine dining targets rich and upper middle-class consumer segments as it offers unique ambience and upscale service with highly trained staff	Regular fine dine – 1,000-1,500 Premium fine dine - >1,500
Casual Dining	A restaurant serving moderately priced food in an ambience oriented towards affordable dining with table service. The offering bridges the gap between fast food establishments and fine dining restaurants	Affordable casual dine - 250-500 Premium casual dine - 500-1,000
PBCL	These formats mainly serve alcohol and related beverages and include night clubs, sports bars, etc. Example: Beer Cafe, Shiros, Pint Room, Xtreme Sports Bar	750-1,500
Quick Service Restaurants (QSR)	The formats focused on speed of service, affordability and convenience including the dine in/takeaway/delivery sub-formats. McDonald's, KFC, Domino's, Haldiram's, Subway and Bikanervala are some of the leading names in the category.	75-250
Cafes	Comprises of coffee bars and parlours (for example Café Coffee Day, Costa Coffee, Starbucks, and Barista) and chai bars. These are casual restaurants that emphasize on serving beverages and food as accompaniment.	50-200
Frozen Dessert	It comprises of small kiosk formats of ice cream brands and now extended dine-in concept of frozen yogurt and ice cream brands	50-150
* Organized Formats- The organized formats comprises of Chained and Standalone formats. Chained formats are domestic and international formats with more than three outlets present across the country		

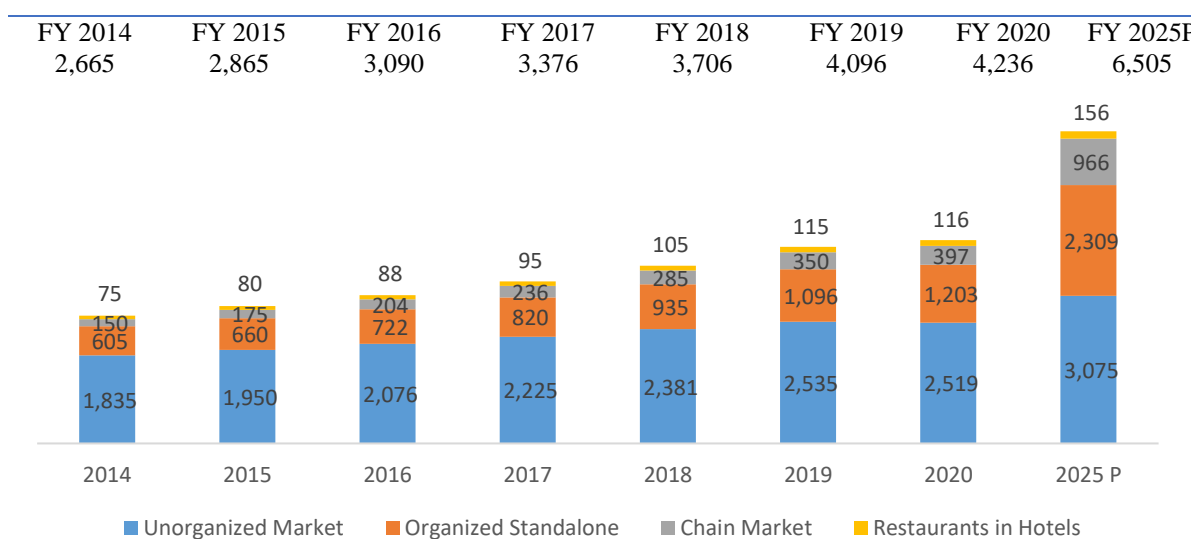
Key Segments in the Food Services Market	Average Price Point per person (₹)
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Source: Technopak Research & Analysis

Market Size & Growth

- The size of the food services market in India is estimated at ₹ 4,236.00 billion in Financial Year 2020 and is projected to grow at a CAGR of 9% over the next 5 years to reach ₹ 6,505.00 billion by Financial Year 2025.
- The organized market (chain, organized standalone market, and Restaurant in Hotels) is estimated at ₹ 1,717.00 billion in Financial Year 2020 and is projected to grow, at a CAGR of nearly 15%, to reach ₹ 3,430.00 billion by Financial Year 2025 gaining a share of 52.70% in Financial Year 2025 from 40.50% in Financial Year 2020.
- The size of the Food services market is estimated to contract by 53% during Financial Year 2021 due to the pandemic COVID-19. Q1 and Q2 of Financial Year 2021 have been drastically hit due to lockdown imposed in the country followed by suspended activity due to health and economic concerns. The market is expected to recover during Financial Year 2022 and attain a stable growth thereafter.

Exhibit 54: Food Service Market Size (₹ billion)



Source: Technopak BoK, Year indicates Financial Year

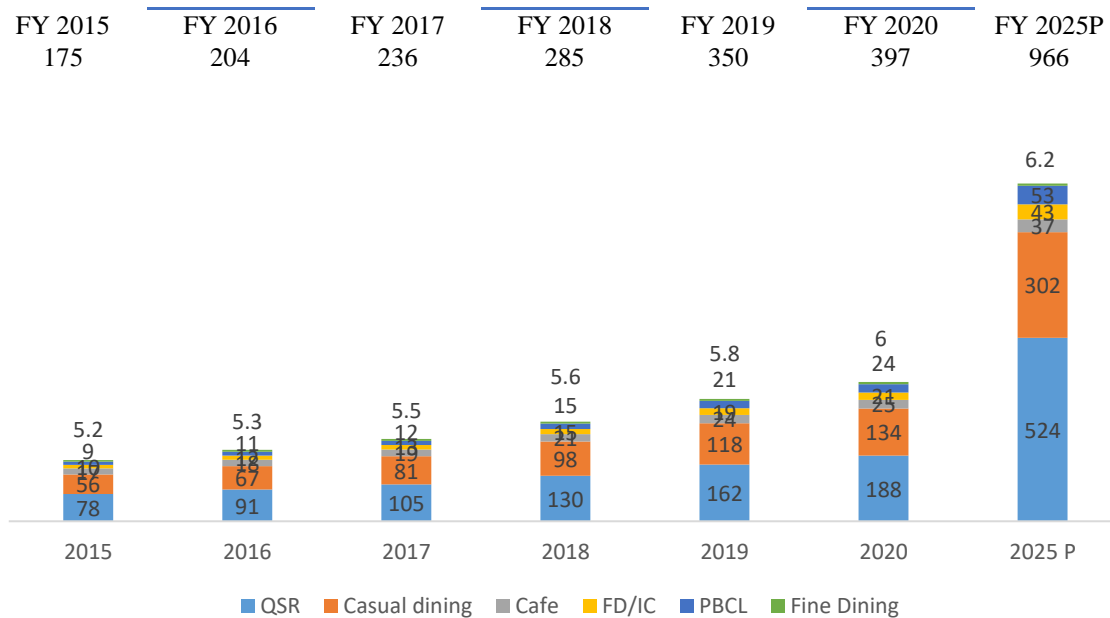
Exhibit 53: Food Service Market Share

Year	CAGR Financial Year 2015-20	CAGR Financial Year 2020- 25P	Market Share (Financial Year 2015)	Market Share (Financial Year 2020)	Market Share (Financial Year 2025)
Unorganized Market	5%	4%	68%	59%	47%
Organized Standalone	13%	14%	23%	28%	35%
Chain Market	18%	19%	6%	9%	15%
Restaurants in Hotels	8%	6%	3%	3%	2%

Chain Market

- The chain market in India is estimated at ₹ 397.00 billion in Financial Year 2020 and is projected to grow at a CAGR of 19% to ₹ 966.00 billion by Financial Year 2025.

Exhibit 54: Chain Food Service Market Size (₹ billion)



Format	CAGR FY 2015-20	CAGR FY 2020-25P	Market Share		
			FY 2015	FY 2020	FY 2025P
QSRs	19.20%	22.70%	45%	47%	54%
CDRs	19.10%	17.60%	32%	34%	31%
Café	8%	8%	10%	6%	4%

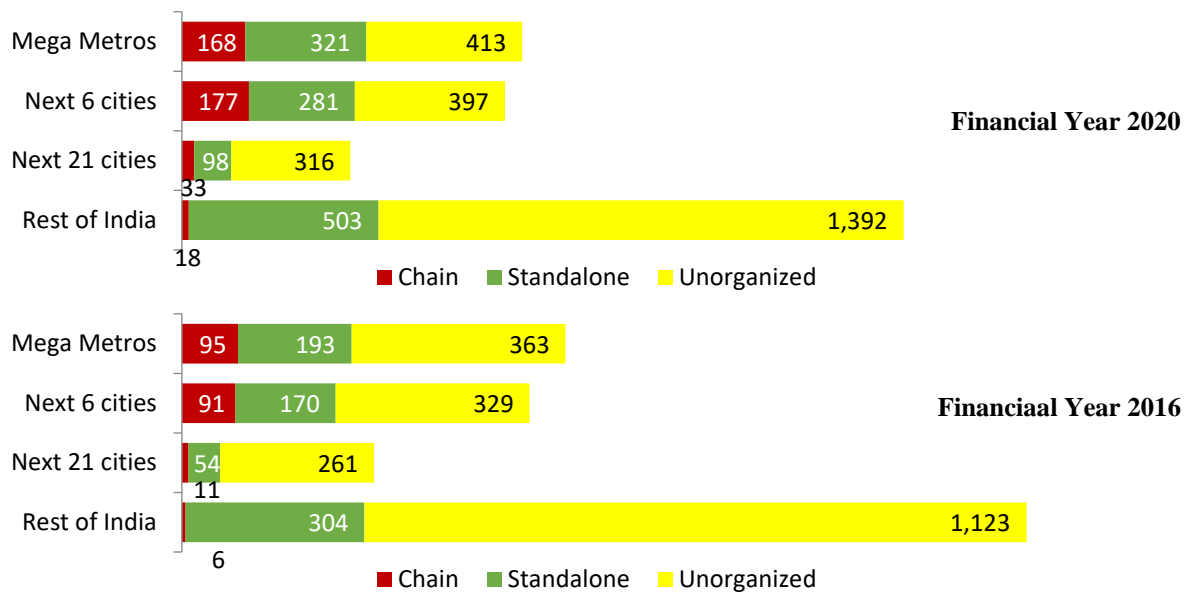
Source: Technopak Analysis

- In the chain market, QSRs and the CDRs constitute 81% of the total chain market in Financial Year 2020 and their share is expected to grow to 85% by Financial Year 2025. QSRs will be driving the growth based on the operating model, where centralized commissaries, support by processed food vendors & robust supply chain will be help in attaining deeper penetration in Tier II & Tier III cities.
- The market share of CDRs is expected to decrease from 34% in Financial Year 2020 to 31% in Financial Year 2025. However, the segment will grow at a healthy CAGR of 17.60% to reach ₹ 302.00 billion in the coming 5 years. The growth for CDRs will be fuelled by more CDRs in the chain segment making inroads in Tier II and Tier III cities.
- The chain market is dominated by the international QSR brands operating in India such as Domino’s, McDonald’s, KFC, Subway, Burger King etc. The overall share of these key international brands in terms of number of outlets in the chain QSR market is around 45%, contributing ~57% share to the total revenue in QSR chain market.

City wise Market Size

In terms of geographical distribution, Delhi and Mumbai, the two mega metros in India, contributed a total of 21.50% of the total revenue of the food services market in Financial Year 2020, while the six mini metros contributed approximately 20% of the total revenue of the segment during the same perio.

Exhibit 55: City wise Market Size (₹ billion)



Source: Technopak Analysis

List of Mega Metros cities like Delhi NCR

List of Mini Metros cities like Ahmedabad, Pune, Kolkata, Hyderabad, Bangalore, Chennai

List of Next 21 cities like Jaipur, Lucknow, Surat, Nagpur, Indore, Patna, Chandigarh, Kochi, Coimbatore, Vadodra, Ludhiana, Nashik, Varanasi, Madurai, Vishakapatnam, Bhopal, Amritsar, Rajkot, Trivandrum, Goa

Exhibit 56: Key National players driving QSR market growth

Brand	India Entry	Store Count (As on March 20)	Business Model	Store Size (Sq ft)	Positioning
Domino's	1996	1,335	Master Franchisee	1,300-1,500	Delivery & Dine-in
McDonald's	1996	484*	JV + Franchisee	2,500-3,000	Destination Format
Burger King	2014	255	Joint Venture	700-800	Convenience
Subway	2001	520	Micro Franchisee	500-600	Health Focus
KFC	Re-entry in 2004	449	Regional Franchisee	2,500-3,000	Dine-in

Source: Brand Websites, Primary Research

GROWTH DRIVERS FOR CHAIN FOOD SERVICE MARKET

Consistent growth of Indian and international brands

The vast untapped potential in the Indian market to cater to the needs of its growing population have encouraged the entry of key international players into the domestic food-service sector. These brands are not only concentrating on Metros, Mini Metros and Tier I cities but have also started venturing into the Tier II and Tier III cities as well. With the highest number of organized players, currently the QSR formats dominate the chain market, followed by the Casual Dine and Café formats.

QSR: This segment is mainly dominated by Domino's Pizza with ~21% market share of the chain QSR market in terms of outlet, marking its presence across various zones and type of cities. The Indian market has positively reacted in adapting to American cuisines, as evidenced by the rising market share of burger, chicken and sandwich players such as McDonald's, Subway, KFC, Burger King etc. Along with Domino's and Subway other large chains like McDonald's, Burger King and KFC have made their presence felt in Tier II & Tier III cities. As of today, there is high concentration (50%) in mega metros and mini metros across formats and across players.

Exhibit 57: QSR- key brands outlet presence (Financial Year 2018)

Brand	Player Type	Outlet Count (As on March 2020)	Metro (%)	Mini Metros (%)	Tier I (%)	Tier II & Others (%)
Domino's	National	1,335	25%	33%	18%	24%
McDonald's*	National	319	37%	34%	16%	11%
Subway	National	520	30%	35%	19%	16%
KFC	National	449	19%	36%	21%	24%

Source: Technopak Report

* represents only McDonald's South & West Franchisee outlet number

CDR: Pizza Hut is the leading player in this segment with ~9% share of outlets followed by Barbeque Nation, Moti Mahal and Sagar Ratna. The top three players have expanded their reach in Tier II cities and beyond, whereas brands like Mainland China and Chili's are focused on Mega Metros and Mini Metros. In the CDR segment, the market in Tier I & II cities had been well penetrated by various brands operating in the Casual Dining space such as Moti Mahal, Sagar Ratna and Barbeque Nation.

Café: In Café segment, In Café segment, Café Coffee Day (CCD) is well spread out across India and is the largest coffee chain in terms of number of outlets. Chai Point and Chaayos, new entrants in this space are rapidly scaling up their operations and have reached a store count of 168 and 76 respectively from one store in Financial Year 2010 and Financial Year 2012. However, the focus of both brands is more in Metros as compared to Café Coffee Day, which also has outlet presence in Tier III cities and beyond cities and towns.

Exhibit 58: Café- key brands outlet presence (Financial Year 2020)

Brand	Player Type	Outlet Count (As on March 2020)	Metro (%)	Mini Metros (%)	Tier I (%)	Tier II & Others (%)
Café Coffee Day	National	1,198	29%	31%	13%	27%
Starbucks	National	176	59%	37%	4%	-
Chai Point	National	168	35%	63%	2%	-
Chaayos	National	76	88%	7%	5%	-

Source: Technopak Report

Increasing Urbanization

As of 2019, 34.50% of Indian population was classified as urban and it is projected to be 37% in 2025. To encourage consumption, urbanization is working as a catalyst for growth across all sectors. Urbanization is accompanied with increasing exposure to various trends and lifestyles, promoting experimentation. Trends emerging from the same have had a positive effect on encouraging new avenues within established sectors, as well as spur overall growth in consumption. Urban lifestyles are also associated with higher incomes as well as disproportionately higher discretionary spends and an emphasis on experiences such as eating-out.

Favourable Demographics

High percentage of young and working age population is driving the growth of food business. A substantial rise in the working age population of India from 36% in Financial Year 2000 to 50% in Financial Year 2019 is expected to continue sustaining the growth momentum of the Indian economy and lead to rising income levels in the long term.

Availability of Organized Space leading to Food Service Expansion

Companies in food services market operate in a variety of locations, including malls, high streets, office complexes, highways, hospitals, airports, etc. Malls and high streets have traditionally been the preferred locations for the food services players. The sustained growth of online shopping has resulted in brick and mortar retailers rationalizing their retail space, thereby increasing availability for food services players in the organized retail environment. This has resulted in food services to emerge as a key sector driving the retail space and being a leading segment to increase footfalls in malls or high streets. Malls are leasing prime floor space to increase the number of food services

players in their premises due to the high revenues generated from the food services sector. In addition, the concept of food courts inside mall spaces has been historically successful and is expected to continue to attract large numbers of people.

Eating-out as an experience

Due to the scarcity of time, both on the personal and professional fronts, has been implicated in changes of food consumption patterns resulting in higher involvement in dine-in to distress their hectic routines. Apart from pure entertainment avenues such as movies and social get-togethers, eating-out has emerged as a prominent avenue for winding-down, whether with the family or with friends. The emergence of newer formats and their popularity as hang-out destinations is an anecdotal evidence of these underlying trends.

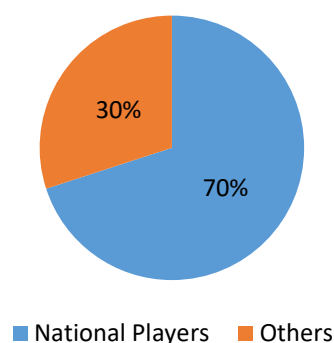
Impact of Chain Market Growth on Vendor Ecosystem for Processed Bread and Dough

The growth of organized food services esp. of the chain segment has positively impacted the growth of food processing industry in India. The GVA of food processing industry at current prices was reported at ₹ 2,490.00 billion for Financial Year 2018. Nearly 6-8% of food processing output goes in the food services industry. The segment has been benefited by engagement of key chain players such as McDonald's, Domino's with the processing players in continuously standardizing and improving the quality of processed food. The chain players demand standardized quality processed and semi-processed products with higher safety standards thereby giving a boost to penetration of best practices across the food processing sector.

Processed Dough and Bread Market

The share of processed dough-based products in the food component for the chain segment is estimated to be ₹ 11.00 billion in Financial Years 2020 and is projected to grow at CAGR of 23% to reach ₹ 30.60 billion by Financial Years 2025. It includes institutional business of fresh buns and frozen dough for pizzas and other bakery products.

Exhibit 59: Customer Profile for Dough based Products

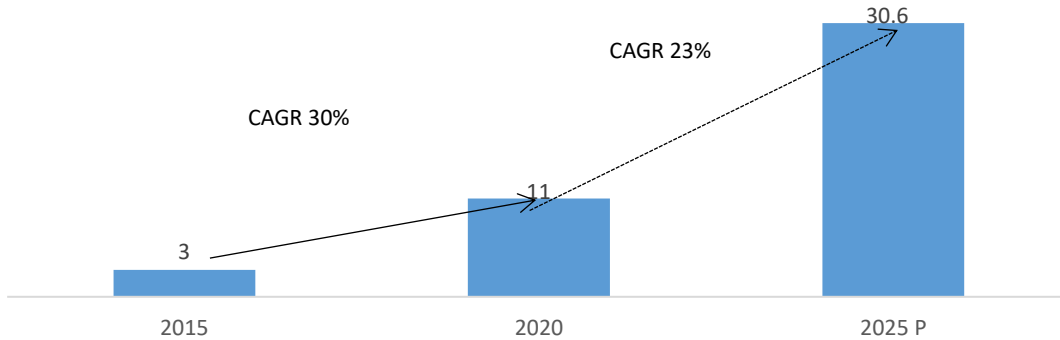


Source: Primary and Secondary Research

National players such as Domino's, McDonald's, CCD, Subway, Burger King and Pizza Hut together contribute ~70% of the chain market; the same in value terms is approximately ₹ 7.70 billion.

Baker's Circle and our Company are the key vendors supplying the processed and semi-processed dough-based offerings to these food services players and have a collective share of 18%. The remaining 82% share is catered by the in-house commissaries and other smaller players. Our Company is the largest supplier of buns to reputed multinational QSR chains such as McDonalds, KFC, Burger King, Carls Jr. and has established itself in the frozen dough segment, where Baker's Circle has the largest share and is currently working exclusively with players like Subway.

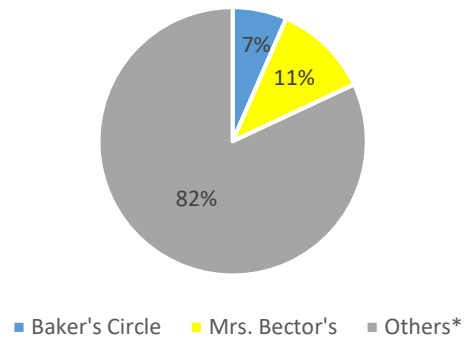
Exhibit 60: Dough based products market for Chain segment ₹ billion - Wholesale Prices



Source: Primary and Secondary Research

Our Company and Baker’s Circle are the key vendors supplying the processed and semi-processed dough-based offerings to these food services players and have a collective share of 18%. The remaining 82% share is catered by the in-house commissaries and other smaller players. Our Company’s is the largest supplier of buns to reputed multinational QSR chains such as McDonalds, KFC, Burger King, Wendy’s, Carls Jr., Pizza Hut and Dominos and is venturing into the frozen dough segment, where Baker’s Circle has the largest share and is currently working exclusively with Subway.

Exhibit 61: Share of key vendors in processed dough market



Source: Primary and Secondary Research

* Others comprise of in-house commissaries of brands and small players

The processed dough and bread space is highly consolidated with handful of players operating at national level and supplying to key national and international brands in the food services in India. This is primarily due to the stringent selection process of vendors by these brands. The key Food Service brands look for the following capabilities in the food processing vendors:

- Processing Capabilities in terms of Investment and Scale
- Strict compliance to international standards of Food Safety and Hygiene
- Supply reliabilities in terms of meeting demand
- Adherence to Standard Operating Processes
- Intellectual Property Protection

These food services players partner with vendors for capacity development, technology transfer, machinery selection and training to produce products as per their standards e.g. Our Company has been fulfilling 100% of the requirement of burger buns for McDonald’s in India. Our Company is one of the few bun/ processed dough and breads suppliers in India equipped with dedicated modern manufacturing facilities which enables them to undertake large orders while complying with the stringent quality standards required by multinational QSR chains. These processed food solution providers leverage the know how obtained from these partnering brands to develop their capabilities in food processing to supply to other brands, without compromising on the IP of different brands.

Exhibit 62: Key attributes of food processing players

Company	Players	Key Attributes
Large Players	Mrs. Bectors Food Specialities Limited Baker’s Circle General Mills	<ul style="list-style-type: none"> • Large Scale and Investment Capabilities • Strong Quality Compliance • Broader Geographical Outreach

		<ul style="list-style-type: none"> • Strong Processing Capabilities • Multi Product Range
Small Players	Cranberry Foods Signature International Foods	<ul style="list-style-type: none"> • Customized Offerings • Strong Reach in local service area • Ideal to cater to small FS brands

Source: Primary & Secondary Research

Presently the players in the bread & dough-based products are focusing on producing products for the western cuisine e.g. burgers, pizza dough etc. Customization of such products for the local cuisine esp. for the Indian breads such as Naans, Parathas etc. at reasonable prices will further open new fields for the players operating in the bread & dough segment.

Future Growth Drivers in Frozen Dough Based Products and Frozen Desserts

The growth of vendors providing processed food solutions is directly dependent on the growth of food services. The organized food services in India is expected to grow at a CAGR of 15% till Financial Year 2025, however, the chain restaurants are poised to grow at a CAGR of 19% and these vendors stand to benefit in the growth of chain segment. These chain food services players have expanded across the length and width of the country through well-organized supply chain and network of commissaries and are rapidly expanding their play in Tier III and sub urban towns. QSR Chain Market in India which has grown at a CAGR of 19.2% from Financial Year 2015 to Financial Year 2020 and is expected to grow at a CAGR of 22.70% from Financial Year 2020 to Financial Year 2025. Some brands instrumental in the growth of food services in India are:

Exhibit 63: Outlet Growth of Key Brands in Food Services Market in India

Company/ Brand	Financial Year 2013	Financial Year 2014	Financial Year 2015	Financial Year 2016	Financial Year 2017	Financial Year 2018	Financial Year 2020
Domino's	576	726	876	1,026	1,111	1,127	1,335
Pizza Hut	315	380	374	356	360	379	430
McDonald's	316	369	373	393	416	447	484
Subway	417	476	505	568	600	621	520
Café Coffee Day	1,454	1,568	1,520	1,556	1,654	1,682	1,198

In spite of the proliferation of International food services players in India, penetration of international brands is still low as compared to other developed and developing economies such as USA, U.K, Japan, China etc. The availability of number of restaurants per million population is very low in developing economies as compared to the developed economies. USA has around 198 restaurants per million people where as China and India have only 7 and 2 restaurants per million people. With increases in number of working women, increasing disposable incomes, aspirational younger generation, rise in presence of branded food services outlets, there lies a huge potential for growth of food services brands in India. This growth in terms will fuel the demand and usage frozen products.

Exhibit 64: Key Brands Global Presence (Financial Year 2020)

Countries	Population in million	McDonald's	Domino's	Subway	Pizza Hut	Starbucks	Chain Restaurants per million
U.S.	328	14,146	5,784	22,329	7,447	15,257	198
China	1,397	2,391	200	495	2,249	4,351	7
Japan	126	2,975	642	194	412	124	35
U.K.	66	1,274	1,126	2,232	668	720	91
India	1,366	484	1,335	520	430	176	2

Source: Secondary Research, Technopak Analysis

The usage of frozen bakery products is at a very nascent stage in the standalone market in India. Key factors responsible for limited traction of this category in the standalone market are:

- Lack of awareness of the products

- Availability of manpower at lower wages
- Limited understanding and compliance to international hygiene standards
- High focus on cost reduction due to lower sales price
- Focus of cost instead to consistency & standardization etc.

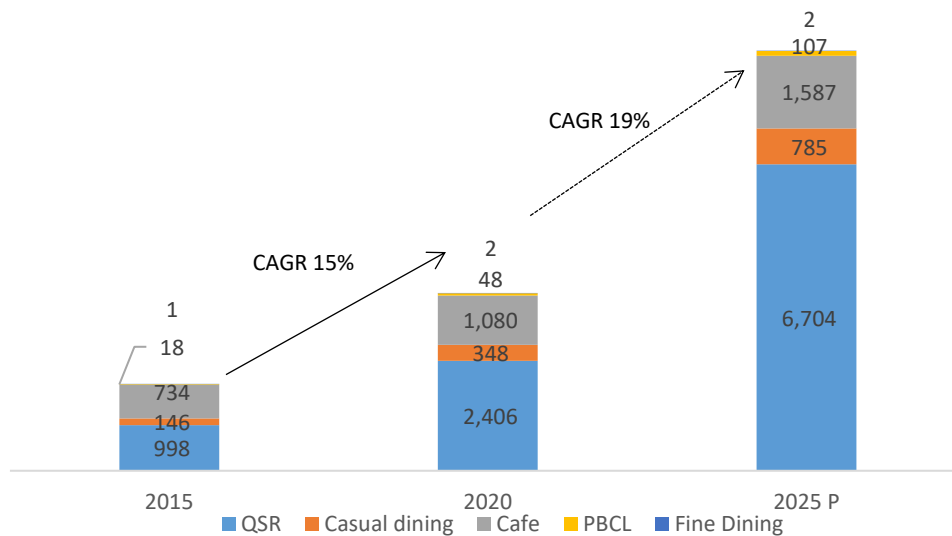
However, with the growing awareness regarding food safety among the consumers and the increasing reach of branded play to Tier II & III cities and increasing penetration in the bigger cities, will force the standalone players to offer products that comply with international standards of food safety, are consistent with standardised taste. Also, the increasing manpower cost and lack of availability of skilled manpower will further lead to increased usage of frozen products in this segment.

Frozen Dessert (exc. Ice-creams) Market

The size of the frozen dessert market for the institutional food service businesses in India is estimated at ₹ 3.80 billion in Financial Year 2020 and is projected to grow at a CAGR of 19% over the next 5 years to reach ₹ 9.20 billion by 2025. Frozen desserts include frozen filled-in cakes, cheesecakes, tea cakes, mousse shots, brownies, pies, tarts, muffins and cookies. QSRs and cafés add these products to the menu without the need of additional staff and technology. The products, maintained frozen till needed, have to simply be thawed & microwaved to be served.

QSRs and cafés together contribute almost 90% of the total demand of frozen desserts. The demand from the QSR segment is estimated to be at ₹ 2.40 million in Financial Year 2020 and is projected to grow, at a CAGR of nearly 23%, to reach ₹ 6.70 million by Financial Year 2025. The demand from these two segments has been growing at CAGR of 19% in the last 5 years and is expected to embrace a steady growth in the coming 5 years. The chain hotels segment looking to have standardised products across their hotels have started to acquire some demand. The frozen dessert market in India is quite small as of now and only a few QSR and café chains with significant scale and need of standardisation go for it.

Exhibit 65: Frozen Dessert Market Size (₹ million) - Wholesale Prices



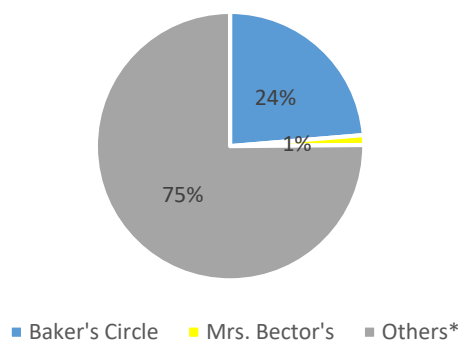
QSR chains such as Domino's, Subway and Mc Donalds's are an important format for the demand of frozen desserts as a range of desserts compliments their core menu. However, QSRs also have their own kitchens, and therefore sometimes procure standardised ingredients and carry out the last stage finishing process in their own kitchens.

Cafés like Starbucks and Barista on the other hand mostly do not have any installed capacity for bakery and choose to procure a variety of products such as puffs, croissants, quiches, muffins, brownies, cream cakes that they can offer in addition to their main beverage menu. A substantial part of the dessert portfolio of Café Coffee day and Barista is serviced through Baker's Circle.

It is estimated that cafés outsource more than 60% and QSRs outsource around 40% of their dessert range. Additionally, the share of revenue from desserts is higher in case of cafés as compared to that of QSRs. Frozen dessert suppliers have also started to export to the same food service brands in the Middle East and Africa. The

frozen dessert segment is highly consolidated with only a few players dominating the pan India market. Companies like Baker's Circle, Tropicana and our Company are supplying these products to QSRs and cafés.

Exhibit 66: Share of Key Vendors in Frozen Dessert Market



Source: Primary and Secondary Research (Based on estimates)

*Others comprise of in-house commissaries of brands and small players

Emerging Trends in Frozen Dough Based Products and Frozen Desserts

Growth of large scale players: There are only a few players in India who operate at scale in this segment. In future, the demand will remain consolidated with players who are committed to invest in building scale, compliance and quality due to the following reasons:

- **Demand for standardised product:** Sourcing from multiple local bakeries in different regions instead of one large scale player comes with its own challenges. In case the food service brand chooses to outsource the product from multiple bakeries, it will have to invest in R&D and training of these vendors and then assign orders, making sure that all of them adhere to SOPS, compliance and quality parameters. Also, there are issues related to Intellectual Property Rights if a product is handled by multiple vendors.
- **High Entry Barrier:** High capital investment in technology and supply chain and low margins presents high entry barriers for new entrants in this segment. However, players with allied capabilities are making inroads through neighbouring product ranges such as pizza crusts, packaged cakes and croissants.
- **Frozen Products making inroads through retail:** Customers' psyche to prefer fresh desserts and bakery products over their frozen counterparts and lack of readiness at the retail front to handle delicate products such as cream based desserts are the two key challenges for now. However the market is developing specially for products such as laminated pastry sheets that can be used for a variety of purposes at home such as making puffs and spring rolls.

OUR BUSINESS

Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with the sections titled “Risk Factors”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 22, 107 and 305, respectively, as well as the financial information included in the section titled “Financial Statements” on page 218. Unless otherwise stated, the financial information used in this section is derived from our Restated Consolidated Financial Information. Our Financial Year ends on March 31 of each year, so all references to a particular fiscal or Financial Year are to the twelve-month period ended March 31 of that year. Our actual results of operations may differ materially from those expressed in or implied by these forward-looking statements.

The industry data in this section has been extracted from the report dated October 16, 2020, titled “Indian Biscuit and Bakery Industry”, prepared by Technopak. Neither we, nor the Selling Shareholders, the BRLMs, nor any other person connected with the Offer has independently verified this information.

Overview

We are one of the leading companies in the premium and mid-premium biscuits segment and the premium bakery segment in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers, digestives and glucose under our flagship brand ‘Mrs. Bector’s Cremica’. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, pizza bases and cakes under our brand ‘English Oven’. We supply our products to retail consumers in 26 states within India, as well as to reputed institutional customers with pan-India presence and to 64 countries across six continents during the Financial Year ended March 31, 2020. According to Technopak Report, ‘Mrs. Bector’s Cremica’ is one of the leading biscuit brands in the premium and mid-premium segment in Punjab, Himachal Pradesh, Jammu and Kashmir and Ladakh and ‘English Oven’ is the one of the largest selling brand in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. We are the largest supplier of buns in India to reputed QSR chains such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (Source: Technopak Report).

Our diversified product portfolio includes two main categories.

Biscuits – We manufacture and sell biscuits, primarily in the premium and mid-premium segments including a wide variety of cookies, creams, crackers, and digestives which accounted for ₹ 4,512.00 million, ₹ 2,941.86 million, and ₹ 2,187.80 million of our revenue from sale of biscuits in India and globally excluding contract manufacturing or 59.20%, 68.26% and 60.00% of our revenue from operations for the Financial Year 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019 respectively, and has grown by 34.47% from September 30, 2019 to September 30, 2020. In the recent past, we have launched new products such as ‘Trufills’, ‘Premium Sugar and Classic Crackers’, ‘Pista Almond Cookies’, ‘Choco Chip Cookies’, ‘Honey Oatmeal Cookies’ and for the period between April 1, 2020 to September 30, 2020, our product portfolio for our biscuits category consists of 384 SKUs. We also manufacture ‘Oreo’ biscuits and ‘Chocobakes’ cookies on contract basis for Mondelez India Foods Private Limited.

Bakery Products – We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes under the ‘English Oven’ brand, which caters to the premium segment in Delhi NCR, Mumbai, and Bengaluru. The ‘English Oven’ is one of the fastest growing largescale premium bakery brand in India (Source: Technopak Report). Our revenue from the sale of branded breads and bakery products to our retail customers under the ‘English Oven’ brand accounted for ₹ 1,302.00 million or 17.09%, ₹ 883.86 million or 20.51% and ₹ 585.12 million or 16.05%, of our revenue from operations for the Financial Year 2020, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, respectively and has grown by 51.06% from September 30, 2019 to September 30, 2020. We also manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens such as Rebel Foods Private Limited since 2015, multiplexes such as PVR Limited, as well as certain hotels, restaurants and cafés. We are the sole supplier of burger buns and pan muffins (frozen) to Connaught Plaza Restaurants Private Limited (Source: Technopak Report) and have been associated since the year 1995 and preferred supplier of burger buns and pan muffins (fresh) to Hardcastle Restaurants Private Limited since 2007. For the Financial Year 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019, the revenue from sale of our buns, bakery and frozen products to our institutional customers accounted for ₹ 1,283.00 million, or 16.84%, ₹ 244.28 million, or 5.67% and

₹ 634.35 million, or 17.40% respectively, of our revenue from operations and has de-grown by 61.49% from September 30, 2019 to September 30, 2020. Recently, we have introduced new products such as sub breads, pizzas, garlic breads, cheese garlic bun fills, frozen cookies for our retail as well as institutional customers and during period between April 1, 2020 to September 30, 2020, our diversified product portfolio for our bakery segment consists of 118 SKUs.

All our products are manufactured in-house at our six manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahlial (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka), which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. All our manufacturing facilities are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses (*Source: Technopak Report*). We have received several quality certifications and accreditations, including certification from the FSSC 22000, the U.S. Food and Drugs Administration, British Retail Consortium (BRC) and Sedex Members Ethical Trade Audit (SMETA).

We have a strong distribution network in India and globally in the general trade and the modern trade segment. During the period between April 1, 2020 to September 30, 2020, we distributed our biscuits across 23 states in India, through our widespread network of 196 super-stockists and 748 distributors supplying to wide range of customers through 458,000 retail outlets (*Source: Technopak Report*) and 4,422 preferred outlets. We are also one of the largest suppliers of biscuits to Canteen Stores Department of Government of India (“CSD”) supplying in 33 locations across India and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India (*Source: Technopak Report*). We are one of the leading exporters of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to 64 countries during the Financial Year ended March 31, 2020, to reputed retail chains, distributors and buying houses.

We also have a strong distribution network for our bakery products sold under our brand ‘English Oven’ supplied to our customers, for the period between April 1, 2020 to September 30, 2020 through 191 distributors and over 14,000 retail outlets (*Source: Technopak Report*) situated in Delhi NCR, Mumbai, Pune and Bengaluru under modern trade and general trade channels, direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors. According to Technopak Report, we are one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables us to distribute our bakery products across India.

Our Company was founded by Mrs. Rajni Bector, and our recipes are inspired by the original recipes created by her. Our Company is promoted by Mr. Anoop Bector who has over 25 years of industry experience. He is also the Managing Director of our Company and in addition to his overall supervision of our business operations he also heads our business development and manages relationships with our key institutional customers, distributors and suppliers. Mr. Ishaan Bector, our whole time director, heads our breads business under our brand ‘English Oven’ and is responsible for the overall supervision, development and expansion of our branded breads and bakery business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

For the Financial Years 2020, 2019, 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, our revenue from operations was ₹ 7,621.22 million, ₹ 7,836.65 million, ₹ 6,939.65 million, ₹ 4,309.94 million and ₹ 3,646.16 million respectively. Our revenue from operations has grown by 18.20% from September 30, 2019 to September 30, 2020, respectively. In Financial Years 2020, 2019, 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, we recorded EBITDA of ₹ 928.53 million, ₹ 961.50 million, ₹ 855.04 million, ₹ 722.22 million and ₹ 390.52 million respectively. Our EBITDA has grown by 84.94% from September 30, 2019 to September 30, 2020, respectively. For Financial Years 2020, 2019, 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, our net profit was ₹ 304.03 million, ₹ 331.50 million, ₹ 358.93 million, ₹ 388.83 million and ₹ 101.74 million, respectively. Our net profit has grown by 282.18% from September 30, 2019 to September 30, 2020 respectively.

Impact of COVID on our business operations

The current outbreak of COVID-19 pandemic has adversely affected the global economy. The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020, and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020, and imposed several restrictions.

During the nation-wide lockdown, our Tahliwal Manufacturing Facility, Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Khopoli Manufacturing Facility were shut down for a period of around 3-6 days and given that we are engaged in manufacturing of biscuits, and bakery products which are fast moving consumer products, and are all categorised as ‘essential goods’, our operations resumed subsequently after making adequate arrangements to meet the government’s requirement on sanitisation, and social distancing.

Despite various restrictions being applicable during the nation-wide lockdown, there was no significant impact on our procurement of raw materials and distributions of our products to our customers. We typically maintain an inventory of raw materials for a period of 15-20 days due to which we have not faced any disruption in our manufacturing process during this period. Further, we did not lay-off any of our employees and there have been no reductions in salaries and wages of our employees due to COVID-19 pandemic.

While there was an accelerated increase in sale of our biscuits and bakery products to our retail customers during this time, the sales of our products to our QSR customers, CSDs and Indian Railway canteens and stores were significantly impacted due to COVID-19 pandemic. While the sales of our products to our QSR customers and CSDs have improved, we continue to be adversely impacted, as the operations of Indian Railway canteens are severely impacted.

According to the Technopak Report, there has been significant increase in the consumption of packaged foods, which indicates an accelerated shift to packaged foods because of increasing quality and safety concerns amongst the customers due to the COVID -19 pandemic. During this period, there has been a significant increase in demand for leading Indian packaged food brands in the export markets due to lower cost of skilled labour and processing packaged foods as compared other jurisdictions (*Source: Technopak Report*).

The future impact of COVID-19 on our business and results of operations depends on several factors including those discussed in “**Risk Factors – Internal Risk Factors – The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted**” on page 22 and “**Risk Factors – External Risk Factors – The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations**” on page 48. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimise the impact on our business. For more details, see “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Factors Affecting Results of Operations and Financial Condition – COVID-19 Pandemic**” on page 310”.

Our Strengths

We believe that we have the following competitive strengths.

One of the leading brands in biscuits and bakery businesses in North India with an ability to establish brands

We are one of the leading companies in the premium and mid-premium biscuits segment in North India and sell our products under our flagship brand ‘Mrs. Bector’s Cremica’, according to Technopak Report. We are among the top two Indian biscuit manufacturers in the premium and mid-premium biscuits segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir (*Source: Technopak Report*). In the Financial Year 2020, we had a market share of 4.5% of the premium and mid-premium biscuits market in North India respectively, according to Technopak Report. We believe our customers associate the brand ‘Mrs. Bector’s Cremica’ with high quality premium and mid-premium biscuits that incorporates quality, taste and value. Our brand recall is enhanced through our arrangements with certain preferred retail outlets, which enhance our brand visibility and presence in their shops by displaying our products prominently in their shelves. For the period between April 1, 2020 to September 30, 2020, we had a network of 4,422 preferred outlets. We focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have also started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with various e-commerce platforms in India.

While ‘Mrs. Bector’s Cremica’ is a flagship and legacy brand for which we have the exclusive right to manufacture and supply biscuits, pursuant to a memorandum of understanding dated November 21, 2013, (“**Brand Separation MoU**”) entered amongst our Company, Cremica Frozen Foods Limited, Mrs. Bector’s Cremica Enterprises Limited, Cremica Food Industries Limited, Ms. Rajni Bector, Mr. Ajay Bector and certain members of his family, Mr. Akshay Bector and certain members of his family, and our Promoter and certain members of his family, pursuant to such Brand Separation MoU, our Company is also restricted from using the brand ‘Mrs. Bector’s Cremica’ for any other food business other than our biscuits business. We also have developed the brand ‘English Oven’ for our

bakery products business. We focused on the 'English Oven' brand for manufacturing and selling our bakery products under the 'English Oven' brand in the year 2013, in Mumbai through our subsidiary Mrs. Bectors English Oven Limited. We have developed and marketed various kinds of bakery products in savoury and sweet categories under the 'English Oven' brand. According to Technopak Report, 'English Oven' is currently one of the fastest growing largescale bakery brands in India and is one of the largest selling brands in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. As on September 30, 2020, the diversified product portfolio of our bakery products consists of 118 SKUs.

We believe that a strong and recognisable brand is a key strength in our industry, which increases customer confidence and influences purchase decisions. We have developed our recipes and products based on extensive understanding of our key markets for our biscuits and bakery products with a focus on improving the quality standards. We believe that our focus on quality, our product range and effective pricing have enabled us to develop strong brand recognition and consumer loyalty in our key domestic and export markets.

A leading exporter of biscuits

According to the Technopak Report, we are one of the leading exporter of biscuits from India, with approximately 12% share of the Indian biscuit export market in calendar year 2019 and we contribute more than 50% by value of biscuit exports from India to countries like South Africa and Uganda and more than 25% by value of biscuit exports from India to Canada. During the Financial Year ended March 31, 2020, we exported biscuits to 64 countries, across Central and South America, Europe, North America, East and South Africa, Australasia, the MENA region and Asia to various retailers, distributors and buying houses such as Monteagle International (UK) Limited, Lulu Hypermarket Trading Co, E-Mart Inc., Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited, and World Wide Imports (2008) Ltd. We export various types of cookies such as danish cookies, choco chip cookies and centre filled cookies, creams, crackers and some glucose biscuits under our flagship brand 'Mrs. Bector's Cremica'. We also manufacture a wide range of biscuits for international retail chains under their private labels. Revenue from the export of biscuits accounted for ₹ 1,676.51 million, ₹ 1056.23 million and ₹ 760.85 million constituting 22%, 24.51% and 20.87% of the revenue from operations for the Financial Year 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019, respectively, which has grown by 38.82% from September 30, 2019 to September 30, 2020. In the Financial Years 2020, 2019, and 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, our price realisation per kilogram from sales of our biscuits (exports) was ₹ 94.29, ₹ 87.33, ₹ 81.04, ₹ 101.63 and ₹ 95.31 respectively and has grown at the CAGR of 7.87% during Financial Years 2018 to 2020.

We continue to focus on sustainable growth in our export markets. In the Financial Year 2020, due to various reasons including the political unrest, worsening socio-economic conditions and foreign currency restrictions in certain African countries, we reduced exporting our products to these countries. We have moved our focus to developed and emerging markets such as Australasia, Europe, East and South Africa, the MENA region and North America by introducing a wide range of premium products focusing on generating higher margins and are in the process of discontinuing our business in certain African markets.

We have received several quality certifications from including certificate of registration from the U.S. Food and Drug Administration, the British Retail Consortium (BRC) food certification, Sedex Members Ethical Trade Audit (SMETA), Food Safety System certification 22000 and Halal certification for manufacturing biscuits, which helps in the acceptability of our products in developed and quality conscious export markets.

Our exports provide us with the flexibility to operate successfully across business cycles, mitigate seasonality risk in the domestic market, and help us in expanding our geographical footprint to global emerging markets. We believe that, our ability to modify the product specification and packaging based on consumer requirements, market trends and develop, produce and sell customised products for each export market has contributed to the growth of our exports. Towards this end, our manufacturing facilities are designed in a manner that they are capable of processing different types of products and packaging with variation in taste and flavors, aligned with the consumer preferences and trend in our target export markets. These factors have facilitated us to penetrate into newer territories such as Asia, Australasia, Europe, MENA region and North America by collaborating with established retailers and distributors.

Established presence in retail and institutional bakery business

'English Oven' is one of the fastest growing largescale premium bakery brand in India according to Technopak Report. We market and sell our premium bakery products in savoury and sweet categories such as breads, buns,

pizza bases, and cakes to our retail customers under our brand ‘*English Oven*’ which is one of the largest selling brands in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru (*Source: Technopak Report*) 178,564, 218,674 and 168,022 packs of branded breads and bakery products per day for the Financial Year ended March 31, 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019 respectively. We focus on manufacturing and offering a wide variety of premium breads and other bakery products in savoury and sweet categories to our customers based on our expansive understanding of the evolving market for bakery products in India. According to Technopak Report, we are one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables us to distribute our bakery products across India.

We are also the largest supplier of buns to reputed QSR chains (*Source: Technopak Report*) and we benefit from our strong association with these customers, including in terms of our adoption of stringent quality controls and industry best practices such as use of premium quality raw materials, which our customers expect of us. We are the sole supplier of burger buns and pan muffins to Connaught Plaza Restaurants Private Limited since 1995 (*Source: Technopak Report*), preferred supplier of burger buns and pan muffins to Hardcastle Restaurants Private Limited for approximately 13 years. We have also been one of the main supplier of burger buns to Burger King India Limited since 2014, and to Yum! Restaurants (India) Private Limited since 2013. We have been a preferred and leading supplier of products such as frozen burger buns, panini, garlic breads to PVR Limited since the last 10 years. Over the years, we have expanded our manufacturing facilities and introduced stringent quality control processes, which have enabled us to serve other reputed QSR chains. Our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility and Bengaluru Manufacturing Facility have dedicated lines for manufacturing buns to serve our QSR customers. According to Technopak Report, we are one of the few bun suppliers in India equipped with dedicated modern manufacturing facilities with the ability to undertake large orders while complying with stringent quality standards required by such multinational QSR chains. We benefit by working closely with our institutional customers, as we are able to incorporate the stringent quality standards and industry best practices required by our customers in our overall manufacturing process, thereby further improving our operational standards and our products.

We constantly focus on increasing the variety of our products for our retail as well as our institutional customers. The revenue from sale of our branded breads and bakery products to our retail customers under our brand name ‘*English Oven*’ has grown faster than the growth of 13.4% per annum of the premium and super premium bakery industry in India from Financial Years 2015 to 2020 (*Source: Technopak Report*). We aim to cater to wide variety of retail customers by introducing new niche product variants, which are preferred amongst different age groups. For instance, we have recently introduced ‘sub breads’ branded as ‘*English Oven Sub*’, which helps customers create varied ranges of ‘*DIY sandwiches*’ at home.

We believe that we are well positioned to capitalise the growth opportunity in the retail and institutional bakery business by leveraging our dedicated manufacturing facilities, our long standing relationships with our key institutional customers and creating a variety of product options for our retail customers.

Modern and automated production processes with a focus on quality control

Our production facilities are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We currently manufacture biscuits in our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility. We currently manufacture our breads and other bakery products including buns and frozen products offered to retail consumers as well as our institutional clients, in our Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility and Bengaluru Manufacturing Facility. In order to ensure that our products meet the desirable quality standards, we currently manufacture all our products at our own facilities. Our manufacturing facilities are equipped with advanced equipment, modern technology and automated systems. For example, for manufacturing buns and breads, we have imported automated bun and bread lines that help in maintaining superior quality, consistency, productivity and improving cost efficiency. For the bakery business, we have imported hybrid ovens, which provide uniform baking and reduce heat spotting, ensuring uniform quality of each batch of our products. According to the Technopak Report, we are one of the few bun suppliers in India equipped with dedicated modern manufacturing facilities enabling us to undertake large orders for our QSR customers.

We are a quality-focused company and are committed to maintaining stringent quality standards at all steps of the manufacturing cycle, from procurement of the raw material to dispatch of the finished product. We use premium quality raw materials and ingredients in our products. For instance, we have integrated modern technologies in our manufacturing process such as the ‘Farinograph’, which allows us to ensure using consistent quality of wheat during the manufacturing process. We believe that our focus on ensuring compliance with the stringent quality standards

has helped us in establishing and maintaining long-standing relationships with some of our key institutional customers such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, Yum! Restaurants (India) Private Limited, Mondelez India Foods Private Limited and PVR Limited.

We have received several quality certifications for our products and production facilities, including certification from Food Safety System (FSSC 22000), Halal certification for manufacturing our biscuits, bread and bun products, certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits. Our Phillaur Manufacturing Facility and Tahliwal Manufacturing Facility have also been audited under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics.

Wide spread and established sales and distribution network

Our extensive sales and distribution network allows us to reach a wide range of consumers and ensures effective penetration of our products and marketing campaigns. Our sales and distribution network is strategically spread across different states in North India, and has an especially strong outreach in certain urban and semi urban markets, where we expect growth to be more significant.

We distribute our biscuits across 23 states in India, through our widespread network of super stockists and distributors. For the period between April 1, 2020 to September 30 2020, we have a distribution network comprising of 196 super stockists and 748 distributors supplying to wide range of customers through 458,000 retail outlets (*Source: Technopak Report*). Our distribution channels include traditional retail, which we define as small, privately-owned independent stores, typically at a single location. We have also entered into arrangements with certain preferred retail outlets, which enhance our brand visibility and presence. For the period between April 1, 2020 to September 30, 2020, we have a network of 4,422 preferred retail outlets. Our distribution network is managed by our in-house sales team of over 403 personnel, as on September 30, 2020, who work closely with our super stockists and distributors to understand consumer preferences, and to receive feedback on our products and that of our competition, which enables us to formulate an effective strategy for sales, marketing and pricing. We use our in-house developed automation tool 'Peri' to increase productivity of the super stockists and distributors by enabling them with access to critical information of sales and products and strategic information about sales trends, on a real-time basis which is beneficial for our on ground sales teams. We believe that, our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. Additionally, most of our products are sold through modern trade channels including Walmart India Private Limited. We also directly supply biscuits to institutional clients like CSDs, Indian Railway Canteens and stores in North India. According to the Technopak Report, we are the largest suppliers of biscuits to CSD and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their Stores in North India.

We also exported our biscuits to 64 countries during the Financial Year ended March 31, 2020, through our strong global distribution network and our tie-ups with retailers, distributors and buying houses such as Monteagle International (UK) Limited, Lulu Hypermarket Trading Co, E-Mart Inc., Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited, and World Wide Imports (2008) Ltd.

We sell our bakery products for retail customers under our brand the 'English Oven' through modern trade, general trade channels and various e-commerce platforms. For the period between April 1, 2020 to September 30, 2020, our bakery products for retail customers were sold through 191 distributors and over 14,000 retail outlets (*Source: Technopak Report*) situated in Delhi NCR region, Mumbai, Pune and Bengaluru through direct sales to supermarkets, departmental stores and distributors. Recently, we have also started selling our products through various e-commerce platforms in India, multiplexes such as PVR Limited, and cloud kitchens such as Rebel Foods Private Limited. According to Technopak Report, we are one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables us to distribute our products across India.

Experienced promoter and management team

We believe that, the experience and leadership of our Promoter, Mr. Anoop Bector, is a key factor in our growth and development. Mr. Anoop Bector has extensive experience of over 25 years and industry knowledge and understanding. We believe that Mr. Anoop Bector's experience has helped us develop relationships with our vendors for the procurement of raw materials, institutional customers and our dealers and distributors. He also provides strategic guidance to our Company, while also being involved in our day to day functioning of the business. Mr. Ishaan Bector, our whole time director, heads our breads business and is responsible for overall supervision,

development and expansion of our breads business and has been instrumental in its growth. Our breads business has grown at a CAGR of 29.07% in the last three Financial Years under the leadership of Mr. Ishaan Bector.

Our Board and senior management have an extensive experience and an in-depth understanding of the retail business. Key members of our senior management team including Mr. Manoj Verma, the national sales director (domestic sales) of our Company (who has over 26 years of experience in sales and marketing), Mr. Rajeev Dubey, the director (bread sales) of our Company (who has over 26 years of experience), Mr. Asim Bhaumik, the group head of quality, technical, research and development of our Company (who has over 23 years of experience in production and operations), Mr. Deep M.S Bajaj, the group senior corporate chef of our Company (who has over 14 years of experience in the hotel industry and Mr. Suvir Bector, the vice-president (exports) of our Company, who are dedicated to the growth of our business. We believe that, our management team of qualified and experienced professionals enables us to identify new avenues of growth, and help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. For further details, see “*Our Management*” on page 189.

Our Strategies

Focusing on growth in premium biscuits and bakery segment to improve margin

Our strategy is to also expand into premium products with higher margins. Currently, we offer various premium and mid-premium category of biscuits including cookies, creams, crackers and digestives. According to the Technopak Report, the premium and mid-premium category biscuits market is expected to grow to ₹ 504 billion by Financial Year 2025 growing at a CAGR of 9.5% from Financial Year 2020 to Financial Year 2025. We also offer premium category of bakery products, including whole wheat, multigrain and sandwich breads. According to the Technopak Report, the market for breads and buns retail market in India is estimated to grow to ₹ 76 billion by Financial Year 2025 from ₹ 50 billion at Financial Year 2020, estimated to grow at a CAGR of 9% from Financial Year 2020 to Financial Year 2025.

We will continue to expand our product portfolio within the existing product segments, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to our consumers. We seek to leverage our extensive experience to strengthen our industry position, by developing new products to capitalise on emerging trends. To cater to the growing needs of our millennial customers, we intend to expand our product offerings to include niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, which, we believe, will help us realise higher margins. We have also installed dedicated lines at our Rajpura (Punjab) Facility in 2018 to cater to production of high margin premium products. We believe we can also expand our product portfolio in the biscuits segment, by offering a variety of biscuits, which we currently manufacture for the international market without significant additional investments in our existing manufacturing processes or product development processes.

In the Financial Year 2020, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, the weighted average realisation from sale of our biscuits per kilogram has been ₹84.04, ₹87.29, ₹82.09 and the sale of our branded breads and bakery products per pack sold under ‘*English Oven*’ brand has been ₹19.98, ₹22.09 and ₹19.03 respectively. The weighted average realisation of our biscuits and brand breads and bakery products has grown at a CAGR of 4.51% and 3.89% from Financial Years 2018 to 2020. We seek to increase our product margins by focusing on premium and mid premium category of biscuits and our bakery products and reducing the contribution of glucose biscuits in our product portfolio. Further, we seek to increase our margins from the sale of our biscuits in export markets by targeting developed and emerging markets.

For our bakery segment, we have recently introduced new premium products such as sub breads, frozen doughs, pizzas, garlic breads, cheese garlic bun fills and frozen cookies. We are also installing a dedicated line at our Greater Noida Facility to cater to production of high margin products including desserts and frozen products such as frozen pizzas, sandwiches, and cakes, which we aim to cater to our institutional customers such as multiplexes, cloud kitchens, hotels restaurants, cafés as well as retail customers. We also intend to dedicate our Khopoli Facility for manufacturing premium bakery products such as pizza puffs, sub breads, footlong breads, croissants and other premium breads with automated machinery. We believe that our focus on high margin products will provide higher returns and help us in increasing our profitability.

Focus on product development in biscuits and bakery segments

We believe that continuous product development and expansion of our product portfolio are integral to the growth of our business. We have an experienced in-house research and development team that works on our new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with our marketing and supply chain management teams. Our new product development process is reliant on feedback from our supply chain teams on emerging markets and ethnic taste preferences. We also rely on the understanding of the product preferences from the international markets to further enhance and introduce new products for our domestic customers. We also have an in-house dedicated internal quality control team, which is responsible for ensuring compliance with stringent quality standards prescribed by our institutional customers and ensuring that our products comply with the guidelines issued by governmental and regulatory authorities.

We also seek to increase the capacities of our manufacturing facilities by installing new, automated and product specific equipment such as installation of a cookies manufacturing line sourced from Denmark. We are looking to expand our premium biscuits production in our Rajpura (Punjab) Manufacturing Facility by procuring automated equipment from Italy. Further, we have also commissioned a sheeting line capable of producing 'Focaccia Breads', 'Panini Breads', 'Ciabatta Breads', at our Greater Noida Manufacturing Facility. We have also added large blast freezing, individual quick freezing and holding freezers and are increasing our capacity by installing an automated bread and bun manufacturing line from Germany and United States of America respectively at our Greater Noida Manufacturing Facility. Through commissioning of new technologies, we intend to create a seamless capability to manufacture various bakery and frozen products at all our manufacturing facilities. We believe that the commissioning of such new technologies will also provide us with the opportunity to capitalise growth opportunities and allow us to serve customers in the casual dining restaurant business segment, the hotel, restaurant and café business segment and institutional customers such as multiplexes, cloud kitchens and retail customers across India.

Expand our product reach in India and globally

While historically we have had a strong presence in North India for our biscuits and bakery products, we intend to leverage our brands and expand our presence in the other regions of India. We seek to expand our product reach geographically by leveraging our already established institutional customer relationships. Our institutional customers include Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited. Over the years, through our consistent focus on maintaining stringent quality standards and expanding our manufacturing capabilities, we believe that, we have expanded our institutional business to become the preferred bun supplier to other reputed multinational QSR chains. We intend to leverage our institutional relationships to further increase our product offerings and sales volume to these institutional customers and their affiliates in India and globally. We are also expanding our product segments by introducing frozen products to different categories of our institutional customers such as hotels, cafes, multiplexes and cloud kitchens. We also plan to introduce new category of products including 'frozen buns', 'rusks', 'dessert jars' and 'brownies' in our Indian retail business.

We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as South, Central and North America, the MENA region and Australasia. We are also in the process of setting-up a new office in Dubai and participate in trade fairs in these export markets extensively to strengthen our presence in these markets.

We believe, we can expand our product reach by further enhancing our product portfolio in our existing markets and increasing our distribution network in new domestic as well as international markets.

Expansion of our distribution network through diversification

While we have a strong distribution network in North India, our focus is to establish a pan India presence for our biscuits and bakery segments by diversifying our distribution network in other regions of India, where we are also setting up adequate infrastructure for such expansion. In North India, we are focusing on expanding our distribution network for increased penetration in metros and foraying into semi-urban and rural markets. We distribute our products through our depots to distributors and super stockists who further supply our biscuits and bakery products to retailers, wholesalers and sub distributors respectively. We monitor our distribution network through our in-house developed automation tool 'Peri', which enables us to track real-time coverage, sales, efficiencies and commercial hygiene by introducing 'KYC' procedure for all our outlets that helps us maintain detailed database and track future expansion. We believe the reporting of our sales through 'Peri' will enable us to analyse gaps and opportunities in our distribution network and brand awareness.

We have increased our distribution through the modern trade channels such as Walmart India Private Limited. We seek to increase our distribution through modern trade channels in other regions in India by introducing our premium products in biscuits and bakery segments in these regions. We believe we can establish our presence in other regions by leveraging our existing business in modern trade channels where we enjoy strong business relations and collaborating with certain regional players. Further, we target to increase sale of our biscuits and bakery products in the modern trade channels by introducing various offers, increasing visibility of our products, introducing larger and mid-sized packs of our existing high selling products based on buying patterns and regional preferences. We are also collaborating with various e-commerce platforms for sale of our biscuits and bakery products, multiplex chains such as PVR Limited and cloud kitchens such as Rebel Foods Private Limited to sell our bakery products on a pan India level. We further seek to increase the export of our products by investing in adequate infrastructure for export of our frozen products to select countries.

We believe these initiatives will help us expand our distribution in modern trade and general trade channels that will help us grow our overall sales and market share.

Focus on increasing our brand awareness

We seek to continuously allocate significant resources to strengthen ‘Mrs. Bector’s Cremica’ and ‘English Oven’ as one of India’s leading biscuit and bakery brands, respectively. We believe that our ability to differentiate our brand and our products from our competitors through our marketing and brand awareness programs is an important factor in attracting consumers.

Our marketing plan comprises advertising in print media, digital, television, radio and outdoor promotional campaigns, and sponsorship of prominent sporting and cultural events in India. We also enter into arrangements with our preferred retail outlets and brand consultants which helps us in enhancing our brand visibility. We focus on expanding the sales of our biscuits by emphasising on introducing and marketing our premium biscuits, increase our market share in our existing markets by increasing our brand awareness through digital channels and building our visibility in retail stores through in-store branding activities. We also participate in international trade fairs that provide us an opportunity to display our wide range of product portfolio and enhance our brand strength. For our bakery business, we focus on leveraging opportunities in newly launched cities such as Pune and expanding our product portfolio by introducing niche products to our retail customers such as sub breads, pizzas, garlic breads, cheese garlic bun fills, and frozen cookies. We plan to also focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have started our brand promotions in various e-commerce channels for our biscuits and bakery products and are listed with leading e-commerce platforms in India.

We believe that, the scale of our business provides us the ability to increasingly focus on branding and promotion to enhance our visibility, market share and growing needs and preferences of our customers across various channels.

Our Product Portfolio

Our diversified product portfolio can be classified under two key categories - biscuits and bakery products.

The following table sets forth the performance of our product segments in the last three Financial Years, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019:

S. No.	Product Segment	Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018	The period April 1, 2020 to September 30, 2020	The period April 1, 2019 to September 30, 2019
1.	Biscuits	Gross Margin	44.35%	43.63%	42.11%	45.79%	45.04%
		EBITDA	8.80%	10.38%	10.29%	15.68%	6.87%
2.	Bakery Products	Gross Margin	50.12%	50.78%	50.77%	53.46%	49.89%
		EBITDA	17.65%	15.43%	16.73%	19.55%	17.12%

Biscuits

We primarily manufacture premium and mid-premium category of biscuits including cookies, creams, crackers and digestives. We manufacture glucose biscuits catering to certain domestic as well as export customers. We manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited. We also manufacture and supply biscuits for some of our international customers under our brand 'Mrs. Bectors Cremica' and under their private labels respectively.

In the Financial Year 2020, Financial Year 2019 and Financial Year 2018, the period April 1, 2020 to September 30, 2020 and September 30, 2019, the revenue from sale of our biscuits in India and globally excluding contract manufacturing represented 59.20 %, 65.91% 68.67%, 68.26% and 60.00%, respectively, of our revenue from operations for the respective periods. Revenues generated by sale of premium and mid premium biscuits (domestic and exports excluding contract manufacturing) represented 87.73%, 81.55%, 81.08%, 88.71% and 87.84% in the Financial Year 2020, Financial Year 2019 and Financial Year 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019 respectively.

In the Financial Year 2020, Financial Year 2019 and Financial Year 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, the revenue from sale of our biscuits in domestic market represented 37.20%, 34.41%, 35.51%, 43.75% and 39.14%, respectively, of our revenue from operations for the respective periods and our revenue from sale of our biscuits from exports sales represented 22.00%, 31.50%, 33.17%, 24.51%, and 20.87% respectively, of our revenue from operations for the respective periods.

Further, in the Financial Years 2020, 2019, and 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, our price realisation per kilogram from sales of our biscuits (domestic and exports) was ₹ 84.04, ₹ 81.16, ₹ 76.95, ₹ 87.29 and ₹ 82.09, respectively.

The following table sets out certain details about our key biscuit products:

Products	Variants	Stock Keeping Units	
Cookies	Domestic	Butter Gold	41gm and 165gm
		Butter Cookies	36gm, 41gm, 75gm, 82gm, 120gm, 165gm and 200gm
		Bisko Choco Chip Cookies	45 gm
		Golden Bytes Butter	83gm and 250gm
		Golden Bytes Mix Nuts	16.5gm, 58gm, 66gm and 200 gm
		Cashew Cookies	36gm, 41gm, 82gm and 120gm
		Prem Butter Cookies	100 gm
		Kaju Khazoor Cookies	100 gm
		Ginger Thin Cookies	150g
		Choco Bico	40gm and 70gm
		Chocochip Cookies	37gm, 75gm and 100gm
		Pista Almond Cookies	75gm and 100gm
		Honey Oatmeal Cookies	37gm and 75gm
		Golden Bytes Rich Butter	16.5g, 83gm, 200gm
		Coconut Crunchies	45 gm, 90gm and 100gm
		Coconut Cookies	84gm, 120gm, 150gm, 200gm and 400gm
	Jeera Lite	41gm, 45gm, 82gm, 90gm, 180gm and 200gm	

Products		Variants	Stock Keeping Units
Exports		Kitty marie	30 gm
		Marie	200gm, 800 gm
		Golden bytes butter cookies	90gm, 720 gm, 180gm
		Golden bites cashew cookies	90g, 720g, 180g
		Golden Bytes Pistachio Cookies	90gm, 720gm, 180g
		Shortbread	170 gm
		Adoro Shortbread Fingers Biscuit	340 gm
		Adoro Butter Cookie	114 gm, 340 gm
		Promos Butter Cookies	114 gm, 340 gm
		Minuet Butter Cookies	114 gm, 340 gm
		Omini Butter Cookies (Feliz Natal)	114 gm, 340 gm
		Waldo's Butter Cookies (Merry Christmas, Seasons greeting, Santa, Star, Peanut merry Cristmsa)	114 gm, 300 gm, 340 gm
		Universal Trade Butter Cookies	114 gm, 454 gm
		HEB Butter cookies Limited Edition	114 gm, 340 gm
		Candy Butter Cookies	114 gm, 340 gm
		Durumi Butter Cookie	114 gm, 340 gm
		Chilli Danish Butter Cookies	114 gm, 340 gm
		Happy Mother Butter Cookies	300gm
		Jeera Lite	180gm
		Love U Mom Butter Cookies	114gm
		Lulu Rich Butter Cookies	90gm,720gm
		Lulu Rich Cashew Cookies	90gm,720gm
		Minuet Butter Cookies	114gm and 340gm
		Maria Mamma Mia	25gm,300gm
		Mini Teddy Bears	168gm and 170gm
		Pampa Short Bread Cookies	170gm
		Sweet Petits Butter Cookies	114gm
		Avel Butter Cookies	340gm
		Badu Choco Chip Teddy	168gm
		Best Mom Butter Cookies	300gm
		Biskwi Shortbread Fingers	170gm
		Biskwi Teddy Bear	200gm
		Butter Cookies	340gm, 400gm and 454gm, 908gm
		Chip Of Joy Choco Cookies	100gm, 300 gm
	Aunt Baker Chip Of Joy Choco Cookies	100 gm and 300 gm	
	Cremica Agua E Sal	125 gm and 200 gm	
	Danish Butter Cookies	114 gm and 340 gm	
Truffills	Domestic	Truffills choco-filled	12.5 gm and 75 gm
	Exports	Truffills Brown Shell	160 gm
		Truffills Choco-Filled	40 gm and 175 gm
		Truffills Whitr & Brown Shell	160 gm
Cream	Domestic	Twin Creme in flavours of Chocolate, Elaichi, Orange, Strawberry with vanilla	42.5gm,85gm,45 gm and 90gm
		Magicreme in flavours of Chocolate, Elaichi, Orange and Strawberry	42.5gm,85gm,45 gm and 90gm
		Bourbon	20 gm, 60 gm, 75 gm, 100gm,120gm,150 gm, 200 gm and 500gm
		Cremfills in flavours of strawberry and butter	100gm,200gm
		Vanilla Cream	150gm
		Butter Cream	100gm and 200gm
		Strawberry Cream	100gm, 150 gm and 200 gm
		Elaichi Cream	75 gm
		Orange crème	75 gm
		Exports	Assortment Cream
	Mambo – chocolate, vanilla & strawberry		30 gm
	Love it – chocolate, orange, vanilla, strawberry		30 gm

Products		Variants	Stock Keeping Units
		Biskwi in favlours of Chocolate, Vanilla, Duo	300gm
		Cremelo – chocolate, orange, mango, vanilla, pineapple and strawberry	22gm,84gm,90gm
		Bourbon	36gm,38gm,70gm,75gm, 80gm, 100gm, 200 gm and 500gm
		Chocolate Cream	35gm,84gm,150gm,165gm,200gm,400gm
		Cream Sandwich	350gm
		Del Sur Creame Cookies	350gm
		Fishing Tackle	900gm
		Gas & Oil Square	500gm
		Jumbo in flavors of Chocolate, Vanilla	50gm
		Large Camperan	1kg
		Mango Cream	84gm,165gm
		Minuet Sandwich	350gm
		Minute Assortment	27gm
		No Brand Chocolate with Vanilla	720gm
		Oki Doki Family Selection	552gm
		Orange Cream	90gm,84gm,165gm,200gm
		Ovi Orange, chocolate cream	75gm
		Pampa Cream	350gm
		Pineapple Cream	84gm,165gm
		Rio4 Choco with Vanilla	360gm,720gm
		Rio4 in favlours of Chocolate, Lemon, Strawberry, Vanilla	180gm,360gm
		Sandwich Chocolate	370gm
		Spheres in flavours of Blueberry, Lemon, Peppermint, Strawberry and Vanilla	180gm
		Srt Oki Doki in favlours of Lemon, orange, vanilla and Strawberry	200gm
		Strawberry Cream	35gm,84gm, 90g150gm165gm,200gm
		Strawberry Cream with Vanilla	370gm
		Tui & Keruru Chocolate	300gm
		Twin cream Chocolate Vanilla	70gm,84gm
		Twin cream Orange Vanilla	70gm,84gm
		Twin Cream Strawberry /Vanilla	70gm,84gm
		Vanilla Cream	35gm,84gm,150gm165gm,200gm,400gm
		Vida in favlours of Chocolate, orange, strawberry and vanilla	22gm
		Wynco Biskit	350gm
		Wynco Duo Original Chocolate	180gm
Digestive	Domestic	Digestive	15 gm, 75 gm, 100gm, 120 gm, 200gm, 250 gm and 600 gm,
		Oatmeal Digestive Biscuit	60gm,120gm
		Cornflakes digestive	120gm
	Exports	Digestive	100gm,120gm, 250gm and 400 gm, 500gm
	Oatmeal Digestive	120gm,150gm	
	Cornflakes digestive	150gm	
	Digestive Sugar free	250gm and 400 gm	
Crackers	Domestic	Marie Classic	9.5 gm, 50 gm, 70 gm, 89 gm and 250 gm
		Party Cracker	38gm, 44gm. 47gm, 88gm, 94gm,75gm
		Krack Bite	44gm, 47gm, 88gm,175gm, 200gm
		Butter King	44gm and 88gm
		Classic Cracker	60gm,120gm and 250gm
		Sugar Cracker	15gm, 60gm,120gm and 250gm
		HEB Sugar Cracker	15g, 120 gm,
		Roundy cracker	33g
		Ajwain Cracker	44gm, 88gm and 150gm
		Kalonji Cracker	40 gm and 90 gm
	Exports	Original cracker	160g and 250 gm

Products	Variants	Stock Keeping Units	
	Mini Cracker in flavours of Cheese/Ranch/sour cream onion/ barbeque/pizza	227 gm	
	Breakfast cracker	175gm, 300gm, 1.8 kg and 2 kg	
	Mini Cracker original	227 gm	
	Cheese cream cracker	24 gm, 39gm, 234g 250gm and 468gm, 288gm, 576gm	
	Cheese Crackers	250 gm	
	Saltion Crakers Red & Original	120gm and 340gm	
	Vegetable cracker	250gm, 160gm	
	Sugar Cracker	120 gm and 300 gm	
	Classic Cracker	120 gm and 300 gm	
	Dollarama Original cracker	235gm	
	Taits's mini Cracker in flavours of Cheese/Ranch/ sour cream onion	227gm	
	Tomato & oregano crackers	160gm	
	Unsaltion original Crackers	340gm	
	Italian herb cracker	160gm	
	Pampa Snack Cracker original, cheese and veggy	340gm	
	Pampa Saltine Cracker	340gm	
	Tottus Cracker classic	85g, 255g	
	Bledor Club Cracker	25gm, 200gm,	
	Bongu Sandwich Fromage	24gm, 288gm	
	HCF Saltine Cracker	576gm, 454gm	
	Biskwi Saltine Cracker	454g	
	Wynco Chizzi Crackers	24gm, 144gm	
	Wynco Cracky / Veggy crackers	25gm, 150gm	
	Zips Salted Crackers	24gm, 288gm	
	OVI Petit Beurre	24g,60g	
	VIC Petit Beurre	24g	
	Cremica Petit beurre	100g	
	Eurotrade Petit beurre	400g	
	Dolorama Social Tea biscuits	345g	
	Dolorama veggy cracker	235g	
	Sunrise Cheddar Cheese	26g	
Glucose	Domestic	Glucose	60 gm
	Exports	Aurient Nice	30gm
		Glucose	30gm, 35gm, 36gm and 41gm, 29gm
		Koko	36gm
		Lady Sarah Nice	400gm
		Malt N Milk	35gm, 36gm and 41gm
		Nice	30gm, 35gm and 41gm

As on September 30, 2020, the maximum retail price of our biscuits in the domestic market typically ranges between ₹ 3 to ₹ 80.

Cookies and Truffills	Creams	Digestive	Crackers	Glucose
				

Bakery Products

We primarily manufacture premium category of breads and other bakery products including multigrain bread, sandwich bread, jumbo bread, garlic breads, stuffed breads, panini breads, pav breads, kulchas, pizza base, buns, cakes, muffins and frozen products for our retail customers branded through 'English Oven' and institutional clients. Our product portfolio comprises of Indian and western varieties of bakery products. These products are primarily classified under following categories: breads, other bakery products, buns and frozen products.

In the Financial Year 2020, Financial Year 2019 and Financial Year 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, the sale from our branded breads and other bakery products to retail customers sold under 'English Oven' brand represented 17.09%, 12.68%, 11.32%, 20.51% and 16.05%, respectively, of our revenue from operations for the respective periods. From the period April 1, 2019 to September 30, 2019 to the period April 1, 2020 to September 30, 2020, revenues generated by sale of our bakery products to retail customers increased by 51.06% from ₹ 585.12million in the period April 1, 2019 to September 30, 2019 to ₹ 883.86 million in the period April 1, 2020 to September 30, 2020.

In the Financial Year 2020, Financial Year 2019, Financial Year 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, the revenue from buns, bakery and frozen products for institutional clients represented 16.84%, 14.50%, 13.36%, 5.67% and 17.40%, respectively, of our revenue from operations for the respective periods. From the period April 1, 2019 to September 30, 2019 to the period April 1, 2020 to September 30, 2020, revenues generated by sale of buns, bakery and frozen products to institutional clients decreased by 61.49% from ₹ 634.35million in the period April 1, 2019 to September 30, 2019 to ₹ 244.28 million in the period April 1, 2020 to September 30, 2020.

The following table sets out certain details about our key bakery products offered to retail and institutional customers:

Retail- Fresh:

Products	Variant	Stock Keeping Units
Brown Breads	Atta Bread	400 gm
	Bread Brown	2 kg
	Brown Bread	400 gm
	Brown Bread	1 kg
Fruit / Sweet	Fruit Bread	150 gm

Products	Variant	Stock Keeping Units
	Fruit Bun 2 pc	150 gm
	Sweet Bread	400 gm
	Sweet Bun	200 gm, 420 gm, 600 gm
Indian Indulgence	Kulcha Bread	200 gm
	Pav Bread	250 gm
Premium Health Breads	100% Atta Bread	400 gm
	100% Whole Wheat Bread	400 gm
	Milk Bread	400 gm
	Multi Grain Bread	400 gm
Western Treat	Atta Burger	200 gm
	Big Seeded Burger Bun	300 gm
	Burger Bun 2 pcs	100 gm
	Burger Bun 4 pcs	200 gm
	Burger Bun 6 pcs	300 gm
	Garlic Bread	200 gm
	Hot Dog Roll Bread	150 gm
	Pizza (6 inches)	150 gm
Pizza Base (8 inches)	200 gm	
White Breads	Bread White	2 kg
	Break Fast Bread	350 gm
	Break Fast Bread Twist & Tie	350 gm
	Club Sandwich	400 gm
	Sub Olive Bread	200 gm
	Sub Multigrain Bread	200 gm
	Club Sandwich Bread	1 kg
	Premium white bread	700 gm
	Premium white bread	350 gm
Sandwich Bread	400 gm	
Center Filled Buns	Bunfills Chocolate	60 gm
	Bunfills Chocolate	30 gm

Institutional- Fresh

Products	Variants	Stock Keeping Units
Buns	Seeded Bun 4"	50 gm
	Seeded Buns 5"	95 gm
	Corndusted Oval Bun 4"	58 gm
	Non-sesame Round Bun	50 gm
	Sesame Seed Bun 4.5"	90 gm
	Bun (Fresh)	70 gm
	Burger Pizza Frozen 3.5"	200 gm
	Value Bun	50gm
	Gold bun	50 gm
	Chilly Brioche Bun	50 gm
	Whole Wheat Longer Bun	75 gm

Products	Variants	Stock Keeping Units
	Non Sesame Round Bun	50 gm
	Cornmeal Round Bun	58 gm
	Longer Bun	45 gm
	Super Charger Bun	75 gm
	Maharaja Bun	75 gm
	Quarter Pounder Bun	58 gm
	Regular Bun	50 gm
	Seeded Bun	58 gm
	Big Seeded Bun	75 gm

Institutional- Frozen

Products	Variants	Stock Keeping Units
Brown Breads	Bread Brown	1 kg
Indian Indulgence	Kulcha	50 gm
	Pav Bread	300 gm
Premium Health Breads	Multigrain Panini Bread	90 gm
Western Treat	Burger Bun 4" Cornmeal	60 gm
	Burger Bun 4" Cornmeal	60 gm
	Burger Bun 4" Sesame	75 gm
	Burger Bun Regular Plain	50 gm
White Breads	Bread White	1 kg
Center Filled Buns	Cheese Garlic Bunfills	30 gm
	Chocolate Bunfills	30 gm
	Cookies (Choco Chips)	40 gm
Bun	Corn dusted Oval Bun 4"	60 gm
	Seeded Bun 5"	90 gm
	Cornmeal Round Bun	58 gm
	Super Charger Bun	75 gm
	Longer Bun	45 gm
	Seeded Bun 4"	50 gm
	Seeded Bun 4.5"	75 gm
	Twin Seeded Bun 4.5"	300 gm
	Cornmeal Round Bun 4.5"	75 gm
	Sesame Seed Bun 4.5"	75 gm
	Non Sesame Seed Bun 4"	50 gm
	Whole Wheat Bun	60 gm
	Bun 3.5"	50 gm
	Cornmeal Oval Bun	60 gm
	Masala Bun	272 gm

Institutional- Frozen Desserts/Cakes-

Products	Variants	Stock Keeping Units
Cakes	Chocolate Truffle Jar	100 gm
	Red Velvet Jar	100 gm
	Espresso cake 8"	1 kg
	Espresso cake 6"	500 gm
	Red velvet cake 8"	1 kg
	Red velvet cake 6"	500 gm
	Blueberry cheesecake 8"	1 kg
	Blueberry cheesecake 6"	500 gm
	Date and chocolate tea cake (sliced or unsliced)	100 gm
	Marble tea cake (sliced or unsliced)	100 gm
	Chocolate Chip Muffin	100 gm
	Dark Chocolate muffin	100 gm
	Walnut Brownie	70 gm
	Cream Cheese Brownie	75 gm
	Chocolate Cherry Brownie	75 gm
Choco Lava Cake	50 gm	

As on September 30, 2020, the maximum retail price of our bakery products to retail customers typically ranges between ₹ 10 to ₹ 120.



Our Operations

Production Process

Biscuits

The primary ingredients used in the manufacture of biscuits are refined wheat flour, sugar, refined vegetable oil, cocoa powder, nuts, skimmed milk powder, butter, salt, chemicals such as sodium bi-carbonate, ammonium bi-carbonate, starch and flavouring agents. The manufacture of biscuits consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) sheeting, cutting and moulding; (iv) baking and cooling; (v) sandwiching of cream (only in case of cream filled biscuits) and (vi) packing.

Raw Material Preparation: The first step is sieving the flour in a flour sifter machine to remove extraneous materials. This also helps to blend and loosen the flour. At this stage, the sugar is also pulverised in a grinding machine to make it powdery. Oils/fats is taken to mix along with flavours, leavening agents, preservatives, salt (dissolved in water) into a homogeneous paste under the supervision of experienced personnel.

Dough mixing: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing.

Sheeting, cutting moulding and wirecut/depositing/ encrusting: The hard dough is fed into a laminator machine, which produces sheets that is gradually rolled through a set of gauge rollers to get a thin sheet of desired thickness. Then it is passed through a rotary cutter to acquire desired shape.

The short dough is directly fed into moulding machine to get desired shape, size and design.

The soft dough is fed directly into depositor head. In the depositing machines, dough is deposited / wire cut into the desired shape and size.

For encrusting cookies dough is fed into the one hopper and cream is fed into second hopper. In the encrusting machine dough and cream fed together into the desired shape and size.

Baking and Cooling: The wet dough pieces from the rotary moulder/cutter are then transferred through a metallic band/ conveyer to an oven where the biscuits are baked under a controlled temperature. Each biscuit variety has a standard heat profile setting. In some varieties, oil and/or other additives are sprayed immediately after baking. Baked biscuits are then naturally cooled on the cooling conveyors.

Sandwiching of cream: For cream filled biscuits, the baked biscuits are passed through a sandwiching machine, where the required cream is added between two biscuits and stacked in a stacker.

Packaging: After cooling, the biscuit is stacked in rows onto packing tables. Then the primary packaging of biscuits in laminates is done are packaged by automatic packing machines in different pack sizes. The primary packets are packed in corrugated carton boxes. Depending on market demand, different sizes of packets are packed.

Breads

The main ingredients used in manufacturing breads are refined wheat flour, water, sugar, yeast, salt, vegetable oil and natural additives to fortify and enhance the flour quality. The manufacture of bread consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) dough processing/proofing; and (iv) baking and cooling.

Raw Material Preparation: The first step is sifting the flour in a flour sifter machine to remove extraneous materials and ensure quality of the raw material.

Dough mixing: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing in order to ensure a smooth, homogenous and consistent dough.

Dough processing: The dough is processed gently without hands by dividing, rounding and shaping it into desired shape. The dough is automatically placed into the baking tray/mould and transferred into the proofing chamber.

Proofing: The proofing chamber is a room of controlled, consistent temperature and humidity levels to ensure that the dough develops smooth and evenly reaching the desired volume ready for baking. The proofing takes approximately 60 to 75 minutes, where the yeast becomes active breaking down the sugar resulting that the dough expand in its volume.

Baking and Cooling: After proofing the dough is placed the baking tray/mould in the ovens for a period of 30 minutes during which the dough passes different temperature zones in order to ensure the bread is baked in a consistent manner.

Frozen desserts

The main ingredients used in manufacturing desserts are cream, butter, sugar, flour, oils & fruits. Some natural additives to extend shelf life. The manufacture of frozen desserts consists of the following stages namely: (i) raw material preparation; (ii) baking of the sponges and tea cakes (iii) preparation of the cream base, chocolate filling, fruit fillings (iv) assembly as per recipe with garnish (v) freezing.

Raw material preparation: Quality and temperature of the raw materials is checked, recipes are weighed out as per individual composition e.g. mousse, muffin, sponge, cheesecake etc.

Baking of the sponges and tea cakes: Sweet batters are prepared in a mixer to incorporate air in the batter and achieve a light texture. This smooth batter is portioned mechanically into moulds and baked golden brown in automated ovens. Thereafter fresh cakes are cooled and sliced mechanically. Frozen Brownies, muffins, baked cheesecakes and dry fruit cakes are frozen at this stage.

Preparation of the cream base and fruit fillings: As per recipe a whipped cream filling, chocolate and cream sauce, cheese filling or cooked fruit mixture is made in chilled environment following strict hygiene standards. This process involves amalgamation of a variety of ingredients in mixer to make a light filling. Chocolate is melted and added to cream to create a silky ganache, forms the basis of all chocolate desserts. Fruits are cooked with sugar to extract flavour and extend shelf life.

Assembly as per recipe with garnish: Filling are loaded into the automated lines with the corresponding sponges to compliment the flavour texture and taste. Desserts are assembled on an automated line to make a range of cup desserts and layered cakes. Finally garnished with cream or chocolate to make it look special.

Freezing: Immediately after assembly the cakes go for freezing and packing following regimental quality checks.

Raw Frozen Pizza /Foot Long

The main ingredients used in manufacturing Pizza or Foot Long Bread are flour, water, sugar, Special yeast, salt, vegetable oil and Special additives to fortify and enhance the flour quality. The manufacturing process consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) dough processing; and (iv) freezing.

Raw Material Preparation: the first step is sifting the flour in a flour sifter machine to remove extraneous materials and ensure quality of the raw material.

Dough mixing: After the primary preparation, the dough is prepared in a dough mixer. Dough consistency is checked after final mixing in order to ensure a smooth, homogenous and consistent dough.

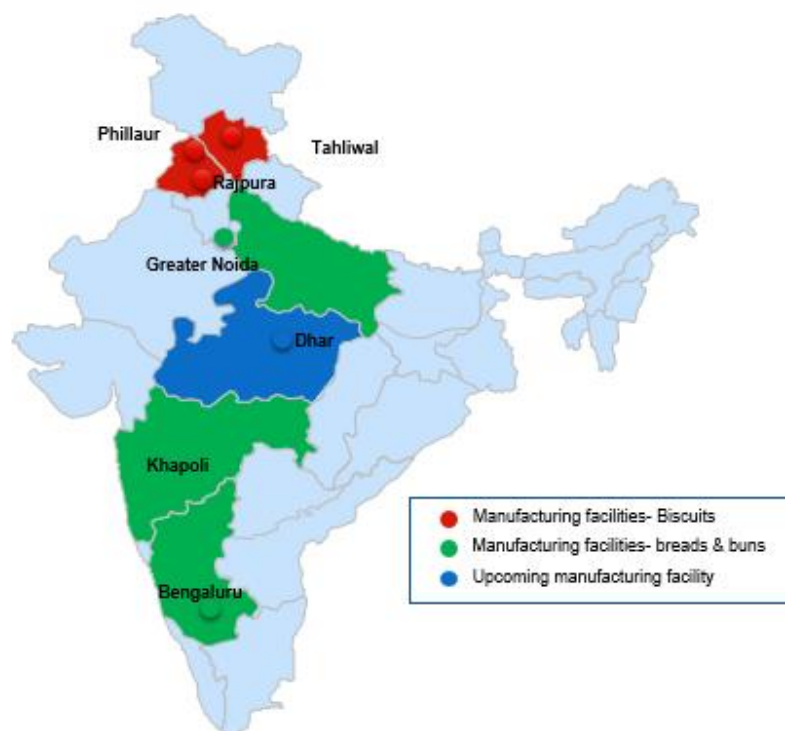
Dough processing: The dough is sheeted gently by passing through series of rollers to achieve desired sheet thickness and cut into desired shape of tooling. The dough is automatically transferred onto the belt of Individual Quick freezer maintained at -35 to -40 degree Celsius for 40min or so to product temp is at -18 degree Celsius.

Freezing: The product is packed, cartoned, stored at -20 degree Celsius in the holding freezer and then the product is loaded into a reefer vehicle maintained at -18 degree Celsius for delivery.

Our Manufacturing Facilities

We manufacture biscuits in our manufacturing facilities located in Phillaur and Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacture our bakery products including breads and buns in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka).

Our manufacturing facilities are equipped with advanced equipment and modern technology. For manufacturing our products, we have imported automated machineries, which help in maintaining consistent quality, increasing productivity and improving cost efficiency. For the baking process, we have imported hybrid ovens, which provide uniform baking and reduce heat spotting, ensuring uniform quality of each batch of our products.



The following tables set forth the annual installed capacity of our manufacturing facilities for each product segment respective period mentioned below:

Manufacturing Facility*	Units for installed capacity	Installed Capacity as of March 31, 2020	Capacity Utilisation (%) in Financial Year 2020	Installed Capacity as of March 31, 2019	Capacity Utilisation (%) in Financial Year 2019	Installed Capacity as of March 31, 2018	Capacity Utilisation (%) in Financial Year 2018	Installed Capacity as of September 30, 2020	Capacity Utilisation (%) the period April 1, 2020 to September 30, 2020
Phillaur (Punjab)									
<i>Biscuits (Manufacturing – Domestic & Exports)</i>	MT	26,400	91%	26,400	99%	28,200	98%	13,500	98%
<i>Biscuits (Manufacturing - contractual)</i>	MT	26,400	89%	26,400	65%	25,200	48%	13,500	98%
Tahliwal (Himachal Pradesh)									
<i>Biscuits (Manufacturing – Domestic & Exports)</i>	MT	34,200	72%	34,200	93%	37,200	89%	17,100	96%
Rajpura (Punjab)									
<i>Biscuits (Manufacturing – Domestic & Exports)</i>	MT	14,600	40%	7,800	32%	Nil	Nil	6,600	71%
<i>Biscuits (Manufacturing - contractual)</i>	MT	1,000	80%	Nil	Nil	Nil	Nil	1,200	79%
Greater Noida (Uttar Pradesh)									
<i>Breads and other bakery products</i>	(in thousand packs)	65,903	80%	65,903	61%	51,650	64%	32,952	89%

Manufacturing Facility*	Units for installed capacity	Installed Capacity as of March 31, 2020	Capacity Utilisation (%) in Financial Year 2020	Installed Capacity as of March 31, 2019	Capacity Utilisation (%) in Financial Year 2019	Installed Capacity as of March 31, 2018	Capacity Utilisation (%) in Financial Year 2018	Installed Capacity as of September 30, 2020	Capacity Utilisation (%) the period April 1, 2020 to September 30, 2020
<i>Buns</i>	(in thousand packs)	1,70,755	81%	1,70,755	80%	1,70,755	67%	85,378	39%
<i>Frozen Products</i>	(in thousand packs)	12,193	36%	9,145	7%	Nil	Nil	6,096	21%
Khopoli (Maharashtra)									
<i>Breads and other bakery products</i>	(in thousand packs)	10,937	62%	7,762	69%	7,762	47%	5,468	73%
<i>Buns</i>	(in thousand packs)	1,70,755	53%	1,70,755	53%	1,70,755	49%	85,378	21%
Bengaluru (Karnataka)									
<i>Breads and other bakery products</i>	(in thousand packs)	7,762	18%	5,498	7%	Nil	Nil	3,881	56%
<i>Buns</i>	(in thousand packs)	93,139	51%	93,139	47%	93,139	34%	46,570	16%

Raw Materials

The primary raw materials required to manufacture our products are refined wheat flour, oil and fats, sugar, packaging material and others. The raw materials constituted 53.46%, 54.11%, 55.64%, 52.16% and 53.09%, respectively, as a percentage of our revenue from operations in Financial Years 2020, 2019, 2018, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019 respectively.

Further, we also require ingredients such edible common salt, sodium bi-carbonate, ammonium bi-carbonate, starch, flavouring agents and permitted food colours. Besides this, we also need, syrup, liquid glucose, dough conditioners, permitted emulsifiers, yeast, protease and amylase enzymes and desiccated coconut powder.

We presently procure all these raw materials from the local market based on our requirements on an on-going basis. We have long-standing relationships with certain of our suppliers, although we do not have any long term contracts with such third parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products. All our raw materials used in our biscuit and bakery products are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets and other factors.

Packaging

The primary packaging material used by us are mono films like polypropylene or low or high density polyethylene or cast Poly propylene for our breads, and Laminate of bi-axially oriented poly propylene /bi-axially oriented poly propylene or bi-axially oriented poly propylene /bi-axially oriented poly propylene (Transparent & metallised)/ cast poly propylene for our biscuits. This enables the product to have the shelf life of nine months in case of biscuits and six days in case of breads and other bakery products. These laminates are procured from established suppliers through purchase orders on a monthly basis. We use automated packaging machines to pack our products in different pack sizes.

For secondary and Tertiary packaging, we use duplex boxes or air tight cartons and corrugated carton boxes respectively to protect the primary or secondary packs in different stages of sales and distribution.

Quality Control

We place great emphasis on quality assurance and product safety at each stage of the manufacturing and packing process, right from the stage of procurement of raw materials and packing materials until the final product is packaged and ready for distribution. We have a dedicated quality assurance team comprising 63 personnel as on September 30, 2020, who ensure that adequate training is imparted to employees working in the supply chain departments from procurement to sales and marketing on quality assurance aspects. To ensure compliance with our

quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standards and the standards prescribed by our institutional customers.

We have also implemented stringent quality control standards for raw material and packing material suppliers and vendors. On-site inspections and routine audits are conducted for our vendors and suppliers to ensure constant supply of quality products. We also conduct on site sampling for independent tests of all materials including our primary and secondary packaging materials, to ensure that the standards and specifications in terms of colour, odour, taste, appearance and nutrients of the raw materials comply with our requirements. Further, we maintain our facilities and machinery and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies.

Certain of our key QSR customers have periodically audited and approved our facilities and manufacturing processes, which we believe helps us to establish long-term relationships with our key QSR customers. Once qualified, our products are customised to meet our customers' requirements.

We also inspect product samples at the assembly line and conduct batch-wise quality inspections on our products to ensure compliance with applicable food safety standards and laws.

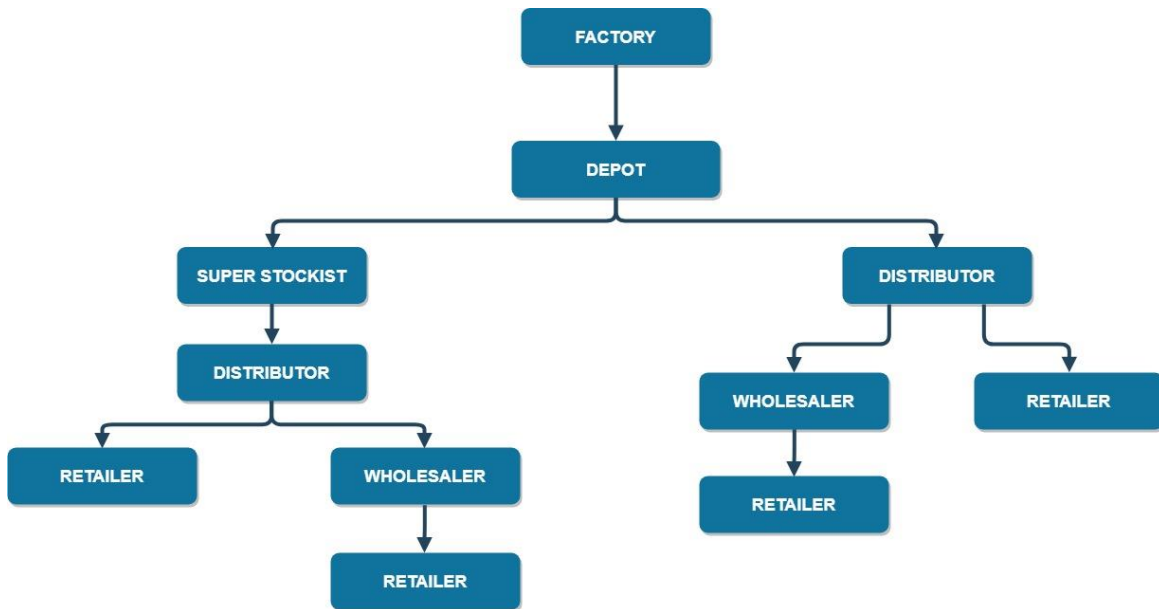
Our manufacturing facilities and processes have been granted quality certifications including:

- Manufacturing license from the Food Safety and Standards Authority of India for bread and bun products;
- Food Safety System Certification (FSSC) 2200 for manufacturing of buns and breads from UKAS Management Systems by SGS under UKAS Management Systems
- Food Safety System Certification (FSSC) 2200 for manufacturing of Biscuits, Cookies and Crackers by SGS & DNV under UKAS and RVAC Management Systems respectively
- certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits;
- certificate of registration with the United States Food and Drug Administration for our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahliwal Manufacturing Facility;
- "Halal" certification; and
- audit under Sedex Members Ethical Trade Audit (SMETA) for various labour standards, health and safety, environment and business ethics for our Phillaur Manufacturing Facility.

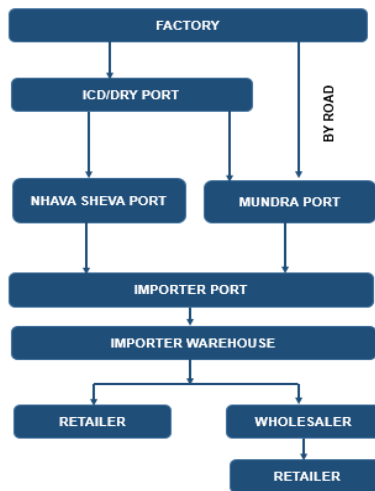
Distribution and Sales Network

For the distribution and sale of our products, we rely on our extensive distribution network, which enables us to effectively respond to market demand, evolving consumer preferences in our territories, and competitive pressures. We typically enter into a standard form distribution agreement with distributors for the distribution of biscuits, and bakery products in various territories. Under the terms of such distribution agreements, the distributor is responsible securing and executing orders of our products and for arranging for adequate warehousing and storage facilities for the products. Upon receipt of order from our distributors, we deliver our products to the warehouse of the distributor and the title of our inventory is transferred to such distributor. We also monitor our distribution network for our biscuits and bakery business through our in-house developed automation tool 'Peri', which enables us to track real-time coverage, sales, efficiencies and commercial hygiene by introducing 'KYC' procedure for all our outlets that helps us maintain detailed database and track future expansion.

Domestic distribution network



Exports distribution network



Biscuits

Domestic sales distribution network

Our principal markets in India for our biscuits include the states of Punjab, Himachal Pradesh, Jammu and Kashmir, Haryana and Rajasthan. We sell our products to retail customers through our widespread network of super-stockists, distributors and modern trade channels, which include super-markets and hyper-markets and through general trade channels, which include smaller stores. Our biscuits are sold through our extensive network of distributors. For the period between April 1, 2020 to September 30, 2020, we have widespread network of 196 super-stockists, and 748 distributors which allows us to reach a wide range of consumers through 458,000 retail outlets (*Source: Technopak Report*) and ensures effective penetration of our products in our key markets. We have entered into certain arrangements with certain preferred outlets, which help us enhancing our brand visibility and presence. For the period between April 1, 2020 to September 30, 2020, we had a network of 4,422 preferred outlets. Our modern trade channels include large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India including Walmart India Private Limited. We also distribute our biscuits to CSDs and Railway Station Canteens. According to the Technopak Report, we are one of the largest suppliers of biscuits to the CSDs supplying

in 33 locations across India. We are also an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India.

Export sales distribution network

In Financial Year 2020, we exported biscuits to across Central and South America, East and South Africa, the MENA region, North America, Australasia, Europe, Asia and Caribbean. We undertake export sales on (a) FOB basis (free on board); (b) cost and freight basis and (c) cost insurance freight basis. Our export products are manufactured at our Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Tahlilwal Manufacturing Facility. Once manufactured, our products are transported from the manufacturing facilities to the inland container depot situated in Ludhiana or directly to the Mundra port as the case may be. We engage the services of the clearing and forwarding agents (CF&A) engaged by us for arranging for the delivery of our products from the inland container depot in Ludhiana to the sea ports either from the Mundra port located in Gujarat or the Nhava Sheva port located in Maharashtra. Our products are shipped from the aforesaid ports to our buyers which include reputed retail chains, distributors and buying houses situated in various countries, such as Monteagle International (UK) Limited, Lulu Hypermarket Trading Co, E-Mart Inc., Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited and World Wide Imports (2008) Ltd.

Bakery Products

Our principal markets for our bakery products for retail customers includes Delhi NCR, Mumbai, Pune and Bengaluru. Our bakery products have a short shelf life and are primarily sold in proximity of our manufacturing facilities. We sell our bakery products to retail customers through various modern trade channels, smaller general stores and super markets. As on September 30, 2020, our bakery products sold to our retail customers under our brand 'English Oven' are currently sold through over 14, 000 retail outlets (*Source: Technopak Report*) situated in Delhi NCR region, Mumbai and Bengaluru.

We manufacture and supply bakery products such as buns, kulchas, cakes and frozen products in accordance with the specifications provided by our Institutional customers. Once the products are manufactured, we typically engage third party transportation service providers for the transportation of the products to the distribution centers or directly to the outlets of our QSR customers and other Institutional customers.

Marketing and brand building initiatives

We believe that developing and maintaining our brands 'Mrs. Bector's Cremica' and 'English Oven' critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers. Creating and maintaining public awareness of our brand is crucial to our business and accordingly we invest in various marketing and advertising campaigns. As a part of our marketing strategy, we have launched commercials across various advertising mediums, including television, cinemas, and newspapers, predominantly focused on northern states of India. Our marketing plan comprises advertising in print media, digital, television, radio and sponsorship of prominent sporting and cultural events in India. We also enter into arrangements with our preferred retail outlets, which helps us in enhancing our brand visibility. We have also undertaken various outdoor promotional campaigns, whereby we provide incentives to our distributors to promote our brands. We are also leveraging digital channels to promote our premium products. We focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. We have started our brand promotions in various e-commerce channels for our bakery products and are listed with leading e-commerce platforms in India. In our export markets as well, we invest in various marketing activities such as advertisements through posters, bill boards, vehicle branding, and placing gondolas in retail stores. We also participate in international trade fairs that provide us an opportunity to display our product portfolio and enhances our brand strength.

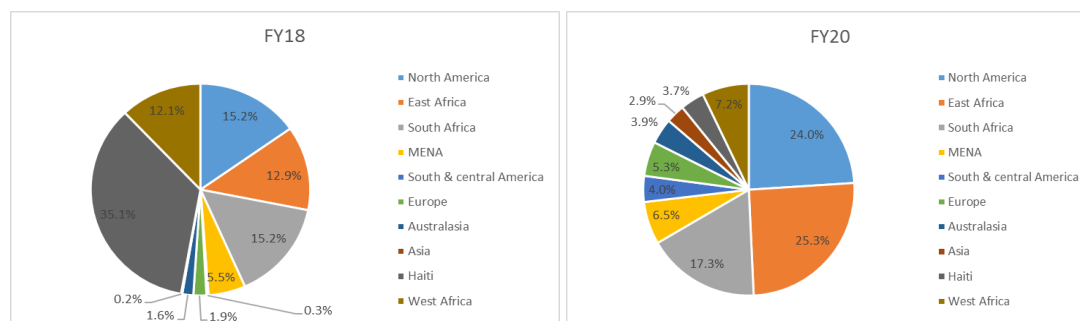
We believe that, the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility, market share and growing needs and preferences of our customers across various channels in domestic as well as export market.

Exports

During the Financial Year ended March 31, 2020, our biscuits were exported to 64 countries. In the Financial Years 2020, 2019, 2018, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30,

2019, revenues from export sales were ₹ 1,676.51 million, ₹ 2,468.41 million, ₹ 2,290.65 million, ₹ 1056.23 million and ₹ 760.85million, respectively, representing 22.00%, 31.50%, 33.17%, 24.51%, and 20.87% of our revenue from operations in such periods respectively.

The following charts set forth the regions to which we exported biscuits in the Financial Year 2018 and Financial Year 2020:



North America and Caribbean region represents our most significant markets. Our revenues from export of biscuits under our ‘Mrs. Bector’s Cremica’ brand during the period April 1, 2020 to September 30, 2020, constituted to 52.06% while the export of biscuits under private labels during the period April 1, 2020 to September 30, 2020, constituted to 47.94%.

During the Financial Year ended March 31, 2020, we exported our biscuits to 64 countries.



Competition

Biscuits

The Indian premium and mid-premium biscuits and premium bakery products market is highly competitive and fragmented with numerous international and local companies competing for the market share. According to the Technopak Report, the premium and mid premium biscuit market is ₹ 321 billion and has grown at a CAGR of 12.2% over the last five years (Source: Technopak Report). Branded biscuit market comprises of all the major players of biscuits, which serves both in rural, semi-urban and urban area. We face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. Our competitors include national players such as Britannia Industries Limited, Parle Biscuits Private Limited, ITC Limited and Anmol Industries Limited (Source: Technopak Report). We also face competition from certain regional players such as Surya Agro Food Limited. We also compete on a broader scale with regional bakeries in the unbranded biscuit sector.



Bakery

The Indian premium bakery market is highly fragmented, which the unbranded players contributing to about 45% of value share in the overall Indian bakery market. According to the Technopak Report, large players find it very difficult to expand to newer territories due to poor infrastructure and low-margin nature of business. Large players face tough competition from regional companies on pricing and distribution front. Distribution of product in local areas and customising it as per their consumer’s choice is more convenient for regional players (*Source: Technopak Report*). Within the branded bakery market, we face competition from Harvest Gold Foods India Private Limited, Britannia Industries Limited, Modern Food Industries (India) Limited and Bonn Nutrients Private Limited which currently have larger manufacturing capacity and have larger market presence.

The market for supply of bakery products to QSR customers is currently under-penetrated and according to the Technopak Report, we are the largest supplier of buns to QSR chains. According to the Technopak Report, we and Baker’s Circle are the key vendors for supply of processed and semi- processed dough-based offerings. In this segment, we face competition from in-house commissaries and other smaller players.

Intellectual Property

We have registered or have applied for registration for several trademarks in connection with our business, in India

as well as globally. Our logo ‘Mrs. Bector’s Cremica’,  and ‘English Oven’ are registered under class 30 of the Trademarks Act and both of them are currently operational. We also have copyrights and designs registered in connection with our business. For further information on the intellectual property of our Company, see **“Government Approvals”** on page 352. In addition, we are also aware that the use of our brands or similar trade names by third parties may result in confusion among consumers and loss of business. For further information, see **“Risk Factors - While certain of our trademarks and copyrights used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.”** on page 45. 

Employees

As of September 30, 2020, we had 2,698 permanent employees. The following table sets forth information on the number of employees in various departments of our business as of September 30, 2020.

Department	Number of Employees
Sales	403
Marketing	6
Research & Development	63
Manufacturing	1,651
Human resources	36
Others	539
Total	2,698

In addition, we have entered into arrangements with third party personnel companies for the supply of contract labour at our manufacturing facilities.

We conduct training workshops for our employees to develop a variety of skill sets and organise modules at regular intervals to promote teamwork and personal growth of employees. Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner.

Insurance

Our operations are subject to various risks inherent in the manufacturing industry. We maintain insurance policies for our manufacturing facilities, offices, buildings, machinery, equipment, products, marine cargo or transport, interruption and damage due to fire as well personal accident coverage and mediclaim policies for our employees. We also have a director’s and officer’s liability insurance, public liability industrial and storage policy for our Company.

Property

We own the land upon which our registered office is located, as well as certain land at Phillaur, (Punjab), Ludhiana (Punjab), Rajpura (Punjab) and Raigad (Maharashtra).

We have also obtained leasehold rights over property at Greater Noida in Uttar Pradesh (where our registered office is also located), Tahliwal in Himachal Pradesh and Dhar in Madhya Pradesh. With respect to property at Greater Noida in Uttar Pradesh, we have entered into a lease deed for a period of 90 years commencing from December 30, 1999 with Greater Noida Industrial Development Authority for a one time consideration. With respect to property at Tahliwal (Himachal Pradesh), we have entered into a lease deed with the Governor of Himachal Pradesh for a period of 95 years commencing from February 6, 2010 for a one time consideration. With respect to property at Bengaluru (Karnataka), we have entered into a lease deed with an individual party for a period of seven years commencing from December 1, 2016, for consideration to be paid on a monthly basis. With respect to property at Dhar (Madhya Pradesh), we have entered into a lease deed for a period of 99 years commencing from December 2, 2018, with the Governor of Madhya Pradesh for a one time consideration, an annual lease rent, development charges and annual maintenance charges.

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of certain sector specific relevant laws and regulations in India which are applicable to the operations of our Company and its Subsidiaries. The information available in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

Industry Specific Legislations

The Food Safety and Standards Act, 2006 (“FSS Act”)

The FSS Act was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”), for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSS Act, among other things, also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, under the FSS Act the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Penalties are levied for various defaults such as for selling food not of the nature or substance or quality demanded, sub-standard food, misbranded food, misleading advertisement, food containing extraneous matter, for failure to comply with the directions of Food Safety officer, for unhygienic or unsanitary processing or manufacturing of food, for possessing adulterant. Apart from the penalties, there are punishments prescribed for selling, storing, distributing or importing unsafe food, for interfering with seized items, for providing false information, for obstructing or impersonating a Food Safety officer, for carrying out a business without a licence and for other subsequent offences. The FSS Act also contains the provision for offences by the companies. Further, the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011, provide, among other things, the qualifications mandatory for the posts of the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’, and the procedure for taking extracts of documents, sampling and analysis. In order to address certain specific aspects of the FSS act, the FSSAI has framed several regulations such as the following:

- (a) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- (b) Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- (c) Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- (d) Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- (e) Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- (f) Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

Further, FSSAI has issued guidance note on ‘*Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID-19) Pandemic*’ (“**Guidance Note**”) with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. Additionally, it also provides guidance in relation to operative mechanism such as establishment of an in-house emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 Screening Protocol in place to screen all personnel entering the premise. All the employees or visitors should be screened at entry point for the symptoms of COVID-19 such as, among others, temperature (using non-contact type thermometer), cough and cold. The entrance shall mandatorily have measures installed for hand hygiene. Employees and food handlers should be encouraged to self-declare any symptoms of any respiratory illness before visiting the premises. To spread awareness and contain the spread of the disease, employers should employ and ensure compliance with numerous measures such as, among others, display of posters/standees/audio visuals on preventive measures for COVID-1, frequent usage of alcohol-based sanitisers, avoidance of close contact with symptomatic personnel, usage of face masks, and frequent cleaning and disinfection. Food businesses shall ensure that food handlers involved in food packaging should maintain a high level of personal hygiene and social distancing. All measures shall be adopted to ensure that food packaging is kept clean and away from sources of contamination.

The Guidance Note mandates strict adherence to General Hygiene Practices specified under Schedule 4 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011 (“**Schedule**”). The Schedule enumerates multiple compulsory measures to be adopted by food business operators in the interest of human nutrition, safety and hygiene. The Schedule mandates that the premises shall be clean, adequately lighted and ventilated, and sufficient free space for movement shall be made available. In relation to packaging of the products, it requires that the confectionary products should be wrapped/packaged only after proper cooling. No vessel, container or other equipment, the use of which is likely to cause metallic contamination injurious to health shall be employed in the preparation, packing or storage of food. The finished products should be refrigerated with proper labels indicating date of expiry. In relation to personal hygiene – all employees should wash their hands properly and they should be made aware of measures to avoid cross-contamination. Further, among other things, eating, chewing, smoking, spitting and nose blowing shall be prohibited within the premises especially while handling food, and persons suffering from infectious diseases shall not be permitted to work. Any cuts or wounds shall remain covered at all time and the person should not be allowed to come in direct contact with food.

Agricultural and Processed Food Products Export Development Authority Act, 1985 (“APEDA Act”)

The APEDA Act established the Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of agricultural or processed food products as specified in the first schedule of the APEDA Act. Persons exporting such products are required to be registered under the APEDA Act and also required to adhere the specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by persons exporting products as specified in the schedule.

Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act came into effect on April 1, 2011 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodities Rules”)

The Packaged Commodities Rules were framed under section 52(1) read with section 52(2) (j) and (q) of the Legal Metrology Act. The Packaged Commodities Rules lay down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, *inter alia* by mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules (“**Packaged Commodity Amendment Rules**”), issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules, especially in relation to e-commerce entities. The Packaged Commodity Amendment Rules came into force from January 1, 2018. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

Consumer Protection Act, 2019 (“COPRA, 2019”)

COPRA, 2019 came into force on August 9, 2019, replacing the Consumer Protection Act, 1986. It has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers,

unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes' redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 5.00 million to imprisonment which may extend to life sentences, for distinct offences under the act.

Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act which was notified on March 22, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act provides for establishment of Bureau of Indian Standards to take all necessary steps for promotion, monitoring and management of the quality of goods, articles, processes, systems and services, as may be necessary, to protect the interests of consumers and various other stake holders. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Further, the BIS Act also provides for, among other things, repairing or replacement or reprocessing of standard marked goods or services sold by a certified body but not conforming to the relevant Indian Standard.

Bureau of Indian Standards Rules, 2018 (“BIS Rules”)

Further, the Ministry, vide notification no. G.S.R. 584(E) dated June 25, 2018, has notified the BIS Rules. The BIS Rules have been notified in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. According to the BIS Rules, the Bureau shall establish Indian Standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary.

Labour Law Legislations

The Industrial Relations Code, 2020 (“Industrial Code”)

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

In addition to Industrial Code, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- (a) Apprentice Act, 1961;
- (b) Child Labour (Prohibition and Regulation) Act, 1986;
- (c) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- (d) The Workmen's Compensation Act, 1923.

The Code on Wages, 2019 (the “Wage Code”), the Occupational Safety, Health and Working Conditions Code, 2019 (“Labour Code, 2020”) and the Code on Social Security, 2020 (“Security Code”)

The Wage Code has been introduced to amend and consolidate the laws relating to wages and bonus, and matters connected therewith. It was introduced in the Lok Sabha on July 23, 2019 and was eventually passed in the Rajya Sabha on August 2, 2019, thereby receiving the President's assent on August 8, 2019. The Wage Code regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

The Labour Code shall replace 13 labour laws pertaining to safety, health and working conditions of the workforce. These include, among others, Factories Act, 1948, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979 and Contract Labour (Regulation and Abolition) Act, 1970. It applies to establishments employing at least 10 workers, and to all mines and docks. It provides for various penalties including imprisonment and monetary penalties for various offences prescribed under it.

The Security Code shall replace nine labour laws pertaining to compensation payable to the workforce. These include, among others, the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Security Code, in its schedule, provides for minimum number of workers to be employed in an establishment for different provisions of the code to be applicable to such establishments. It provides for, among other things, social security for unorganised workers, maternity benefits and gratuity payment provisions for employees.

Shops and Establishments Acts of various States (collectively "S&E Acts")

The S&E Acts in India are promulgated by the state and may slightly differ from state to state. Currently we are operational in the states of Punjab, Haryana, Himachal Pradesh, Uttar Pradesh, Rajasthan, Bihar, Madhya Pradesh, Maharashtra, Uttarakhand and Telangana. All shops and commercial establishments operating within each state are covered by the respective S&E Acts. Shops are defined as premises where goods are sold either by retail or wholesale or where services are rendered to customers, and includes an office, a store-room, godown, warehouse or workhouse or work place. Establishments are defined as shop, a commercial establishment, residential hotel, restaurant, eating-house, theatre or other places of public amusement or entertainment. Further, establishments as defined by the act may also include such other establishments as defined by the Government by notification in the Official Gazette.

The S&E Acts regulates a number of aspects relating to the operation of a shop or commercial establishment. Some of the key areas regulated by the shop and establishment act include: hours of work, interval for rest and meals, prohibition of employment of children, employment of young person or women, opening and closing hours, close days, weekly holidays, wages for holidays, time and conditions of payment of wages, deductions from wages, leave policy, dismissal, cleanliness, lighting and ventilation, precautions against fire, accidents and record keeping.

Legislations relating to sale of goods

The Sale of Goods Act, 1930 ("**Sale of Goods Act**") governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provisions of the Sale of Goods Act.

Intellectual Property Laws

Trademarks Act, 1999 ("Trademarks Act") and the Trademarks Rules, 2017 ("Trademarks Rules")

The Trademarks Act which has replaced the Trademarks Act, 1958, came into effect on September 15, 2003. Trademarks Act provides for the process for making an application and obtaining registration of trademarks in India. The Trademarks Act allows for the registration of service marks and three-dimensional marks as well.

Under the Trademarks Act, the term 'mark' is defined to include 'a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or, combination of colours, or any combination thereof.' Under the provisions of the Trade Mark Act, an application for trademark registration may be made before the trademarks registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in future. Once granted, a trademark registration is valid for 10 (ten) years unless cancelled, subsequent to which, it can be renewed.

Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark

(Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

Also, the Trademark Rules, 2002 have been amended after extensive stakeholder consultation to allow for accelerated examination of applications and simplification of procedures. The Trade Marks Rules were notified on March 6, 2017.

Copyright Act, 1957 (“Copyright Act”)

Copyright Act covers literary works, artistic works, musical works, dramatic works, cinematograph films and sound recordings. In addition to these, it also has certain protection for performers termed as performers’ rights. Copyright protection extends only to original expressions, and not to ideas, procedures, and methods of operation or mathematical concepts as such. Original need not be new or novel but something that has originated from the author and not copied from somewhere. There is no minimum requirement for a work to qualify for a copyright although titles, slogans, or logos are generally not covered. Copyright protection is obtained automatically without the need for registration or other formalities. Copyright protection remains valid until expiry of 60 (sixty) years from the calendar year next following the year of the demise of the author.

Environmental Laws

Environment Protection Act, 1986 (“EP Act”) and Environment Protection Rules, 1986

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take measures to protect and improve the environment such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Apart from this, several notifications and rules have also been made, some of which include the Hazardous Wastes (Management and Handling) Rules in 1989, Recycled Plastics (Manufacture and Usage) Rules 1999, and the Municipal Solid Wastes (Management and Handling) Rules in 2000. In addition to these eco-specific legislations, realising that there is no comprehensive legislation dealing with biodiversity in India, and to fulfil its international obligation under the Convention on Bio-Diversity, the Government of India has enacted the Biological Diversity Act, 2002.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules are to be read with the EP Act. The Hazardous Waste Rules ensure resource recovery and disposal of hazardous waste in environmentally sound manner. The Hazardous Waste Rules are environment and industry- friendly. The provisions are in line with government’s Ease of Doing Business and Make in India initiatives, but with responsible concerns for sustainable development. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Furthermore, in terms of the Hazardous Waste Rules, the occupier has been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment and shall require license/authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the concerned state pollution control board.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”);

The Water Act was enacted to control and prevent pollution and for maintaining or restoring of wholesomeness of water in the country. This is the first law passed in India whose objective was to ensure that the domestic and industrial pollutants are not discharged into rivers, and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support marine life. In order to achieve its objectives, the Pollution Control Boards (PCBs) at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board.

Laws Relating to Taxation

Central Goods and Services Tax Act, 2017 (“CGST Act”); Integrated Goods and Services Tax Act, 2017 (“IGST Act”); and the various State Goods and Services Acts (collectively “SGST Acts”)

The Goods and Services Tax (GST) has replaced *erstwhile* taxes levied and collected by the Central Government: central excise duty, service tax, central surcharges, cesses so far as they relate to supply of goods and services etc. state taxes that have been subsumed by the GST are State VAT, central sales tax, luxury tax, taxes on advertisements, purchase tax, state surcharges, cesses so far as they relate to supply of goods and services etc. The GST would be now applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base.

The GST to be levied by the Centre on intra-State supply of goods and/or services is called the Central GST (“CGST”) as provided by the CGST Act and that to be levied by the States is called the State GST (“SGST”) as given under the SGST Acts. An Integrated GST (“IGST”) under the IGST Act, is to be levied and collected by the Centre on inter-State supply of goods and services.

The CGST and SGST is to be levied at rates to be jointly decided by the Centre and States. The rates are notified on the recommendations of the GST Council. There is a floor rate with a small band of rates within which the States may fix the rates for SGST. The list of exempted goods and services is common for the Centre and the States. Tax payers are allowed to take credit of taxes paid on inputs (‘input tax credit’) and utilise the same for payment of output tax. However, no input tax credit on account of CGST is to be utilised towards payment of SGST and vice versa. The credit of IGST is permitted to be utilised for payment of IGST, CGST and SGST in that order.

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy (“**FDI Policy**”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Under the current FDI Policy, foreign direct investment in companies engaged in the manufacturing sector is permitted up to 100% of the paid up share capital of such company under the automatic route, i.e. without requiring prior government approval, subject to compliance with certain prescribed pricing guidelines and reporting requirements.

Regulations Related to Foreign Trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 (“**Foreign Trade Act**”). The Foreign Trade Act has empowered the Central Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorises the government to formulate as well as announce the foreign trade policy and to also keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments especially that of the Director-General to advise the Central Government in formulating the foreign trade policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number from the Director-General or the authorised officer. The act provides the balancing of all the budgetary targets in terms of imports and exports. The principal objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

The Central Government has introduced the Foreign Trade Policy, 2015 – 2020 (“**Foreign Trade Policy**”) with a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the ‘*Make in India*’ program. The Foreign Trade Policy has introduced the

Merchandise Exports from India Scheme with an objective to offset infrastructural inefficiencies and associated costs involved in export of goods, which are produced or manufactured in India. The scheme entails a reward system in relation to export of certain notified goods to notified markets. On the similar lines, the Foreign Trade Policy has introduced the Service Exports from India Scheme incentivising the export of services from India to notified markets.

In accordance with the notification no. 01(RE-2013)/2009-2014 issued by the Director General of Foreign Trade dated April 18, 2013 importers can avail of the Zero Duty Export Promotion Capital Goods (EPCG) Scheme which allows import of capital goods for pre-production, production and post-production at zero customs duty (“**Zero Duty EPCG Scheme**”). This is however subject to an export obligation equivalent to 6 (six) times of duty saved on capital goods imported under such scheme, to be fulfilled in 6 (six) years reckoned from the date of authorisation of the Zero Duty EPCG Scheme for an importer.

Other Regulations

Electricity Act, 2003 (“Electricity Act”)

The Electricity Act is a comprehensive enactment which has been passed to deal with various matters relating to generation, transmission, distribution, trading and use of electricity. The Electricity Act aims at taking measures conducive to the development of electricity industry, through promotion of competition and protection of the interests of consumers in terms of supply and rationalisation of tariff. Adoption of transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, constitution of a Central Electricity Authority, framing of regulatory commissions and the establishment of an Appellate Tribunal constitute the basic policies of the Electricity Act.

Petroleum Act, 1934 (“Petroleum Act”)

The Petroleum Act is a central legislation that regulates the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Act import, transport or storage of any petroleum is prohibited without obtaining a license from the concerned authorities. Penalties are imposed for contravention of the Petroleum Act in the form of criminal penalties and confiscation of petroleum with the receptacle in which it is contained. These are to be read with the Petroleum Rules, 2002.

In addition to the above, our Company is subject to various laws and regulations such as the fire acts of various states; State laws on Industrial Establishments (National and Festival Holidays) Act, 1965; Industries (Development and Regulation) Act, 1951; and the Micro, Small and Medium Enterprises Development Act, 2006.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Quaker Cremica Foods Private Limited on September 15, 1995, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 15, 1995 issued by the Registrar of Companies, N.C.T of Delhi and Haryana. Pursuant to the termination of a joint venture agreement, the name of our Company was changed to Mrs. Bectors Food Specialities Private Limited as approved by our shareholders by way of a resolution dated December 10, 1999 and a fresh certificate of incorporation dated December 15, 1999 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana. Pursuant to the conversion of our Company to a public limited company as approved by way of a shareholders resolution dated December 7, 2001, the name of our Company was changed to Mrs. Bectors Food Specialities Limited and a fresh certificate of incorporation dated December 10, 2001 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana.

Changes in registered office of our Company

Details of changes in the registered office of our Company are as set forth below.

Date of change	Details of address of the registered office	Reason for change
November 23, 2009	The address of the registered office of our Company was changed from Plot No. 2/539, Pipal Wala Mohalla, Badli, New Delhi 110 042, India to Theing Road, Phillaur, Jalandhar 144 410, Punjab, India *	In view of administrative convenience

*Pursuant to approval received from the Company Law Board, New Delhi on November 12, 2009

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are set forth below.

“1. To manufacture, produce, process, buy, sell, import, export or to deal in any manner in India or abroad in edible items: namely sauces, ketchups, syrups, chocolates, toppings, pastries, biscuits, bread, buns, other bakery items, cakes and confectionery, sweets, nuts, frozen products and other relishable food products in all forms and varieties as are served or consumed or may be served or consumed in hotels, restaurants, clubs, bars or as may be otherwise sold in the market.

2. To manufacture, produce, process, buy, sell import or export and to deal in any manner in India or abroad, in meat items, poultry produce and preparations thereof, in food preparations of all varieties of grains, cereals, seeds, oil seeds, plants, flowers, vegetables and fruits in particular, and in milk foods, baby foods, expanded snacks and other table delicacies.”

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Set forth below are details of the changes made to our Memorandum of Association of our Company in the last 10 years:

Date of shareholders' resolution	Details of amendment
March 30, 2011	Clause V of the MoA was amended to reflect the re-classification of authorised share capital from ₹ 30,000,000.00 divided into 1,125,000 Equity Shares of ₹ 10.00 each and 100,000 optionally convertible preference shares of ₹ 50.00 each and 275,000 compulsorily convertible preference shares of ₹ 50.00 each to ₹ 300,000,000.00 divided into 30,000,000 Equity Shares of ₹ 10.00 each.
April 1, 2013	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 300,000,000.00 divided into 30,000,000 Equity Shares of ₹ 10 each, to ₹ 341,500,000.00 divided into 34,150,000 Equity Shares of ₹ 10.00 each
June 29, 2013	Clause 1 of III A was amended to reflect the following changes in the main objects <i>“To manufacture, produce, process, buy, sell, import, export or to deal in any manner in India or abroad in edible items; namely sauces, ketchups, syrups, chocolates, toppings, pastries, biscuits,</i>

Date of shareholders' resolution	Details of amendment
	<i>cakes and confectionery, sweets, nuts and other perishable products in all forms and varieties as are served or consumed or may be served or consumed in hotels, restaurants, clubs, bars or as may be otherwise sold in the market”.</i>
February 20, 2017	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 341,500,000.00 divided into 34,150,000 Equity Shares of ₹ 10 each to ₹ 572,676,220.00 divided into 57,267,622 Equity Shares of ₹ 10 each.
June 30, 2017	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 572,676,220.00 divided into 57,267,622 Equity Shares of ₹ 10.00 each, to ₹ 576,000,000.00 divided into 57,600,000 Equity Shares of ₹ 10.00 each.
August 1, 2018	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 576,000,000.00 divided into 57,600,000 Equity Shares of ₹ 10.00 each to ₹ 578,500,000.00 divided into 57,850,000 Equity Shares of ₹ 10.00 each.
September 20, 2019	Clause 24 of III B of the MoA was amended to reflect the following changes: “to borrow money from any state financial corporations, banks or other financial institutions any term loans or other sums on such security and other charges as stipulated by the financial corporation or banks with mortgage of all or any property of the company whether present or future or both”.
October 16, 2020	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 578,500,000.00 divided into 57,850,000 Equity Shares of ₹ 10.00 each to ₹ 650,000,000.00 divided into 65,000,000 Equity Shares of ₹ 10.00 each.

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Events and Milestones
2006	<ul style="list-style-type: none"> Entered into a business transfer agreement dated October 11, 2006 with CAFL wherein the business in relation to manufacturing of food products such as biscuits, buns and namkeen etc. of CAFL was transferred to our Company on slump sale basis. Investment of ₹ 750.00 million by Jade Dragon (Mauritius) Limited through subscription of Series A Preference Shares and Series B Preference Shares of our Company by way of a share subscription agreement
2007	<ul style="list-style-type: none"> Commenced supply of buns to Hardcastle Restaurants Private Limited which operates multiple restaurants in West and South geographies in India
2010	<ul style="list-style-type: none"> Entered into an agreement with Cadbury India Limited for the manufacture of biscuits Series A Preference Shares and Series B Preference Shares of our Company held by Jade Dragon (Mauritius) Limited were transferred to IL&FS Trust Company Limited and India Business Excellence Fund-I
2013	<ul style="list-style-type: none"> Commissioned operations through our Khopoli Manufacturing Facility for production and supply of buns to Hardcastle Restaurants Private Limited
2014	<ul style="list-style-type: none"> Commenced the bun operations at our Bengaluru Manufacturing Facility for production and supply of buns to Hardcastle Restaurants Private Limited
2015	<ul style="list-style-type: none"> Linus, Mabel, GW Confectionary and GW Crown acquired stake in our Company
2017	<ul style="list-style-type: none"> Capacity expansion of bun line by installation of bakery machinery and equipment at our Greater Noida Manufacturing Facility
2018	<ul style="list-style-type: none"> Introduction of new bread line by installation of bakery machinery and equipment establishment at our Greater Noida Manufacturing Facility Established new production line for breads at our Bengaluru Manufacturing Facility Commenced operations at our Rajpura Manufacturing Facility

Key awards, accreditations and recognition

Set forth below are some of the significant awards and accreditations received by our Company.

Calendar Year	Awards and accreditations
2010	<ul style="list-style-type: none"> Our Company received the Apeda Export Award for Outstanding Export Performance and Contribution in the Processed Foods Sector

Calendar Year	Awards and accreditations
2016	<ul style="list-style-type: none"> Our Company received Food Safety System Certification 22000 from UK AS Management Systems for manufacturing (pre-mixing, mixing, moulding, baking cooling, sandwiching) of biscuits and cookies for a period of three years from March 10, 2016
2018	<ul style="list-style-type: none"> Our Company received the Award of Honour by Income Tax Department, Ludhiana
2019	<ul style="list-style-type: none"> Our Company received the Award for Best Brand for 2018-2019 by The Economic Times Our Company received the Award for Excellence in Partnership by KFC Our Company received Food Safety System Certification 22000 from UK AS Management Systems for manufacturing of biscuits
2020	<ul style="list-style-type: none"> Our Company received a renewal for Food Safety System Certification 22000 from UK AS Management Systems for manufacturing (pre-mixing, mixing, moulding, baking cooling, sandwiching) of biscuits and cookies Our Company received Food Safety System Certification 22000 from UK AS Management Systems for manufacturing of Fresh and Frozen (Bread, Pizza base & Bun)

Significant financial or strategic partnerships

Our Company does not have any financial and strategic partners as on the date of this Prospectus.

Time/ cost overrun in setting up projects

In the past, we have not experienced any time or cost overruns in relation to implementation of our projects.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” and “- *Major events and milestones of our Company*” on pages 149 and 184.

Defaults or rescheduling of borrowings with financial institutions/banks

As on the date of this Prospectus, there are no defaults or rescheduling of borrowings with financial institutions/banks.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any merger, amalgamation or any revaluation of assets in the preceding 10 years.

Our Company and Cremica Industries Limited, Mrs. Bector’s Cremica Enterprises Limited, BFL, Cremica Foods Limited, Cremica Milk Specialities Limited and Cremica Food Industries Limited filed a composite scheme of amalgamation and arrangement (“**Scheme of Amalgamation and Arrangement**”) before the High Court of Punjab and Haryana at Chandigarh for sanctioning the Scheme of Amalgamation and Arrangement and for dispensing of meetings of equity shareholders, secured and unsecured creditors of the Company. The High Court of Punjab and Haryana approved the Scheme of Amalgamation and Arrangement through the order dated July 4, 2014 (“**Order**”).

Pursuant to the Order and approval of the Scheme of Amalgamation and Arrangement:

- (i) the bread business of Cremica Industries Limited was demerged (on a going concern basis) into Mrs. Bector’s Cremica Enterprises Limited;
- (ii) Cremica Industries Limited (after the demerger of its breads business), Bector Foods Limited, Cremica Foods Limited and Cremica Milk Specialities Limited, was merged with our Company, with effect from April 1, 2012; and
- (iii) the Condiments Undertaking was demerged (on a going concern basis) into Cremica Foods Industries Limited

Summary of Key Agreements and Shareholders’ Agreements

Shareholders Agreement dated August 24, 2015, as amended by Deed of Adherence and Amendment Agreement dated December 4, 2015 and amendment, the supplemental agreement dated August 8, 2018, and the second amendment and supplemental agreement dated October 16, 2020 executed by and amongst our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown, and GW Confectionary as amended by Deed of Adherence dated November 26, 2020 executed by and amongst our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown, GW Confectionary, AB Family Trust, IB Family Trust and SB Family Trust

Our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector and Linus have entered into a shareholders agreement dated August 24, 2015, pursuant to which our Company, Mr. Anoop Bector, Mrs. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown and GW Confectionary (collectively referred to as the “**Parties**”) entered into a deed of adherence and amendment agreement dated December 4, 2015 (collectively referred to as the “**Shareholders Agreement**”). Further, the Parties entered into an amendment agreement dated August 8, 2018 to amend the existing clauses, amongst others, the ‘Details of Promoter and Shareholding’ to de-promoterise other founder members of the Company, except Mr. Anoop Bector and the ‘Initial Public Offering’ to determine the obligations of Parties in relation to the expenses of an initial public offerings (“**First Amendment Agreement**”). However, all the terms of the First Amendment Agreement was terminated on December 31, 2018, except Clause 6 (*Amendments*).

In terms of the Shareholders Agreement, Linus, Mabel, GW Crown and GW Confectionary (together, the “**Investors**”) have certain rights and obligations, among others, (i) pre-emptive rights and anti-dilution rights in the event our Company issues any equity shares or any rights, options, warrants, appreciation rights or instruments entitling the holder to receive any Equity Shares of the Company, (ii) initial public offering as per the terms and conditions agreed upon, (iii) the right to nominate two Directors on our Board and these Directors shall be entitled to be a member of, or at the option of the Investors, an invitee on all such committees, (iv) right to appoint an observer, (v) exit rights and tag-along rights in the event of certain proposed transfer of shares by other parties, and (vi) certain information rights.

However, pursuant to another amendment and supplemental agreement dated October 16, 2020, executed by and amongst, GW Crown, GW Confectionary, Linus, Mabel, our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF and Mr. Suvir Bector (the “**Second Amendment Agreement**”), all the special rights available to the Investors including the pre-emptive rights, anti-dilution rights, affirmative rights, exit rights, tag-along rights and information rights, except the nomination right, shall automatically stand terminated upon commencement of listing of the Equity Shares on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company. Further, in terms of the Second Amendment Agreement, the Parties have waived some of their rights in relation to an initial public offering. The Parties have agreed that our Company shall remain in compliance with applicable law with respect to the composition of its Board and committees at all times as required for a public limited company from the date of filing this Prospectus and our Company shall be responsible solely to ensure such compliance. In accordance with the terms of the Second Amendment Agreement, Linus and Gateway, will have the right to mutually nominate one director on our Board (“**Nominee Right**”), so long as they hold at least 10% of our Company’s fully diluted paid-up share capital jointly, subject to such right being approved by the shareholders of the Company subsequent to the consummation of the Offer and applicable Laws, where Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF and Mr. Suvir Bector shall vote in favour of such resolution and shall ensure that any future transferees of the Equity Shares shall vote in favour of such resolution, and the Nominee Right will cease to exist in the event the collective shareholding of Gateway and Linus falls below the aforesaid threshold of 10%.

Further, post the listing and trading of our Equity Shares in a recognised Stock Exchange, at the request of any Shareholder, our Company shall provide to such Shareholder: (a) annual reports; (b) annual, semi-annual, quarterly and other periodic financial statements and reports; (c) any other interim or extraordinary reports; and (d) prospectuses, registration statements, offering circulars, offering memoranda and other document relating to any offering of securities by our Company, provided, in each case, that (x) our Company shall, prior to providing any Shareholder with such information, will make such information available to the public; and (y) our Company confirms that it is not prohibited under any applicable law from providing such information to such Shareholder.

The Second Amendment Agreement shall *ipso facto* terminate if listing of our Equity Shares is not completed on or before March 31, 2021. In the event that the Second Amendment Agreement is terminated, then the rights of the Investors shall be reinstated as per the Shareholders’ Agreement.

Pursuant to the transfer of Equity Shares held by Mr. Anoop Bector, Mr. Ishaan Bector, Mr. Suvir Bector to Mrs. Rashmi Bector and subsequent transfer by Mrs. Rashmi Bector to AB Family Trust, IB Family Trust and SB Family Trust, respectively (“**Family Trusts**”), a Deed of Adherence dated November 26, 2020 was executed by and amongst our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown, GW Confectionary, the Family Trusts through their trustees, wherein the Family Trusts agreed to, *inter alia*, (i) the terms of the Shareholders’ Agreement, First Amendment Agreement and Second Amendment Agreement including in relation to the ownership of the Company and the conduct of its business, and (ii) assume, perform, and comply with each of the obligations of the Transferors.

Key terms of other subsisting material agreements

Our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company, other than mentioned in “*History and other Corporate Matters- Summary of Key Agreements and Shareholders Agreements*” on page 186.

Agreements with Key Managerial Personnel, Director or any other employee

There are no agreements entered into by our Key Managerial Personnel or Director or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Joint Ventures of our Company

As on the date of this Prospectus, our Company does not have any joint ventures.

Subsidiaries of our Company

As on the date of this Prospectus, our Company has two subsidiaries.

Bakebest Foods Private Limited

Bakebest Foods Private Limited (“**BFPL**”) was incorporated under the Companies Act, 1956 on December 17, 2009 with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Subsequently, the name was changed to Bakebest Foods Limited with a fresh certificate of incorporation dated May 15, 2013, issued by the RoC. Further the name was changed to Bakebest Foods Private Limited with a fresh certificate of incorporation dated March 30, 2015, issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Its registered office is located at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India. The CIN of BFPL is U15412PB2009PTC033442. BFPL is currently engaged in the business of manufacturing, producing, processing, entering into collaboration and dealing in all kinds of biscuits, breads and bakery products. In accordance with the provisions of the objects clause of its memorandum of association, BFPL is permitted to carry out its present business activities.

The authorised share capital of BFPL is ₹ 185,000,000.00 divided into 18,500,000.00 equity shares of ₹ 10.00 each and its paid-up share capital is ₹ 181,500,000.00 divided into 18,150,000 equity shares of ₹ 10.00 each. Our Company directly and through its nominees holds 100% of the issued, subscribed and paid-up equity share capital of BFPL.

There are no accumulated profits or losses of BFPL not accounted for by our Company.

Mrs. Bector’s English Oven Limited

Mrs. Bector’s English Oven Limited (“**MBEOL**”) was incorporated under the Companies Act, 1956 on September 18, 2013 and received the certificate for the commencement of its business on October 14, 2013 issued by the RoC. Its registered office is located at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India. The CIN of MBEOL is U15412PB2013PLC037958. MBEOL is currently engaged in the business of manufacturing, entering into foreign

collaboration and dealing in all kind of cookies, wafers and rusks. In accordance with the provisions of the objects clause of its memorandum of association, MBEOL is permitted to carry out its present business activities.

The authorised share capital of MBEOL is ₹ 500,000.00 divided into 50,000 equity shares of ₹ 10.00 each and its paid-up share capital is ₹ 500,000.00 divided into 50,000 equity shares of ₹ 10.00 each. Our Company directly and through its nominees holds 100% of the issued, subscribed and paid-up equity share capital of MBEOL.

There are no accumulated profits or losses of MBEOL not accounted for by our Company.

OUR MANAGEMENT

Under the Articles of Association, our Company is authorised to have a minimum of three directors and a maximum of up to 12 Directors. As on the date of this Prospectus, our Company has ten Directors.

The following table sets forth details regarding our Board as on the date of this Prospectus:

Name, designation, address, occupation, date of birth, nationality, term, period of directorship and DIN	Age (in years)	Directorships in other companies
<p>Mr. Subhash Agarwal</p> <p><i>Designation:</i> Chairman and Independent Director</p> <p><i>Address:</i> House No. 400/1, Rani Jhansi Road, Civil Lines, Ludhiana 141 001, Punjab, India</p> <p><i>Occupation:</i> Advocate</p> <p><i>Date of birth:</i> September 15, 1936</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from February 10, 2017[#]</p> <p><i>Period of Directorship:</i> Since February 10, 2017</p> <p><i>DIN:</i> 02782473</p>	84	<p><i>Private Companies</i></p> <ul style="list-style-type: none"> • Bakebest Foods Private Limited <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Nil
<p>Mr. Anoop Bector</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> October 5, 1962</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from October 1, 2020</p> <p><i>Period of Directorship:</i> Since the incorporation of our Company</p> <p><i>DIN:</i> 00108589</p>	58	<p><i>Private Companies</i></p> <ul style="list-style-type: none"> • Bakebest Foods Private Limited; and • Mrs. Bector's Cremica Dairies Private Limited <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Mrs. Bector's English Oven Limited
<p>Mr. Ishaan Bector</p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Address:</i> House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana – 141 001, Punjab, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> June 15, 1989</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation for a period of five years with effect from October 1, 2020</p> <p><i>Period of Directorship:</i> Since February 15, 2016</p>	31	<p><i>Private Companies</i></p> <p>Nil</p> <p><i>Public Companies</i></p> <p>Nil</p>

Name, designation, address, occupation, date of birth, nationality, term, period of directorship and DIN	Age (in years)	Directorships in other companies
<i>DIN:</i> 02906180		
Mr. Parveen Kumar Goel	57	<i>Private Companies</i>
<i>Designation:</i> Whole-time Director		<ul style="list-style-type: none"> Mrs. Bector's Cremica Dairies Private Limited
<i>Address:</i> House No. 230 - A, Near Kali Mata Mandir, Rishi Balmiki Nagar, Ludhiana – 141 001, Punjab, India		<i>Public Companies</i>
<i>Occupation:</i> Service		<ul style="list-style-type: none"> Mrs. Bector's English Oven Limited
<i>Date of birth:</i> August 21, 1963		
<i>Nationality:</i> Indian		
<i>Term:</i> Five years with effect from October 1, 2020		
<i>Period of Directorship:</i> Since May 1, 2008		
<i>DIN:</i> 00007297		
Ms. Rajni Bector	80	<i>Private Companies</i>
<i>Designation:</i> Non-executive Director		Nil
<i>Address:</i> House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India		<i>Public Companies</i>
<i>Occupation:</i> Business		Nil
<i>Date of birth:</i> June 2, 1940		
<i>Nationality:</i> Indian		
<i>Term:</i> Liable to retire by rotation		
<i>Period of Directorship:</i> Since September 30, 2006 [#]		
<i>DIN:</i> 00108730		
Mr. Rahul Goswamy	57	<i>Private Companies</i>
<i>Designation:</i> Non-executive Nominee Director*		<ul style="list-style-type: none"> DRSR Logistics Services Private Limited
<i>Address:</i> House 15 Bukit Tunggal Road, Singapore 309 699 SG		<i>Public Companies</i>
<i>Occupation:</i> Professional		Nil
<i>Date of birth:</i> November 10, 1963		<i>Foreign Companies</i>
<i>Nationality:</i> Singaporean		<ul style="list-style-type: none"> Angsana Singapore Pte. Ltd; Angsana International Limited; Angsana Finance Limited; Ash Investments Pte. Ltd.; ASN Investments Limited; Gateway Africa Real Estate Limited; Gateway (Cayman) Limited; Gateway Capital Partners Limited; Gateway Fund Company Pte. Ltd.; Gateway Fund II Company Pte. Ltd.; Gateway Holdings Limited; Gateway Management Company Pte. Ltd.;
<i>Term:</i> Not liable to retire by rotation		
<i>Period of Directorship:</i> Since December 8, 2015		
<i>DIN:</i> 07357011		

Name, designation, address, occupation, date of birth, nationality, term, period of directorship and DIN	Age (in years)	Directorships in other companies
		<ul style="list-style-type: none"> • Gateway Partners Limited; • Gateway Partners II Limited; • GW Active Limited; • GW Confectionary Pte. Ltd.; • GW Crown Pte. Ltd.; • GW Fibre Limited; • GW Forest Pte. Ltd.; • GW Grey Pte. Ltd.; • GW Investments Limited; • GW Redwood Pte. Ltd.; • GW Retail Limited; • GW Three Pte. Ltd.; • GW Sky Pte. Ltd.; • GW Supernova Pte. Ltd.; • Falcon Investments Pte. Ltd. • Leopard Tree Finance Limited; • Liquid Telecommunications Holdings Limited; • Mabel Private Limited; • Mahogany Singapore Company Pte. Ltd.; • Narra Finance Limited; • Peregrine Finance Limited; • Rain Tree Investments Pte Ltd; and • Sparrow Investments Pte. Ltd.
<p>Mr. Nem Chand Jain</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> House No. B-19/1135, Rajpura Road, Behind Marino Ice Cream, Tagore Nagar, Ludhiana 141 001, Punjab, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> February 2, 1950</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from April 1, 2016</p> <p><i>Period of Directorship:</i> Since April 1, 2016</p> <p><i>DIN:</i> 02894923</p>	70	<p><i>Private Companies</i></p> <ul style="list-style-type: none"> • Bakebest Foods Private Limited <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Avon Cycles Limited
<p>Mr. Rajiv Dewan</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 96-F, Rishi Nagar, Ludhiana 141 001, Punjab, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> November 30, 1961</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from July 10, 2018</p> <p><i>Period of Directorship:</i> Since July 10, 2018</p> <p><i>DIN:</i> 00007988</p>	59	<p><i>Private Companies</i></p> <p>Nil</p> <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Trident Limited

Name, designation, address, occupation, date of birth, nationality, term, period of directorship and DIN	Age (in years)	Directorships in other companies
<p>Mr. Tarun Khanna</p> <p><i>Designation:</i> Non-Executive Nominee Director**</p> <p><i>Address:</i> B-9/21, Second floor, Vasant Vihar, South West Delhi – 110057, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> March 16, 1971</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since February 14, 2020</p> <p><i>DIN:</i> 02306480</p>	49	<p><i>Private Companies</i></p> <ul style="list-style-type: none"> • Sapphire Foods India Private Limited; and • Thalappakatti Hotels Private Limited <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Barbeque-Nation Hospitality Limited
<p>Mrs. Pooja Luthra</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> I-1626, 2nd Floor, Chittranjan Park, New Delhi-110019, India</p> <p><i>Occupation:</i> Consultant</p> <p><i>Date of birth:</i> June 7, 1979</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years with effect from September 19, 2020</p> <p><i>Period of Directorship:</i> Since September 19, 2020</p> <p><i>DIN:</i> 03413062</p>	41	<p><i>Private Companies</i></p> <p>Nil</p> <p><i>Public Companies</i></p> <ul style="list-style-type: none"> • Trident Limited

[#]In compliance with the requirement under Regulation 17(1A) of the SEBI Listing Regulations and other applicable provisions, of the Companies Act, 2013, the directorship of Mr. Subhash Agarwal and Ms. Rajni Bector was approved by the shareholders in the meeting dated October 16, 2020.

* Nominee of Gateway Partners

**Nominee of Linus

Brief profiles of our Directors

Mr. Subhash Agarwal is the Chairman and Independent Director of our Company. He holds a bachelor's degree in commerce from Shri Ram College of Commerce, Delhi University, a bachelor's degree in law from Punjab University, Chandigarh and post graduate certificate in business administration from Scottish College of Commerce. He is a practising advocate with an experience of 60 years. He has been a member of the District Taxation Bar Association, Ludhiana since 1995. He was felicitated with a Life Time Achievement Award and an Award of Appreciation by the District Taxation Bar Association (Direct Taxes), Ludhiana. He was appointed as the Chairman on our Board on July 10, 2018. He has been on our Board since February 10, 2017.

Mr. Anoop Bector is the Managing Director of our Company. He holds a bachelor's degree in commerce from Satish Chander Dhawan Government College, Panjab University. He has completed a training programme on international supply chain management conducted by McDonalds in Singapore in 2001. He was also awarded the 'Business Knight of Punjab' by the Economic Times in 2015. He was appointed as a non-official member of the board of management of Punjab Agricultural University, Ludhiana on June 25, 2018. He has been on our Board since the incorporation of our Company and has an experience of 25 years with our Company.

Mr. Ishaan Bector is a Whole-time Director of our Company. He holds a bachelor's degree in arts from Michigan State University and attended a management programme for family business from the Indian School of Business. He is currently the Director – breads heading the breads and bakery business of our Company. He has been on our Board since February 15, 2016.

Mr. Parveen Kumar Goel is a Whole-time Director of our Company. He holds a bachelors' degree in commerce from S.C. Dhawan Government College, Ludhiana, Panjab University. He is a qualified chartered accountant from the Institute of Chartered Accountants of India. He is currently the chief financial officer of our Company. He has been on our Board since May 1, 2008.

Ms. Rajni Bector is a Non-Executive Director of our Company. In the past, she has completed various short term courses including 'Domestic Fruit and Vegetable Preservation' from Government Agricultural College, Ludhiana in 1957 and from College of Agriculture, Punjab Agricultural University in 1977. She has also completed short term courses on 'Dairy Technology' in 1966 and 1977, and 'Specialised Training Course in Baking and Cooking' from Punjab Agricultural University in 1977. She received an 'Award for Excellence' from FICCI Ladies Organisation, Ludhiana in 2009. She was awarded 'Outstanding Women Entrepreneur' by Small Industries Development Bank of India in 2010, 'Hall of Fame 2010, The Premier League' by the Human Factor in 2010, 'Woman of Excellence' from FICCI Ladies Organisation, Ludhiana in 2014, 'Lifetime Achievement Award' and 'Pride of Punjab' by Global Achievers Forum in 2017. She was also felicitated with an award in 2017 by State Bank of India for her outstanding achievement as an entrepreneur and serving as a role model for the women fraternity. She has been on our Board since September 30, 2006.

Mr. Rahul Goswamy is a Non-executive Nominee Director of our Company. He holds a bachelors' degree in commerce from the University of Bombay and Cost and Works Accountants degree, and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. Prior to Gateway Partners, he had over 28 years' of experience in the banking sector with Standard Chartered Bank and Bank of America. Currently, he is a partner at Gateway Partners, and a member of the Securities Industry Council of Singapore. He has been on our Board since December 8, 2015 as a nominee of Gateway Partners.

Mr. Nem Chand Jain is an Independent Director of our Company. He holds a bachelor's degree in science and master's degree in science from Panjab University, Chandigarh. He is a certified associate of the Indian Institute of Bankers. He has over 36 years of experience in the banking sector. He has previously worked with Punjab National Bank as a general manager. He is currently an advisor for the Nehru Sidhant Kender Trust. He has been on our Board since April 1, 2016.

Mr. Rajiv Dewan is an Independent Director of our Company. He is a fellow member of the Institute of Chartered Accountants of India and is a practicing Chartered Accountant. He has over 25 years of experience in Taxation and Business Restructuring consultancy. He is currently a partner in R. Dewan & Co., Chartered Accountants, Ludhiana. In the past, he has also served as a director in various companies including JSW Vallabh Tinplate Private Limited, Punjab Communications Limited, Trident Aerospace Limited, Trinetra Technologies Limited, Trident Powercom Limited, Trident Brokers Limited, Trident Research Limited and Trident Brands Limited. He has been on our Board since July 10, 2018.

Mr. Tarun Khanna is a Non-executive Nominee Director of our Company. He holds a bachelor's degree in science from the University of Maryland and a master's degree in business administration from the University of Baltimore. He joined CX Advisors LLP in February 2009 in the capacity of an investment principal and was inducted as a partner of the firm from March 2013. He is currently a partner of CX Advisors LLP. He has been on our Board since February 14, 2020.

Mrs. Pooja Luthra is Independent Director of our Company. She holds a bachelor's degree in Commerce from Jesus & Mary College, Delhi University, a master's degree in Arts - Industrial/Organisational Psychology from Chicago School of Professional Psychology and a post-graduation diploma in Business Administration – Global Business Operations from Shri Ram College of Commerce, Delhi University. She has over 17 years of experience as a Consulting Specialist. She is also associated with Trident Limited as a director on their board. She has been on our Board since September 19, 2020.

Relationship between Directors

Except for (i) Mr. Anoop Bector who is the father of Mr. Ishaan Bector, (ii) Ms. Rajni Bector who is the mother of Mr. Anoop Bector and (iii) Ms. Rajni Bector the grandmother of Mr. Ishaan Bector, none of our Directors are related to each other.

Terms of Appointment of our Whole-time Directors

Mr. Anoop Bector:

Mr. Anoop Bector has been re-appointed as the Managing Director of our Company, pursuant to the resolution passed by our Board and Shareholders dated September 19, 2020 and October 16, 2020 with effect from October 01, 2020 till September 30, 2025. Subsequently, his appointment is governed by the terms of the employment agreement dated October 16, 2020. Further, pursuant to the resolution of the Board dated September 19, 2020 and shareholders dated October 16, 2020, he is entitled to remuneration as set out below, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	₹ 2,650,000.00 per month
Leave Encashment	Up to ₹ 2,652,000.00 per annum
Club Expenses	Expenses of club including admission fees and life membership fees up to ₹ 660,000.00 per annum
Insurance	Payment of premium of up to ₹ 360,000.00 per annum towards health and mediclaim insurance policy Payment of premium of up to ₹ 1,620,000.00 per annum keyman insurance
Provident Fund	₹ 3,18,000.00 per month
Gratuity	Up to half of the monthly salary for each completed year of service.
Other Expenses	Driver's salary and expenses incurred towards fuel for three cars used

Further, Mr. Anoop Bector has not been paid any remuneration in Financial Year 2020, by our Subsidiaries, including contingent or deferred compensation for Financial Year 2020.

Mr. Ishaan Bector:

Mr. Ishaan Bector has been re-appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Board dated September 19, 2020 and Shareholders dated October 16, 2020, with effect from October 01, 2020 till September 30, 2025. Subsequently, his appointment is governed by the terms of employment agreement dated October 16, 2020. Further, pursuant to the resolution of the Board dated September 19, 2020 and shareholders dated October 16, 2020, he is entitled to remuneration as set out below, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	₹ 1,330,000.00 per month
Leave Encashment	Up to ₹ 492,000.00 per annum
Club Expenses	Expenses of club including admission fees and life membership fees up to ₹ 120,000.00 per annum
Insurance	Payment of premium of up to ₹ 240,000.00 per annum towards health and mediclaim insurance policy. Payment of premium of up to ₹ 420,000.00 per annum keyman insurance
Provident Fund	₹ 120,000.00 per month
Gratuity	Up to half of the monthly salary for each completed year of service.
Other Expenses	Driver's salary and expenses incurred towards fuel for car used

Further, Mr. Ishaan Bector has not been paid any remuneration in Financial Year 2020, by our Subsidiaries, including contingent or deferred compensation for Financial Year 2020.

Mr. Parveen Kumar Goel:

Mr. Parveen Kumar Goel was re-appointed as a Whole-time Director of our Company pursuant to the resolution passed by our Board and Shareholders on September 19, 2020 and October 16, 2020 with effect from October 01, 2020 till September 30, 2025 and accordingly, entitled to remuneration as set out below, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	Up to ₹ 1,000,000.00 per month
Provident Fund and Superannuation Fund	Contribution to the extent of these singly or put together are not taxable under the Income Tax Act, 1961
Gratuity	Not exceeding half month's salary for each completed year of service
Business Expenses	Reimbursement of entertainment and all other expenses actually and properly incurred by him in course of legitimate business of the Company.
Leave Encashment	As per leave policy of the Company

Further, Mr. Parveen Kumar Goel has not been paid any remuneration in Financial Year 2020, by our Subsidiaries, including contingent or deferred compensation for Financial Year 2020.

Compensation paid to our Executive Directors

Our Executive Directors were paid following compensation in the Financial Year 2020:

Name of our Director	Compensation paid (in ₹)
Mr. Anoop Bector	33,876,715.00
Mr. Ishaan Bector	15,587,029.00
Mr. Parveen Kumar Goel	5,845,222.00

Compensation paid to our Non- Executive Directors

Except for Ms Rajni Bector who is recipient of consultancy fees by the Company, as on the date of this Prospectus, other than our Independent Directors, our Non- Executive Directors are not entitled to receive any compensation from our Company.

Compensation paid to our Independent Directors

Pursuant to a resolution of our Board dated July 10, 2018, our Independent Directors are entitled to receive a sitting fee of ₹ 25,000 for attending each meeting of our Board apart from the cost of travelling and other out of pocket expenses that shall be paid in addition to the sitting fees.

Following sitting fees/compensation was paid to our Independent Directors in the Financial Year 2020:

Name of our Director	Compensation paid (in ₹)
Mr. Nem Chand Jain	75,000.00
Mr. Subhash Agarwal [#]	100,000.00
Mr. Rajiv Dewan	50,000.00
Mrs. Pooja Luthra [*]	Nil

[#]Mr. Subhash Agarwal also receive a legal consultancy fees from our Company for income tax matters of the Company.

^{*}Mrs. Pooja Luthra was appointed as Director with effect from September 19, 2020.

Compensation paid to our Directors by our Subsidiaries

Except for Ms. Rajni Bector who received a remuneration ₹ 3.60 million from BFPL, our Directors did not receive any remuneration from BFPL or MBEOL in the Financial Year 2020.

Loans to Directors

No loans have been availed by our Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to our Directors of the Company.

Bonus or profit sharing plan for our Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors in our Company

As per our AoA, our Directors are not required to hold qualification shares.

Except as disclosed in “*Capital Structure - Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 87, none of our Directors hold any Equity Shares in our Company as on the date of this Prospectus.

Arrangement or understanding with major shareholders, customers, suppliers or others

Except for our Non-executive Nominee Directors Mr. Rahul Goswamy who has been appointed as a nominee for GW Crown, GW Confectionary and Mabel and Mr. Tarun Khanna who has been appointed as a nominee for Linus, none of our Directors or Key Management Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For details of the shareholders’ agreement pursuant to which Mr. Rahul Goswamy and Mr. Tarun Khanna were appointed on our Board, see “*History and Certain Corporate Matters – Summary of Key Agreements and Shareholders’ Agreements*” on page 186.

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them. Subhash Agarwal is interested to the extent of receipt of legal consultancy fees on income tax matters by the Company. Further, Mr. Anoop Bector and Mr. Ishaan Bector (as a co-parcener to Anoop Bector HUF) are interested to the extent of receipt of rent from some of the properties leased to the Company, see “*Financial Statements*” on page 218. For details, see “*Financial Statements – Restated Consolidated Financial Information – Annexure VI – Notes to Restated Consolidated Financial Information*” on page 252.

Our Managing Director, Mr. Anoop Bector is also a promoter of our Group Companies and Subsidiaries and may be deemed to be interested to the extent of payments made between our Company and Group Companies or such Subsidiaries if any.

Some of our Directors may be interested in options granted pursuant to ESOP Plan 2017. For details, see “*Capital Structure*” on page 73. Some of our Directors are interested to the extent of interest received from our Company on unsecured loans provided by them to the Company. For details, see “*Financial Statements*” on page 218.

Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

Our Nominee Directors, Mr. Rahul Goswamy and Mr. Tarun Khanna may also be deemed to be interested to the extent of Equity Shares held by the respective entities nominating them in the Company.

For further details regarding the shareholding of our Directors, see “*Capital Structure - Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 87.

Interest in property

None of our Directors are interested in any property acquired by our Company within two years of the date of this Prospectus, or presently, proposed to be acquired by it.

Interest in promotion of our Company

Except Mr. Anoop Bector, none of our Directors have any interest in the promotion of our Company, as on the date of this Prospectus.

Confirmations

Our Promoter, Mr. Anoop Bector who is one of the promoters and was a director on the board of directors of CAFL and our Non – executive Director, Ms. Rajni Bector was a director on the board of directors of CAFL. CAFL was previously listed on OTCEI, an *erstwhile* stock exchange which was de-recognised as a stock exchange by SEBI pursuant to an order passed by SEBI on March 31, 2015. Pursuant to de-recognition of OTCEI, CAFL was identified as an exclusively listed company and was placed on the dissemination board of BSE. While CAFL was on the dissemination board, CAFL had received two notices from BSE dated March 28, 2018 and April 9, 2018, respectively, pursuant to which certain actions were undertaken against the directors of CAFL, including against our Promoter Mr. Anoop Bector and our non-executive director, Ms. Rajni Bector, who were then directors on the board of directors of CAFL, pursuant to the SEBI 2016 Circular and the SEBI 2017 Circular, for the alleged failure of CAFL to not submit its plan of action to BSE in a timely manner. However, CAFL vide a letter dated February 8, 2017, had submitted its plan of action with BSE citing its intention to list its equity shares on MSEIL. Further, CAFL received listing approval from MSEIL vide a letter issued by MSEIL dated July 12, 2018 pursuant to which the equity shares of CAFL were admitted to listing on MSEIL with effect from July 16, 2018. Subsequent to the listing of CAFL equity shares on MSEIL, the BSE, vide its letter dated July 20, 2018 removed CAFL from its dissemination board in accordance with the SEBI 2016 Circular and SEBI 2017 Circular. For details, see “*Risk Factors - In the past, one of our Group Companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange, OTC Exchange of India (“OTCEI”) and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past.*” on page 24.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, our Directors are not, and during the five years prior to the date of this Prospectus, have not been on the board of any listed company whose shares have been/were suspended from being traded on BSE or NSE.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, none of our Directors have been or are directors on the board of any listed companies which is or has been delisted from any stock exchange(s) during the term of their directorship in such companies.

Our Non-executive Nominee Director, Mr. Tarun Khanna is a beneficiary and trustee of AAJV Investment Trust. AAJV Investment Trust had received a letter from SEBI dated July 19, 2018 requesting for certain information with respect to trading activities in the scrip of Natco Pharma Limited. AAJV Investment Trust replied to SEBI by way of a letter dated August 6, 2018 providing the information requested by SEBI. There has been no further communication received from SEBI after the reply filed by AAJV Investment Trust.

No proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise of any of Directors of our Company.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

Changes in our Board during the last three years*

The changes in our Board during the three years immediately preceding the date of this Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Mr. Tarun Khanna	July 10, 2018	Cessation as a Nominee Director
Mr. Rajiv Dewan	July 10, 2018	Appointment as an Independent Director
Mr. Tarun Khanna	February 14, 2020	Appointment as a Non-Executive Nominee Director
Mrs. Pooja Luthra	September 19, 2020	Appointment as an Independent Director

* This table is not indicative of the regularisation of our Directors.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the Board resolution dated July 10, 2018 and the special resolution passed by our Shareholders on August 1, 2018, our Board has been

authorised to borrow sums of money with or without security, which, together with the monies borrowed by our Company (excluding temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not at any time exceed the amount of ₹ 3,500.00 million over including all divisions of the Company.

Corporate Governance

As on the date of this Prospectus, there are ten Directors on our Board comprising three Executive Directors including one managing director and two whole time directors, seven Non-executive Directors including four Independent Directors. The Chairman of our Board, Mr. Subhash Agarwal is an Independent Director and Mr. Anoop Bector is our Managing Director. Further, we have two women director on our Board. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee; and
- (d) CSR Committee.

In addition to the above committees, our Company has also constituted a Risk Management Committee of the Board.

Audit Committee

The Audit Committee was last re-constituted by a resolution of the Board dated July 10, 2018. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises of:

S. No.	Name of our Director	Designation
1.	Mr. Rajiv Dewan (Independent Director)	Chairperson
2.	Mr. Subhash Agarwal (Independent Director)	Member
3.	Mr. Rahul Goswamy (Non-executive Nominee Director)	Member

The quorum necessary for the transaction of business shall be two members or one third of the members of the Audit Committee, whichever is greater with at least two independent directors. A duly convened meeting of the Audit Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Audit Committee. The Audit Committee shall meet at least four times in a year and not more than 120 days should lapse between two meetings.

Scope and terms of reference:

The role of the Audit Committee shall include the following:

- 1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- 2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- 4) reviewing, the financial statements with respect to its unlisted subsidiary(ies), in particular investments made by such subsidiary(ies) of the Company;
- 5) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Modified opinion(s) in the draft audit report.
- 6) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 8) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 9) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- 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, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 14) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15) discussion with internal auditors of any significant findings and follow up there on;
- 16) 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;
- 17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- 18) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- 20) reviewing the functioning of the whistle blower mechanism;
- 21) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- 22) approval of appointment of chief financial officer (i.e., the Whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 23) reviewing the utilisation of loans and/or advances from/ investments by the holding company in the subsidiary exceeding ₹ 100 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of the provision; and
- 24) carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was last re-constituted pursuant to a resolution passed by our Board on September 19, 2020. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

S. No.	Name of our Director	Designation
1.	Mr. Rajiv Dewan (Independent Director)	Chairperson
2.	Mrs. Pooja Luthra (Independent Director)	Member
3.	Mr. Rahul Goswamy (Non-executive Nominee Director)	Member

Scope and terms of reference:

The role of the Nomination and Remuneration Committee shall 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 employees;
- 2) Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) 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 and shall carry out evaluation of every director's performance (including Independent Director);
- 5) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of directors;
- 6) Recommend to the Board, all remuneration, in whatever form, payable to the senior management;
- 7) Determining the Company's policy on specific remuneration packages for Executive Directors and recommending remuneration of such directors and any increase therein from time to time, within the limit approved by the members of the Company;

- 8) Recommending remuneration to Non-Executive Directors in the form of sitting fees for attending meetings of the Board and its Committees, remuneration for other services, commission on profits;
- 9) Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- 10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the SEBI Insider Trading Regulations; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- 11) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:
 - (a) administering the ESOP Plan 2017;
 - (b) determining the eligibility of employees to participate under the ESOP Plan 2017;
 - (c) granting options to eligible employees and determining the date of grant;
 - (d) determining the number of options to be granted to an employee;
 - (e) determining the exercise price under the ESOP Plan 2017; and
 - (f) construing and interpreting the ESOP Plan 2017 and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Plan 2017, and
- 12) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was last re-constituted by a resolution of our Board dated July 10, 2018, in compliance with Section 178 and any other applicable law of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises of:

S. No.	Name of our Director	Designation
1.	Mr. Rajiv Dewan (Independent Director)	Chairperson
2.	Mr. Anoop Bector (Managing Director)	Member
3.	Mr. Rahul Goswamy (Non-executive Nominee Director)	Member

Scope and terms of reference:

The role of the Stakeholders' Relationship Committee shall include the following:

- 1) Considering and resolving grievances of shareholders, debenture holders and other security holders;
- 2) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
- 3) Resolving the grievances of the security holders of the Company 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.
- 4) Review of measures taken for effective exercise of voting rights by shareholders.

- 5) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- 6) Review of various measures and initiative 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.
- 7) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- 8) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- 9) Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

CSR Committee

The CSR Committee was last re-constituted by a resolution of our Board dated November 20, 2019 and its composition and terms of reference are in compliance with Section 135 and other applicable provisions of the Companies Act 2013. The CSR Committee currently comprises of:

S. No.	Name of our Director	Designation
1.	Mr. Anoop Bector (Managing Director)	Chairperson
2.	Mr. Subhash Agarwal (Independent Director)	Member
3.	Mr. Parveen Kumar Goel (Whole time Director)	Member

Scope and terms of reference:

The role of the CSR Committee shall 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 as specified in Schedule VII of the Companies Act, 2013;
- 2) review and recommend the amount of expenditure to be incurred on the activities referred to above;
- 3) monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- 4) any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated July 10, 2018. The scope and functions of the Risk Management Committee are in compliance with the Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises of:

S. No.	Name of our Director	Designation
1.	Mr. Rahul Goswamy (Non-executive Nominee Director)	Chairperson
2.	Mr. Parveen Kumar Goel (Whole time Director)	Member
3.	Mr. Rajiv Dewan (Independent Director)	Member

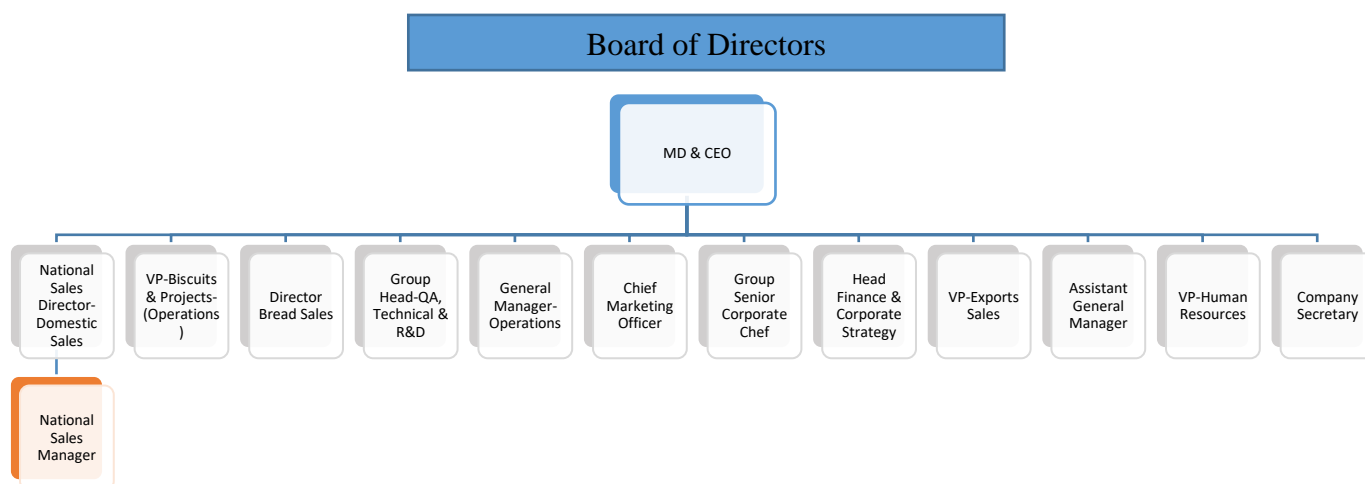
Scope and terms of reference:

The role of the Risk Management Committee shall include the following:

- 1) to review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- 2) to frame, devise and monitor risk management plan and policy of the Company;

- 3) to review and recommend potential risk involved in any new business plans and processes;
- 4) To review and monitor cyber risk to the extent applicable to the Company; and
- 5) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law.

Management Organisation Structure



Key Management Personnel

In addition to our Managing Director, Mr. Anoop Bector, our Whole-time Directors, Mr. Ishaan Bector and Mr. Parveen Kumar Goel whose details are provided in “*Brief Profiles of our Directors*” above, the details of our other Key Management Personnel as on the date of this Prospectus are set forth below.

Mr. Manoj Verma, aged 51 years, is the national sales director (domestic sales) of our Company. He holds a bachelor’s degree in arts from Agra University and a diploma in marketing management from the National Institute of Sales in New Delhi. He has more than 26 years of experience in sales and marketing. He has previously worked with Colgate Palmolive (India) Limited, Aditya Birla Retail Limited and Mondelez India Foods Private Limited (*erstwhile* Cadbury India Limited) while holding various positions. He joined our Company on September 1, 2016. In the Financial Year 2020, he received a gross remuneration of ₹ 9.02 million.

Mr. Neeraj Aggarwal, aged 50 years, is the vice president (biscuits and projects operations) of our Company. He holds a bachelor’s degree in electrical engineering from Thapar Institute of Engineering and Technology in Patiala, Punjab. He has previously worked with Britannia Industries Limited as unit head. He has joined our Company on November 19, 2012. In the Financial Year 2020, he received a gross remuneration of ₹ 5.91 million.

Mr. Romel Kumar, aged 41 years, is the national sales manager of our Company. He holds a bachelor’s degree in arts from Magadh University and a post graduate degree in business management from Birla Institute of Management Technology, New Delhi. He has previously worked with Pepsico India and UNIBIC Foods. He has over 15 years of experience in the FMCG sector. He has joined our company on August 14, 2019. In the Financial Year 2020, he received a gross remuneration of ₹ 2.73 million.

Mr. Rajeev Dubey, aged 50 years, is the director-bread sales of our Company. He holds a bachelor’s degree in Commerce from University of Delhi. He has over 26 years of experience in sales. He has previously worked with Ready Roti India Pvt Limited (Harvest Gold) as general manager (sales and marketing). He has joined our Company on August 23, 2018. In the Financial Year 2020, he received a gross remuneration of ₹ 5.64 million.

Mr. Asim Bhaumik, aged 59 years, is the group head of quality, technical, research and development of our Company. He holds a bachelor’s degree in science (chemistry) from the University of Calcutta and a master’s degree

in chemistry from University of Calcutta. He also holds a master of philosophy degree in environmental science from University of Calcutta. He has previously worked with Dabur India Limited as an additional general manager (operations) and Britannia Industries Limited as unit head. He has more than 23 years of experience in production and operations. He joined our Company on May 11, 2015. In the Financial Year 2020, he received a gross remuneration of ₹ 4.81 million.

Mr. Shantilal Sukalal Chaudhari, aged 58 years, is the general manager (operations) of our Company. He holds a degree of master of science in food technology from Central Food Technological Research Institute in Mysore. He has more than 24 years of experience in production. He has previously worked with Al Rashed Food Limited as production-manager, Mini Bakeries (Nairobi) Limited as operations manager. He has joined our Company on August 19, 2003. In the Financial Year 2020, he received a gross remuneration of ₹ 4.86 million.

Mr. Gurpreet Singh Amrit, aged 46 years, is the chief marketing officer of our company. He holds a post graduate diploma in management from Symbiosis, Pune. He has previously worked with Dabur India Limited, Wrigley India (P) Limited, Bajaj Corp Limited, and Emami Limited and has achieved awards including Global Best Advertising award, Advertising Effectiveness Award. He has over 19 years of experience in the consumer goods industry. He has joined our Company on January 20, 2020. In the Financial Year 2020, he received a gross remuneration of ₹ 1.28 million.

Mr. Deep M.S Bajaj, aged 41 years, is the group senior corporate chef of our Company. He has completed a three year diploma course in hotel management and catering technology and a diploma in a two year kitchen management programme from the Oberoi Centre of Learning and Development. He has previously worked with Kilimanjaro Hotel, Kempinski, Djibouti Palace Kempinski, Oberoi Group of Hotels & Resorts, Trident Hotel and The Ritz Carlton Hotel Company. He has over 14 years of experience in the hotel industry. He has joined our Company on June 1, 2020 and hence did not receive any remuneration in the Financial Year 2020.

Mr. Deepak Kumar Jain, aged 35 years, is the head of finance and corporate strategy of our Company. He is a qualified chartered accountant from the Institute of Chartered Accountants of India and Company Secretary from the Indian Institute of Company Secretaries of India. He holds a bachelor's degree of commerce from the Maharshi Dayanand Saraswati University of Ajmer. He also holds an ACCA diploma in International Financial Reporting. He has over 10 years of experience in finance and business planning. He has previously worked with Parag Milk Foods Limited, JSW Steel Limited and ICICI Prudential Life Insurance Limited. He has joined our Company on May 11, 2020 and hence did not receive any remuneration in the Financial Year 2020.

Mr. Suvir Bector, aged 25 years, is the vice president - exports of our company. He has graduated with bachelor's degree in arts with honours in management with marketing from University of Exeter and has a master's in global supply chain management from Cass Business School, City University in London. He has joined our Company on July 24, 2018. In the Financial Year 2020, he received a gross remuneration of ₹ 6.02 million.

Ms. Neha Bector, aged 30 years, is the assistant general manager of our Company. She holds a bachelor's degree in commerce from Lady Shri Ram College of Women, University of Delhi and a master of science in finance with a specialism in corporate finance from Cass Business School, City University in London. She has previously worked with Lotus Integrated Texpark Limited as the chief executive officer and Trident Limited as a front line entrepreneur in the corporate division. She has over eight years of experience in management. She has joined our Company on January 2, 2017. In the Financial Year 2020, she received a gross remuneration of ₹ 5.13 million.

Mr. Mayank Arora, aged 35 years, is the vice president (human resources) of our Company. He holds a bachelor's degree in law from Bharati Vidyapeeth in Pune, a degree in MBA-LLM from the National Law University in Jodhpur and also a master's degree in business laws from National Law School of India University in Bengaluru. He also holds a certificate in labour laws from University of Pune. He has more than 10 years of experience in human resources. He has previously worked with Cargill India Private Limited as head- sales HR. He has been associated with our Company since October 17, 2016. In the Financial Year 2020, he received a gross remuneration of ₹ 3.83 million.

Mr. Atul Sud, aged 35 years, is the company secretary of our Company. He holds a bachelor's degree in arts from Kurukshetra University. He also completed a bachelor's degree in law from Kurukshetra University in 2008 and a post graduate diploma in business administration from Symbiosis Centre for Distance Learning in 2011. He is also a qualified company secretary from the Institute of Company Secretaries of India and a fellow of the Institute of Company Secretaries of India since September 11, 2019. He has also completed a 'general course on Intellectual Property' from WIPO Worldwide Academy and a course on 'Intellectual Property Rights and Information

Technology in the Internet Age' from Indian Law Institute, New Delhi in 2007. He has also completed a diploma in cyber law from Asian School of Cyber Laws, the Government College, Mumbai in 2007 and a diploma in French from Kurukshetra University in 2008. He has previously worked with Nahar Poly Films Limited as a company secretary July 2011 until August 12, 2016. He joined our Company on August 13, 2016. In the Financial Year 2020, he received a gross remuneration of ₹ 0.90 million.

Status of Key Management Personnel

All the Key Management Personnel are permanent employees of our Company.

Relationship among Key Management Personnel

Except for (i) Mr. Anoop Bector who is the father of Mr. Ishaan Bector, (ii) Ms. Neha Bector who is the wife of Mr. Ishaan Bector, (iii) Mr. Anoop Bector who is the father-in-law of Ms. Neha Bector, (iv) Mr. Anoop Bector who is the father of Mr. Suvir Bector, (v) Mr. Suvir Bector who is the brother of Mr. Ishaan Bector (vi) Ms. Neha Bector who is the sister-in-law of Mr. Suvir Bector, none of our Key Management Personnel are related to each other.

Bonus or profit sharing plan for the Key Management Personnel

There is no profit sharing plan for the Key Management Personnel of our Company.

Shareholding of Key Management Personnel in our Company

Except as disclosed in "*Capital Structure - Shareholding of our Directors and Key Managerial Personnel in our Company*", on page 87, none of our Key Management Personnel hold any Equity Shares in our Company as on the date of this Prospectus.

Service Contracts with Key Management Personnel

Our Company has not entered into any service contracts, pursuant to which its officers, including its Directors and Key Management Personnel, are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Directors and Key Management Personnel, are entitled to any benefit upon termination of employment or superannuation.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Interest of Key Management Personnel

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Management Personnel may also be interested to the extent of Equity Shares allotted to them pursuant to ESOP Plan 2017.

Changes in Key Management Personnel during the last three years

The changes in our Key Management Personnel during the three years immediately preceding the date of this Prospectus are set forth below, other than changes to Whole-time Directors and the Managing Director, which is disclosed in "*Changes in our Board during the last three years*" on page 197.

Name	Date	Reason
Mr. Deep M.S. Bajaj	June 1, 2020	Appointment as group senior corporate chef
Mr. Deepak Kumar Jain	May 11, 2020	Appointment as head finance and corporate strategy
Mr. Gupreet Singh Amrit	January 20, 2020	Appointment as chief marketing officer
Mr. Vishal Malik	August 22, 2019	Cessation as international sales director (export sales)
Mr. Romel Kumar	August 14, 2019	Appointment as national sales manager
Mr. Munindra Sehgal	August 9, 2019	Cessation as head of corporate strategy and investor relations
Mr. Suvir Bector	February 1, 2019	Appointment as vice president - exports
Mr. Meik Bernd Weferling	October 22, 2018	Cessation as general manager for production, productivity and new product development
Mr. Rajeev Dubey	August 23, 2018	Appointment as director- bread sales
Ms. Shuchi Monga	May 15, 2018	Cessation as marketing manager
Mr. Munindra Sehgal	April 23, 2018	Appointment as head of corporate strategy and investor relations
Mr. Meik Bernd Weferling	April 10, 2018	Appointment as general manager for production, productivity and NPD

Employee stock option and stock purchase schemes

For details of the employee stock option scheme of our Company, see “*Capital Structure – Employee Stock Option Plan*” on page 88.

Payment or Benefit to Key Managerial Personnel of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

PROMOTER AND PROMOTER GROUP

Mr. Anoop Bector is the Promoter of our Company. As on the date of this Prospectus, our Promoter holds an aggregate of 12,550,800 Equity Shares, comprising 21.89% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details on shareholding of our Promoter in our Company, see “*Capital Structure*” on page 73.

The details of our Promoter is provided below:

Mr. Anoop Bector



Mr. Anoop Bector, aged 58 years, is our Promoter and Managing Director. He is a resident of, House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana, 141 001, Punjab, India. For the complete profile of Mr. Anoop Bector along with the details of his date of birth, educational qualification, experience in the business, positions/posts held in past, directorship, special achievements, his business and financial activities, see “*Our Management*” on page 189.

The permanent account number of Mr. Anoop Bector is ABJPB4770G, Aadhaar card number is 709991860248 and his driving license number is PB-1019950134145.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter, Mr. Anoop Bector have been submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Change in the management and control of our Company

Our Promoter, Mr. Anoop Bector, is the original promoter of our Company and there has been no change in the management of our Company except as stated below:

Pursuant to the Brand Separation MoU and Scheme of Arrangement and Amalgamation, our Promoter, Mr. Anoop Bector has disassociated from his brothers, Mr. Ajay Bector (and his family), and Mr. Akshay Bector (and his family). For details, see “*Risk Factors*” and “*History and Certain Corporate Matters*” on page 22 and 183 respectively.

Interests of Promoter and Related Party Transactions

Our Promoter is interested in our Company to the extent (i) that he has promoted our Company, (ii) his directorship in our Company and our Subsidiaries, (iii) of his shareholding and the shareholding of his relatives, (iv) of the dividend payable thereon, and (v) other distributions in respect of the Equity Shares held by him. For details on shareholding of our Promoter in our Company, see “*Capital Structure – History of the Equity Share Capital held by our Promoter*” on page 79.

Our Promoter is also interested in our Company as Managing Director and remuneration, benefits and reimbursement of expenses payable to him in such capacity. For details on the terms of his appointment, see “*Our Management*” on page 189.

Our Promoter was interested to the extent of receipt of interest from our Company on unsecured loans provided by him to our Company, which was outstanding until June 30, 2020. For details, see “*Risk Factors*” and “*Financial Statements*” on page 22 and 218 respectively.

Except as disclosed in this section and in “*Financial Statements*” on page 218, our Promoter has no interest in any property acquired by our Company during the three years preceding the date of this Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoter is interested to the extent of receiving certain consideration on renting of his properties to our Company which is currently used by our Company. For details, see “*Financial Statements – Restated Consolidated Financial Information – Annexure VI – Notes to Restated Consolidated Financial Information*” on page 252.

Our Promoter is not interested as a member of a firm or company (other than our Company) and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Payment of benefits to our Promoter or Promoter Group

Except as stated in this section, “*Our Management*” and “*Financial Statements*” on pages 189 and 218 respectively, there has been no payment of benefits made to our Promoter or members of our Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or members of our Promoter Group.

Except as disclosed in “*Financial Statements*” on page 218 and as disclosed below, our Company has not entered into any contract, agreements or arrangements during the two years immediately preceding the date of this Prospectus and does not propose to enter into any such contract in which our Promoter is directly or indirectly interested and no payment has been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with.

(i) Employment Agreement dated October 16, 2020.

Litigation involving our Promoter

Except as disclosed in “*Outstanding Litigation and Material Developments*” on page 346, there are no legal and regulatory proceedings involving our Promoter as on the date of this Prospectus.

Confirmations

Our Promoter, Mr. Anoop Bector is also one of the promoters of CAFL, which was previously listed on OTCEI, an *erstwhile* stock exchange which was de-recognised as a stock exchange by SEBI pursuant to an order passed by SEBI on March 31, 2015. Pursuant to the derecognition of OTCEL, CAFL was identified as an exclusively listed company and was placed on the dissemination board of BSE. While CAFL was on the dissemination board, CAFL received two notices from BSE dated March 28, 2018 and April 9, 2018, respectively, pursuant to which certain actions were undertaken against the directors of CAFL, including against our Promoter Mr. Anoop Bector and our non-executive director, Ms. Rajni Bector, who were then directors on the board of directors of CAFL, pursuant to the SEBI 2016 Circular and the SEBI 2017 Circular, for the alleged failure of CAFL to not submit its plan of action to BSE in a timely manner. However, CAFL vide a letter dated February 8, 2017 had submitted its plan of action to BSE by opting to list its equity shares on the MSEIL. CAFL received listing approval from MSEIL vide a letter dated July 12, 2018 issued by MSEIL pursuant to which the equity shares of CAFL were admitted to listing and trading on MSEIL with effect from July 16, 2018. Subsequent to the listing of equity shares of CAFL on MSEIL, the BSE, vide its letter dated July 20, 2018 has removed CAFL from its dissemination board in accordance with the SEBI 2016 Circular and the SEBI 2017 Circular. For details, see “*Risk Factors - In the past, our Group Companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange, OTC Exchange of India (“OTCEI”) and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past.” and “Outstanding Litigation and Material Developments - Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoter in the last five Financial Years*” on page 24 and 350, respectively.

Neither our Promoter, Mr. Anoop Bector nor any of the entities with whom he is associated as promoter have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

Except as stated above, as on the date of this Prospectus, our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as stated above, our Promoter is not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by

SEBI.

Our Promoter is not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoter is not a beneficiary of any loans and advances provided by our Company except for advances and other receivables for an amount of ₹3.20 million which is due from Cremica Agro Foods, as at September 30, 2020.

Our Promoter has not taken any unsecured loans which may be recalled by the lenders at any time. Our Promoter is not related to any of the sundry debtors of our Company or beneficiaries of any loans and advances.

Payment or Benefits to Promoter or Promoter Group

Except as disclosed in this section and stated otherwise in “*Financial Information*” on page 218 and in “*Our Management*” on page 189, there has been no payment or benefit to our Promoter or Promoter Group during the two years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or members of the Promoter Group as on the date of this Prospectus.

Common Pursuits

Other than our Promoter, Mr. Anoop Bector being a director in BFPL and MBEOL, he does not have any direct interest in any venture that is involved in any activities similar to those conducted by our Company. Further, our Promoter has undertaken to refrain from competing with our business or otherwise engage in any business activity that may compete with us, solicit our employees or acquire interest in competing ventures in locations in which we operate pursuant to the terms mentioned in the Shareholders Agreement. Our Company will adopt the necessary practices and procedures as permitted by law to address any conflict of interest as and when they arise. For details, see “*History and Certain Corporate Matters – Summary of Key Agreements and Shareholders Agreements*” on page 186.

Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see “*Our Management*” on page 189.

Companies or firms with which our Promoter has disassociated in the last three years

Our Promoter has not disassociated himself from any company in the three years immediately preceding the date of this Prospectus.

Material Guarantees

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

Promoter Group

A. *Natural persons who are part of the Promoter Group*

The natural persons who are part of the Promoter Group (due to their relationship with our Promoter), other than our Promoter, are as follows:

Name of Promoter	Name of relative	Relationship
Mr. Anoop Bector	Ms. Rajni Bector	Mother
	Ms. Rashmi Bector	Spouse
	Mr. Ishaan Bector	Son
	Mr. Suvir Bector	Son
	Mr. Rameshkumar Chhangamal Aggarwal	Spouse's father
	Ms. Neena Rameshkumar Aggarwal	Spouse's mother
	Mr. Abhay Rameshkumar Aggarwal	Spouse's brother

Name of Promoter	Name of relative	Relationship
	Mr. Uday Rameshkumar Aggarwal	Spouse's brother
	Ms. Priya Bhasin	Spouse's sister

B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Anoop Bector (HUF)
2. Dharamvir & Sons (HUF)
3. GM Finance and Trading Company
4. ITM Fabrication Industries Limited
5. ITM Software Business Solutions Private Limited
6. Mrs. Bector's Cremica Dairies Private Limited
7. Mrs. Bector's Desserts
8. Pyramid Fabricators Private Limited
9. Spacewhiz Solutions Private Limited
10. Sunshine Foods
11. AB Family Trust
12. IB Family Trust
13. SB Family Trust

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purposes of identification of group companies, our Company has considered companies (other than our Subsidiaries) with which there are related party transactions as disclosed in the Restated Consolidated Financial Information and such other companies considered material for the purposes of disclosure as a group company in connection with the Offer, as identified in accordance with the Materiality Policy. In accordance with our Materiality Policy, for the purposes of disclosure in the Offer Documents, a company shall be considered material and disclosed as a Group Company if companies which, subsequent to the date of the last audited restated consolidated financial statements of our Company disclosed in this Prospectus, would require disclosure in the consolidated financial statements of our Company for subsequent periods as entities covered under AS 24 in addition to/ other than those companies covered under applicable accounting standards in the Restated Consolidated Financial Information of our Company included in this Prospectus.

Accordingly, in terms of the Materiality Policy, our Board has identified Cremica Agro Foods Limited and Mrs. Bector's Cremica Dairies Private Limited as our Group Companies. Details of these Group Companies are set forth below.

1. Cremica Agro Foods Limited ("CAFL")

Corporate Information

CAFL was incorporated as a private limited company under the Companies Act, 1956 on September 6, 1989 and was converted into a public limited company on January 15, 1993. The CIN of CAFL is L15146PB1989PLC009676.

Nature of activities

In accordance with the provisions of the objects clause of its memorandum of association, CAFL is permitted to manufacture, buy, and *inter alia*, sell biscuits, bakery products, confectionary products, chocolates and breakfast products etc.

Interest of our Promoter

Our Promoter holds 50,325 equity shares of CAFL which constitutes approximately 1.12% of the paid up equity share capital of CAFL. Our Promoter is one of the promoters of CAFL.

Financial Performance

The financial information derived from the audited financial results of CAFL for the Financial Years 2020, 2019 and 2018 are set forth below.

Particulars	Figures in ₹ million, except earnings per share (Basic) and (Diluted) and net asset value		
	As on March 31, 2020	As on March 31, 2019	As on March 31, 2018
Equity share capital*	44.96	44.96	14.99
Reserves and surplus (excluding revaluation reserve)	43.87	43.01	71.40
Sales/turnover	-	0.23	-
Profit/(loss) after tax	0.86	1.57	(16.87)
Earnings/(loss) per share of face value ₹ 10 each (Basic) (₹)	0.19	0.35	(11.26)
Earnings/(loss) per share of face value ₹ 10 each (Diluted) (₹)	0.19	0.35	(11.26)
Net asset value (per share) (₹)	19.76	19.57	57.65

*CAFL has issued 2,997,000 equity shares by way of bonus issue during the Financial Year ended 31st March 2019.

**Net asset value per share has been computed by dividing shareholder funds by no. of shares outstanding as on that date.

Significant notes of auditors

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Market Price information

CAFL got listed on MSEI on July 16, 2018.

Latest Share Price and Market Capitalisation

Share Price Information

The equity shares of CAFL have not been traded since its listing on MSEI.

There has been no capital issuances made by CAFL in the last three years, except as disclosed in ‘- *Financial Performance*’.

Details of negative net worth and details of losses incurred

CAFL does not have negative net worth and has incurred no loss (determined on a standalone basis) as per their latest financial statements except as stated below.

Figures in ₹ million

	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit /(Loss)	0.86	1.57	(16.87)

Sick, Winding up/Insolvency proceedings

As on the date of this Prospectus, CAFL has not been declared sick or defunct within the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, have not been referred to the Board of Industrial and Financial Reconstruction or the National Company Law Tribunal, and are not under the corporate insolvency resolution process in terms of the Insolvency and Bankruptcy Code, 2016.

Defunct Group Company

During the five years immediately preceding the date of the Red Herring Prospectus and this Prospectus, CAFL has not remained defunct and no application has been made to the relevant registrar of companies for striking off its name.

Nature and extent of interests of CAFL

As on the date of this Prospectus:

(i) *In the promotion of our Company*

CAFL does not have any interest in the promotion or formation of our Company.

(ii) *In the properties acquired by our Company in the preceding three years before filing this Prospectus with the SEBI or proposed to be acquired by our Company*

CAFL does not have any interest in any property acquired by our Company in the three years preceding the date of filing this Prospectus or proposed to be acquired by it as on date of this Prospectus.

(iii) *In transactions for acquisition of land, construction of buildings and supply of machinery*

CAFL does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Related Party Transactions

Except as set forth in “*Financial Statements – Restated Consolidated Financial Information – Annexure VI-Notes to Restated Consolidated Financial Information*” on page 252, no related party transactions have been entered into between our Group Companies and our Company, as on the date of the Restated Consolidated Financial Information included in this Prospectus.

Common pursuits of CAFL and our Company

While CAFL is enabled under its memorandum to carry on similar activities as those of the Company, it is currently not involved in any business activities except for selling of certain raw material of CAFL. Further CAFL is not involved in any kind of manufacturing business as on the date of this Prospectus. For details, see “**Risk Factor – Conflicts of interest may arise out of common business objects between our Company, and our Group Companies**” on page 31.

Litigation

As on date of this Prospectus, CAFL is not party to any pending litigation which will have a material impact on our Company.

2. Mrs. Bector’s Cremica Dairies Private Limited (“MBCDPL”)

Corporate Information

MBCDPL was incorporated as a private limited company under the Companies Act, 1956 on November 29, 2013. The CIN of MBCDPL is U15122HR2013PTC051126.

Nature of activities

In accordance with the provisions of the objects clause of its memorandum of association, MBCDPL is permitted to manufacture, deal, buy, sell, mix pack, preserve, freeze, extract, refine, distribute, import & export milk, milk powder, milk products, processed milk, ice cream, butter, ghee and other dairy products, cattle and poultry, feed bakery products and agro dairy and poultry based product etc. MBCDPL is engaged in the business of sale of milk as on date.

Interest of our Promoter

Our Promoter holds 419,000 equity shares of MBCDPL which constitutes approximately 99.76% of the paid up equity share capital of MBCDPL. Our Promoter is the promoter of MBCDPL.

Financial Performance

The financial information derived from the audited financial results of MBCDPL for the Financial Years 2020, 2019 and 2018 are set forth below.

Figures in ₹ million, except earnings per share (Basic) and (Diluted) and net asset value

Particulars	As on March 31, 2020	As on March 31, 2019	As on March 31, 2018
Equity share capital	4.20	4.20	4.20
Reserves and surplus (excluding revaluation reserve)	0.81	0.68	0.51
Sales/turnover	12.09	12.53	12.00
Profit/(loss) after tax	0.12	0.16	0.48
Earnings/(loss) per share of face value ₹ 10 each (Basic) (₹)	0.29	0.38	1.13
Earnings/(loss) per share of face value ₹ 10 each (Diluted)(₹)	0.29	0.38	1.13
Net asset value (per share) (₹)	11.92	11.63	11.21

Note: Net asset value per share has been computed by dividing shareholder funds by no. of shares outstanding as on that date.

Significant notes of auditors

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Details of negative net worth and details of losses incurred

MBCDPL does not have negative net worth and has not incurred any loss in the immediately preceding year.

Sick, Winding up/Insolvency proceedings

As on the date of this Prospectus, MBCDPL has not been declared sick or defunct within the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, have not been referred to the Board of Industrial and Financial Reconstruction or the National Company Law Tribunal, and are not under the corporate insolvency resolution process in terms of the Insolvency and Bankruptcy Code, 2016.

Defunct Group Company

During the five years immediately preceding the date of the Draft Red Herring Prospectus, MBCDPL has not remained defunct and no application has been made to the relevant registrar of companies for striking off its name.

Nature and extent of interests of MBCDPL

As on the date of this Prospectus:

(i) *In the promotion of our Company*

MBCDPL does not have any interest in the promotion or formation of our Company.

(ii) *In the properties acquired by our Company in the preceding three years before filing this Prospectus with the SEBI or proposed to be acquired by our Company*

MBCDPL does not have any interest in any property acquired by our Company in the three years preceding the date of filing this Prospectus or proposed to be acquired by it as on date of this Prospectus.

(iii) *In transactions for acquisition of land, construction of buildings and supply of machinery*

MBCDPL does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Related Party Transactions

Except as set forth in “*Financial Statements – Restated Consolidated Financial Information – Annexure VI – Notes to Restated Consolidated Financial Information*” on page 252, no related party transactions have been entered into between our Group Companies and our Company, as on the date of the Restated Consolidated Financial Information included in this Prospectus.

Common pursuits of MBCDPL and our Company

While MBCDPL is enabled under its memorandum to carry on similar activities as those of our Company, it does not have any common pursuits with our Company or any interest in any entity or venture that is involved in any activities similar to those conducted by our Company.

Litigation

As on date of this Prospectus, MBCDPL is not party to any pending litigation which will have a material impact on our Company.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of our Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial condition of our Company. Our Company has adopted a formal policy on dividend distribution pursuant to a resolution of our Board dated July 10, 2018 which was subsequently amended and adopted by the resolution of our Board dated September 19, 2020. In accordance with our dividend policy, our Board shall recommend/declare dividend as per the provisions of Companies Act, 2013. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at an annual general meeting. Our Company shall pay dividend within 30 days of approval of shareholders/declaration by the Board. In the past, we made certain dividend payments to the shareholders of our Company. See “*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*” on page 38.

The dividends paid by our Company on the Equity Shares during current and the last three Financial Years are set forth below:

	From October 1, 2020 till December 2020	From April 1, 2020 till September 2020	For Year ended 2020	For Financial Year ended 2019	For Financial Year ended 2018
Number of Equity Shares issued	57,337,922	57,267,922	57,267,922	57,267,622	57,267,622
Face value of Equity Shares (in ₹)	10	10	10	10	10
Dividend per Equity Share (in ₹)	Nil	Nil	0.75	0.75	0.75
Rate of dividend on Equity Share (%)	Nil	Nil	7.50%	7.50%	7.50%
Total dividend declared on Equity Shares (in ₹ million)#	Nil	Nil	42.95	42.95	42.95
Dividend Tax (in ₹ million)	Nil	Nil	9.16	10.69	8.74
Mode of payment of dividend	N.A.	N.A.	Cheque or Bank Transfer	Cheque or Bank Transfer	Cheque or Bank Transfer

#Note: Out of the dividend declared as mentioned in the above table, the detail of dividend actually paid by our Company is as hereunder:

Particulars	(₹ in millions)		
	Pertaining to dividend declared during Financial Year ended 2020	Pertaining to dividend declared during Financial Year ended 2019	Pertaining to dividend declared during Financial Year ended 2018
Dividend paid during Financial Year ended 2018	-	-	33.75
Dividend paid during Financial Year ended 2019	-	42.95	9.20
Dividend paid during Financial Year ended 2020	42.95	-	-
Total	42.95	42.95	42.95

SUPPLEMENTARY FINANCIAL INFORMATION

Non-GAAP Financial Measures

In evaluating our business, we consider and use non-GAAP financial measures such as EBITDA, EBITDA Margin, EBIT Margin, PAT Margin, Gross Margin and Gross Margin %, to review and assess our operating performance. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. Our non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included our non-GAAP financial measures because we believe they are one of the indicative measures of our operating performance and are used by investors and analysts to evaluate companies in the same industry. Our non-GAAP financial measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. These measures should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. The basis and methodology used to calculate the EBITDA, EBITDA Margin, EBIT Margin, PAT Margin, Gross Margin and Gross Margin % is given below.

We have also included PAT (profit after tax) Margin (PAT / Revenue from operations), Gross Margin (Revenue from Operations - COGS (Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress + Excise duty), Gross Margin % (Gross Margin / Revenue from operation), EBITDA (earnings before finance income and cost, income taxes, and depreciation and amortisation excluding other income), EBITDA Margin (EBITDA / Revenue from Operations) and EBIT Margin (Earnings before interest and taxes excluding other income / Revenue from operations) which are non-GAAP financial measures, in this Prospectus.

The following table reconciles our profit after tax (a GAAP financial measure) to PAT Margin (a non-GAAP financial measure).

(In ₹ million, unless otherwise stated)

S. No.	Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018
1.	PAT	388.83	101.74	304.03	331.50	358.93
2.	PAT Margin	9.02%	2.79%	3.99%	4.23%	5.17%

Note:

PAT margin is calculated as PAT / revenue from operations

The following table reconciles our profit before tax (a GAAP financial measure) to EBITDA, EBITDA Margin, EBIT Margin, Gross Margin and Gross Margin % (non-GAAP financial measures):

(In ₹ million, unless otherwise stated)

S. No.	Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018
1.	Revenue from operations (A)	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
2.	Other Income (B)	75.61	15.92	28.54	23.64	17.90
3.	Profit After Tax (C)	388.83	101.74	304.03	331.50	358.93
4.	Tax Expense (D)	132.58	19.15	87.77	175.06	169.48
5.	Profit before Tax (E = C+D)	521.41	120.89	391.80	506.56	528.41
6.	Finance cost (F)	54.78	78.55	150.39	126.75	61.06
7.	EBIT (G = E+F-B)	500.58	183.52	513.65	609.67	571.57
8.	EBIT Margin (H= G/A)	11.61%	5.03%	6.74%	7.78%	8.24%
9.	Depreciation and amortisation expense (I)	221.64	207.00	414.88	351.83	283.47

S. No.	Particulars	For the period between April 1, 2020 to September 30, 2020	For the period between April 1, 2019 to September 30, 2019	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018
10.	EBIDTA (J= E+F+I-B))	722.22	390.52	928.53	961.50	855.04
11.	EBIDTA Margin (K = J/A)	16.76%	10.71%	12.18%	12.27%	12.32%
12.	Cost of materials consumed (L)	2,289.28	1,996.53	4,113.15	4,068.37	3,778.86
13.	Purchase of stock-in-trade (M)	-	2.51	3.70	134.14	119.68
14.	Changes in inventories of finished goods, stock-in-trade and work-in-progress (N)	(41.05)	(63.16)	(42.35)	37.78	(70.65)
15.	Excise duty (O)	-	-	-	-	33.30
16.	Gross Margin (P = A-L-M-N-O)	2,061.71	1,710.28	3,546.72	3,596.36	3,078.46
17.	Gross Margin % (P = P/A)	47.84%	46.91%	46.54%	45.89%	44.36%

Notes:

1. *Gross Margin = Revenue from Operations - COGS (Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress + Excise duty) Gross Margin % = Gross Margin / Revenue from Operations*
2. *EBITDA = Earnings before interest, taxes, depreciation and amortisation excluding other income*
3. *EBITDA% = EBITDA / Revenue from operations*
4. *EBIT% = (Earnings before interest and taxes excluding other income) / Revenue from operations*

PAT Margin, EBITDA and EBITDA Margin, EBIT Margin, Gross Margin and Gross Margin % are included as supplemental disclosure as our management considers that they are useful indicators of our operating performance. Derivations of these non-GAAP financial measures are well-recognised performance measurements in the fast moving consumer goods industry that are frequently used by companies, investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry. Our management also considers EBITDA to be useful for evaluating performance of our senior management team. EBITDA Margin is useful in evaluating our operating performance compared to our competitors because its calculation isolates the effects of financing in general, the accounting effects of capital spending and acquisitions and income taxes, which may vary significantly between periods and for different companies for reasons unrelated to overall operating performance. However, because derivations of these measures are not determined in accordance with GAAP, such measures are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, derivations of these measures as presented may not be directly comparable to similarly titled measures presented by other companies.

These non-GAAP financial measures have limitations as an analytical tool. Some of these limitations are: they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for, our working capital needs; they do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and other companies in our industry may calculate PAT Margin, EBITDA and EBITDA Margin, EBIT Margin, Gross Margin and Gross Margin %, differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, PAT Margin, EBITDA and EBITDA Margin, EBIT Margin, Gross Margin and Gross Margin % should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Mrs. Bectors Food Specialities Limited
Theing Road, Phillaur,
Punjab - 144410

Dear Sirs,

- 1) We have examined, the attached Restated Consolidated Financial Information of Mrs. Bectors Food Specialities Limited (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and of its associate, comprising the Restated Consolidated Balance Sheet as at 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2020, 31 March 2019, 31 March 2018, for the period beginning 1 April 2020 to 30 September 2020 and for the period beginning 1 April 2019 to 30 September 2019, and the statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 28 November 2020 for the purpose of inclusion in the Red Herring Prospectus ("RHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
 - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
- 2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India ("**SEBI**"), the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") and the Registrar of Companies, Punjab, situated at Chandigarh ("**RoC**"), in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2(a) of Annexure V to the Restated Consolidated Financial Information.

The respective Board of Directors of the companies included in the Group and its associate are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group and its associate complies with the Act, the ICDR Regulations and the Guidance Note.

- 3) We have examined such Restated Consolidated Financial Information taking into consideration:
 - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 11 November 2020, in connection with the proposed IPO of equity shares of the Company;
 - (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - (d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.

- 4) These Restated Consolidated Financial Information have been compiled by the management from:
 - a) Audited special purpose interim consolidated financial statements of the Group and its associate as at and for the six month period ended 30 September 2020 and 30 September 2019 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on 28 November 2020; and
 - b) the audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2020, 31 March 2019 and 31 March 2018 prepared in accordance with Ind AS as prescribed under Section 133 of the Act and other accounting principles generally accepted in India (the "consolidated financial statements"), which have been approved by the Board of Directors at their Board meetings held on 14 August 2020, 29 July 2019 and 10 July 2018 respectively.

- 5) For the purpose of our examination, we have relied on Auditors' reports issued by us dated 28 November 2020, 14 August 2020, 29 July 2019 and 10 July 2018 on the consolidated financial statements of the Group and its associate as at and for the six months period ended 30 September 2020 and 30 September 2019 and as at and for the years ended 31 March 2020, 31 March 2019 and 31 March 2018 as referred in paragraph 4 above.
- 6) As indicated in our audit reports referred in paragraph 5 above, we did not audit the financial statements of two subsidiaries and one associate as listed in Annexure A(ii), whose share of total assets, total revenues (including other income), net cash inflows / (outflows) and share of profit/ (loss) in its associate included in the consolidated financial statements, for the relevant years is tabulated below:

(Rs. in million)

Particulars	As at / for the year ended		
	31 March 2020	31 March 2019	31 March 2018
<i>In respect of subsidiaries:</i>			
Total assets	0.52	311.06	299.65
Total revenues (including other income)	0.03	480.12	413.49
Net cash inflows/ (outflows)	0.01	(2.60)	(1.38)
<i>In respect of associate:</i>			
Group's share of net profit / (loss) in its associate	0.37	0.68	0.17

These financial statements have been audited by other auditors as mentioned in Annexure A(ii) and whose reports have been furnished to us by the Company's management and our audit opinions for the relevant years on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant years, are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of these matters.

- 7) The other auditor (Kumar Sunil & Associates) of one of the subsidiaries (Bakebest Foods Private Limited), as mentioned in Annexure A(iii), has examined the restated financial information for the year ended 31 March 2019 and 31 March 2018 and has confirmed that the restated financial information:
- has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2019 and 31 March 2018 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended 30 September 2020;
 - does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and

- c) has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- 8) Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditor for the respective years, we report that the Restated Consolidated Financial Information:
- (i) have been prepared after incorporating adjustments for the change in accounting policies and regrouping / reclassifications retrospectively in the financial years ended 31 March 2020, 31 March 2019, 31 March 2018 and for the period beginning 1 April 2019 to 30 September 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended 30 September 2020;
- a. does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and
- b. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- 9) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Interim Consolidated Financial Statements and audited consolidated financial statements mentioned in paragraph 4 above.
- 10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 12) Our report is intended solely for use of the Board of Directors for inclusion in the RHP to be filed with SEBI, Stock exchanges and RoC in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No: 101248W/W-100022

Rajiv Goyal

Partner

Membership No.: 094549

ICAI UDIN : 20094549AAAAJQ4195

Place: Gurugram, Haryana

Date: 28 November 2020

Annexure A

(i) List of Subsidiaries and an Associate of Mrs. Bectors Food Specialities Limited

Name of the Entity	Nature of relation
Bakebest Foods Private Limited	Subsidiary
Mrs. Bectors English Oven Limited	Subsidiary
Cremica Agro Foods Limited	Associate

(ii) Details of entities for the years not audited by us and name of the auditor for the respective year

Particulars	Nature of relation	Year Ended	Name of the Auditor
Bakebest Foods Private Limited	Subsidiary	31 March 2019 31 March 2018	Kumar Sunil & Associates, Chartered Accountants
Mrs. Bectors English Oven Limited	Subsidiary	31 March 2020 31 March 2019 31 March 2018	Kumar Sunil & Associates, Chartered Accountants
Cremica Agro Foods Limited	Associate	31 March 2020	Anush Kaileshwar & Co., Chartered Accountants
		31 March 2019 31 March 2018	Kumar Sunil & Associates, Chartered Accountants

(iii) Details of entity for the years the restated financial information examined by other auditor

Particulars	Nature of relation	Year Ended	Name of the Auditor
Bakebest Foods Private Limited	Subsidiary	31 March 2019 31 March 2018	Kumar Sunil & Associates, Chartered Accountants

Mrs. Bectors Food Specialities Limited
Annexure I - Restated Consolidated Balance Sheet
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
ASSETS						
Non-current assets						
Property, plant and equipment	1	3,269.67	3,450.53	3,375.70	3,442.67	2,405.65
Capital work-in-progress	2	288.89	65.58	66.55	155.58	920.79
Right-of-use assets	5	145.05	159.44	151.35	167.53	183.80
Goodwill	3	3.95	3.95	3.95	3.95	3.95
Other intangible assets	4	3.20	9.05	6.13	11.97	17.81
Equity accounted investment	6	39.14	38.71	38.28	37.91	38.82
Financial assets						
(i) Loans	7	34.67	33.60	35.25	36.96	33.56
(ii) Other financial assets	8	1.22	0.26	0.26	0.41	9.68
Income tax assets (net)	9	30.84	57.13	42.61	41.77	29.33
Other non-current assets	10	223.40	29.24	174.29	40.68	66.22
Total non-current assets		4,040.03	3,847.49	3,894.37	3,939.43	3,709.61
Current assets						
Inventories	11	544.48	415.76	433.73	352.83	353.49
Financial assets						
(i) Investment	12	-	-	-	-	0.18
(ii) Trade receivables	13	729.07	877.14	750.23	1,003.28	693.83
(iii) Cash and cash equivalents	14	172.42	23.05	206.99	55.28	58.76
(iv) Bank balances other than (iii) above	15	304.18	110.53	95.50	65.02	48.51
(v) Loans	16	-	5.37	3.57	-	-
(vi) Other financial assets	17	208.90	215.33	179.42	154.78	97.34
Other current assets	18	81.13	110.89	93.34	199.82	148.87
Assets classified as held for sale	18A	7.05	-	-	-	-
Total current assets		2,047.23	1,758.07	1,762.78	1,831.01	1,400.98
Total assets		6,087.26	5,605.56	5,657.15	5,770.44	5,110.59
EQUITY AND LIABILITIES						
Equity						
Equity share capital	19	572.68	572.68	572.68	572.68	572.68
Other equity	20	3,005.04	2,471.38	2,620.31	2,374.84	2,093.46
Total equity		3,577.72	3,044.06	3,192.99	2,947.52	2,666.14
Liabilities						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	21	1,012.01	939.41	856.53	1,072.10	947.12
(ii) Lease liabilities	5	11.70	18.81	15.38	26.81	42.07
Provisions	22	75.22	58.35	61.22	41.86	32.54
Deferred tax liabilities (net)	23	87.98	77.93	78.76	122.12	64.75
Other non-current liabilities	24	116.73	139.82	131.40	148.74	137.48
Total non-current liabilities		1,303.64	1,234.32	1,143.29	1,411.63	1,223.96

Mrs. Bectors Food Specialities Limited
Annexure I - Restated Consolidated Balance Sheet
(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Current liabilities						
Financial liabilities						
(i) Borrowings	25	-	285.49	180.51	327.09	262.73
(ii) Lease liabilities	5	7.11	15.85	11.43	15.26	13.78
(iii) Trade payables	26					
(a) Total outstanding dues of micro enterprises and small enterprises		75.44	55.60	59.19	67.43	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		540.80	373.41	411.08	420.79	389.70
(iv) Other financial liabilities	27	295.98	292.57	344.72	297.41	297.63
Other current liabilities	28	185.74	143.15	138.31	128.76	103.79
Provisions	29	38.67	148.46	156.89	141.97	126.86
Current tax liabilities (net)	30	62.16	12.65	18.74	12.58	26.00
Total current liabilities		1,205.90	1,327.18	1,320.87	1,411.29	1,220.49
Total liabilities		2,509.54	2,561.50	2,464.16	2,822.92	2,444.45
Total equity and liabilities		6,087.26	5,605.56	5,657.15	5,770.44	5,110.59

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

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

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

Rajiv Goyal
Partner
 Membership No.: 094549

Anoop Bector
Managing Director
 DIN:-00108589

Ishaan Bector
Director
 DIN:-02906180

Atul Sud
Company Secretary
 M. No:- F10412

Parveen Kumar Goel
Executive Director and CFO
 DIN:- 00007297

Place: Gurugram
 Date: 28 November 2020

Place: Gurugram
 Date: 28 November 2020

Mrs. Bectors Food Specialities Limited
Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts are in rupees million, unless otherwise stated)

	Notes	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Income						
Revenue from operations	31	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
Other income	32	75.61	15.92	28.54	23.64	17.90
Total income		4,385.55	3,662.08	7,649.76	7,860.29	6,957.55
Expenses						
Cost of materials consumed	33	2,289.28	1,996.53	4,113.15	4,068.37	3,778.86
Purchase of stock-in-trade	34	-	2.51	3.70	134.14	119.68
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(41.05)	(63.16)	(42.35)	37.78	(70.65)
Excise duty		-	-	-	-	33.30
Employee benefits expense	36	620.53	573.18	1,178.97	1,097.31	913.07
Finance costs	37	54.78	78.55	150.39	126.75	61.06
Depreciation and amortisation expense	38	221.64	207.00	414.88	351.83	283.47
Other expenses	39	719.82	747.38	1,439.59	1,538.23	1,310.52
Total expenses		3,865.00	3,541.99	7,258.33	7,354.41	6,429.31
Profit before share of equity accounted investees and tax						
Share of net profit of associate accounted for using the equity method (net of tax)	6	0.86	0.80	0.37	0.68	0.17
Profit before tax		521.41	120.89	391.80	506.56	528.41
Tax expense:						
Current tax		121.89	61.03	128.97	117.82	164.50
Deferred tax		10.69	(41.88)	(41.20)	57.24	4.98
		132.58	19.15	87.77	175.06	169.48
Profit for the period/ year (A)		388.83	101.74	304.03	331.50	358.93
Other comprehensive (loss)/ income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans		(5.87)	(9.12)	(8.60)	0.39	2.67
Income tax relating to remeasurement of defined benefit plans		1.47	2.30	2.17	(0.12)	(0.92)
Total other comprehensive (loss)/ income for the period/ year (B)		(4.40)	(6.82)	(6.43)	0.27	1.75
Total comprehensive income for the period/ year (A + B)		384.43	94.92	297.60	331.77	360.68
Earnings per equity share						
[nominal value of Rs. 10]	40					
Basic		6.79	1.78	5.31	5.79	6.27
Diluted		6.78	1.77	5.30	5.78	6.26

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

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

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

Rajiv Goyal
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Anoop Bector
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DIN:-02906180

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Atul Sud
Company Secretary
M. No:- F10412

Place: Gurugram
Date: 28 November 2020

Place: Gurugram
Date: 28 November 2020

Mrs. Bectors Food Specialities Limited
Annexure III - Restated Consolidated Statement of Changes in Equity
(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 30 September 2020		As at 30 September 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the period/ year	57,267,922	572.68	57,267,922	572.68	57,267,922	572.68	57,267,622	572.68	28,633,811	286.34
Bonus Shares Issued	-	-	-	-	-	-	-	-	28,633,811	286.34
Share based option exercised during the period/year*	-	-	-	-	-	-	300	0.00	-	-
Balance at the end of the reporting period/ year	57,267,922	572.68	57,267,922	572.68	57,267,922	572.68	57,267,922	572.68	57,267,622	572.68

*The total amount of shares issued in absolute value during the year ended 31 March 2019 was Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million.

(b) Other equity

Particulars	Reserves & surplus					Total
	Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance at 1 April 2017	-	14.37	530.17	18.88	1,503.40	2,066.82
Profit for the year	-	-	-	-	358.93	358.93
Other comprehensive (loss)/ income for the year *	-	-	-	-	1.75	1.75
Total comprehensive income for the year	-	-	-	-	360.68	360.68
Share based expense	3.99	-	-	-	-	3.99
Bonus shares issued	-	-	(286.34)	-	-	(286.34)
Less: Interim dividend	-	-	-	-	(42.95)	(42.95)
Less: Dividend distribution tax on interim dividend	-	-	-	-	(8.74)	(8.74)
Balance at 31 March 2018	3.99	14.37	243.83	18.88	1,812.39	2,093.46
Balance at 1 April 2018	3.99	14.37	243.83	18.88	1,812.39	2,093.46
Profit for the year	-	-	-	-	331.50	331.50
Other comprehensive (loss)/ income for the year *	-	-	-	-	0.27	0.27
Total comprehensive income for the year	-	-	-	-	331.77	331.77
Share based expense	4.40	-	-	-	-	4.40
Share based option exercised during the year	(0.04)	-	0.09	-	-	0.05
Less: Sale of share in associate	-	(1.20)	-	-	-	(1.20)
Less: Interim dividend	-	-	-	-	(42.95)	(42.95)
Less: Dividend distribution tax on interim dividend	-	-	-	-	(10.69)	(10.69)
Balance at 31 March 2019	8.35	13.17	243.92	18.88	2,090.52	2,374.84
Balance at 1 April 2019	8.35	13.17	243.92	18.88	2,090.52	2,374.84
Profit for the period	-	-	-	-	101.74	101.74
Other comprehensive (loss)/ income for the period *	-	-	-	-	(6.82)	(6.82)
Total comprehensive income for the period	-	-	-	-	94.92	94.92
Share based expense	1.62	-	-	-	-	1.62
Balance at 30 September 2019	9.97	13.17	243.92	18.88	2,185.44	2,471.38
Balance at 1 April 2019	8.35	13.17	243.92	18.88	2,090.52	2,374.84
Profit for the year	-	-	-	-	304.03	304.03
Other comprehensive (loss)/ income for the year *	-	-	-	-	(6.43)	(6.43)
Total comprehensive income for the year	-	-	-	-	297.60	297.60
Share based expense	2.79	-	-	-	-	2.79
Share based option forfeited during the year	(2.81)	-	-	-	-	(2.81)
Less: Interim dividend	-	-	-	-	(42.95)	(42.95)
Less: Dividend distribution tax on interim dividend	-	-	-	-	(9.16)	(9.16)
Balance at 31 March 2020	8.33	13.17	243.92	18.88	2,336.01	2,620.31
Balance at 1 April 2020	8.33	13.17	243.92	18.88	2,336.01	2,620.31
Profit for the period	-	-	-	-	388.83	388.83
Other comprehensive (loss)/ income for the period *	-	-	-	-	(4.40)	(4.40)
Total comprehensive income for the period	-	-	-	-	384.43	384.43
Share based expense	0.30	-	-	-	-	0.30
Balance at 30 September 2020	8.63	13.17	243.92	18.88	2,720.44	3,005.04

* Represents remeasurement of defined benefit plans (net of tax).

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

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

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

Rajiv Goyal
Partner
Membership No.: 094549

Anoop Bector
Managing Director
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Atul Sud
Company Secretary
M. No:- F10412

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 28 November 2020

Place: Gurugram
Date: 28 November 2020

Mrs. Bectors Food Specialities Limited
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts are in rupees million, unless otherwise stated)

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flows from operating activities					
Profit before tax	521.41	120.89	391.80	506.56	528.41
Non-cash adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation expense	221.64	207.00	414.88	351.83	283.47
Allowances on trade receivable and other advances	60.94	64.71	71.18	36.50	4.64
Gain on sale/write off of investments (net)	-	-	-	(1.10)	(0.67)
Net change in fair value of financial assets at FVTPL	-	-	-	-	0.06
Bad debts written off	-	-	20.23	2.81	3.39
Liabilities no longer required written back	(55.43)	-	(4.98)	-	-
Amortization of government grants	(11.45)	(9.52)	(18.82)	(15.04)	(9.97)
Change in fair value of derivative contracts	(21.11)	4.40	19.24	(5.11)	22.53
Unrealized foreign exchange loss/ (gain)	12.04	(16.09)	(26.69)	21.30	(13.68)
Net loss / (profit) on sale/ write off of property, plant and equipment	(0.27)	(2.16)	(0.59)	0.38	2.44
Share-based payment to employees	0.30	1.62	(0.02)	4.40	3.99
Finance costs	54.78	78.55	150.39	126.75	61.06
Interest income	(7.83)	(3.82)	(8.19)	(5.71)	(6.08)
Share of profit of equity accounted investment	(0.86)	(0.80)	(0.37)	(0.68)	(0.17)
Operating profit before working capital changes	774.16	444.78	1,008.06	1,022.89	879.42
Movement in working capital:					
Decrease/ (increase) in non current loans	0.58	3.36	1.71	(3.40)	1.25
(Increase)/ decrease in current loans	3.57	(5.37)	(3.57)	-	-
(Increase) in other financial assets	(19.22)	(60.39)	(24.73)	(52.46)	(19.41)
Decrease/ (increase) in other non-current assets	0.10	(0.61)	(0.29)	-	-
Decrease/ (increase) in other current assets	12.21	88.93	106.48	(50.95)	(85.47)
(Increase)/ decrease in inventories	(110.75)	(62.93)	(80.90)	0.66	(77.40)
(Increase)/ decrease in trade receivables	(51.76)	78.21	189.12	(370.06)	(102.13)
(Decrease)/ increase in current provisions	(62.79)	6.49	14.92	15.11	17.21
Increase in non current provisions	8.13	7.37	10.76	9.71	-
Increase/ (decrease) in other liabilities	44.21	14.98	12.86	16.16	(18.04)
Increase/ (decrease) in trade payables	145.97	(59.20)	(14.81)	98.52	11.85
Increase/ (decrease) in other financial liabilities	2.00	(3.78)	(1.11)	(2.64)	12.75
Cash generated from operations	746.41	451.84	1,218.50	683.54	620.03
Income tax paid (net of refund)	(66.70)	(76.32)	(123.65)	(143.68)	(155.04)
Net cash from operating activities (A)	679.71	375.52	1,094.85	539.86	464.99
B. Cash flows from investing activities					
Purchase of property, plant and equipment and other intangible assets (including capital work-in-progress, capital creditors and capital advances)	(364.38)	(148.70)	(424.75)	(615.89)	(1,180.04)
Proceeds from sale of property, plant and equipment	3.06	7.09	14.51	3.12	3.62
Net proceeds from sale of investments	-	-	-	1.67	48.69
Net (investments)/redemption in bank deposits (having original maturity of more than three months)	(209.64)	(45.36)	(30.33)	(7.24)	1.34
Interest received	6.18	3.66	8.28	5.83	6.03
Net cash used in investing activities (B)	(564.78)	(183.31)	(432.29)	(612.51)	(1,120.36)
C. Cash flows from financing activities					
Proceeds from issue of equity share capital ***	-	-	-	0.00	-
Share premium on exercise of share based option	-	-	-	0.05	-
Proceeds from non-current borrowings *	255.88	30.53	81.09	399.56	757.56
Repayments of non-current borrowings *	(163.19)	(108.34)	(203.98)	(192.57)	(165.41)
(Repayments)/ proceeds from/to current borrowings *	(180.51)	(58.34)	(167.80)	64.36	97.14
Payment of lease liabilities (including interest on lease liabilities)	(7.49)	(9.04)	(18.17)	(17.95)	(11.43)
Finance costs paid	(54.19)	(79.25)	(149.88)	(121.44)	(57.32)
Dividend paid on equity shares (including dividend distribution tax) **	-	-	(52.11)	(62.84)	(42.49)
Net cash (used in)/from financing activities (C)	(149.50)	(224.44)	(510.85)	69.17	578.05
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(34.57)	(32.23)	151.71	(3.48)	(77.32)
Cash and cash equivalents at the beginning of the year	206.99	55.28	55.28	58.76	136.08
Cash and cash equivalents at the end of the year	172.42	23.05	206.99	55.28	58.76
i. Components of cash and cash equivalents:					
Cash on hand	1.38	3.33	3.81	3.45	2.46
Balance with banks					
- in current accounts	109.38	19.72	143.11	51.83	56.30
- deposits with original maturity of less than three months	61.66	-	60.07	-	-
	172.42	23.05	206.99	55.28	58.76

Mrs. Bectors Food Specialities Limited
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts are in rupees million, unless otherwise stated)

ii. Movement in financial liabilities

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance of borrowings					
Non-current borrowings	1,131.14	1,275.27	1,275.27	1,068.29	442.81
Current borrowings	180.51	327.09	327.09	262.73	165.59
Lease liabilities (on adoption of Ind AS 116)	26.81	42.07	42.07	55.85	27.61
Interest accrued but not due on borrowings	2.41	4.81	4.81	3.67	3.31
Movement					
Cash flows	(87.82)	(136.15)	(290.71)	271.33	722.63
Payment of lease liabilities	(7.49)	(9.04)	(18.17)	(17.95)	(11.43)
Interest expense	54.78	78.55	150.39	126.75	61.06
Interest paid	(54.19)	(79.25)	(149.88)	(121.44)	(57.32)
Other non-cash movements					
- Addition of lease liabilities			-	-	36.29
Closing balance of borrowings					
Non-current borrowings	1,223.83	1,180.71	1,131.14	1,275.27	1,068.29
Current borrowings	-	285.49	180.51	327.09	262.73
Lease liabilities (on adoption of Ind AS 116)	18.81	34.66	26.81	42.07	55.85
Interest on borrowings	2.07	2.49	2.41	4.81	3.67

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

** Dividend paid in financial year ended 31 March 2019 includes amount of Rs. 9.20 remitted during the year pertaining to the year 2017-18.

***The total amount of shares issued in absolute value during the year ended 31 March 2019 was Rs. 3,000, but for reporting purpose rounded upto Rs. 0.00 Million.

The Restated Consolidated Statement of Cash Flows has been prepared in accordance with the 'Indirect Method' as set out in the Ind AS 7 on "Statement of Cash Flows".

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's registration number: 101248W/W-100022

Rajiv Goyal

Partner

Membership No.: 094549

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

Anoop Bector

Managing Director

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Company Secretary

M. No:- F10412

Parveen Kumar Goel

Executive Director and CFO

DIN:- 00007297

Place: Gurugram

Date: 28 November 2020

Place: Gurugram

Date: 28 November 2020

Mrs. Bectors Food Specialities Limited
Annexure V - Significant accounting policies

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

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as “the Company” or “Parent” is domiciled in India. The Company’s registered office is at Theing Road, Phillaur-144410, Punjab, India. These Restated Consolidated Financial Information comprise of the Company and its subsidiaries (together referred to as the ‘Group’) and its associate. The Group and its associate is engaged in the business of manufacturing and distribution of food products. The Group caters to both domestic and export markets.

2. Significant Accounting Policies

The Group and its associate has consistently applied the following accounting policies to all periods presented in the Restated Consolidated Financial Information.

a) Basis of preparation

1) Compliance with Indian Accounting Standards

The Restated Consolidated Balance sheet of the Group as at 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the periods/years ended 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018, and Restated Other Consolidated Financial Information (together referred to as ‘Restated Consolidated Financial Information’) has been prepared under Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act as amended from time to time.

The Restated Consolidated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’) in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act;
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India (‘SEBI’) as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (‘ICAI’).

The Restated Consolidated Financial Information has been extracted by the Management from the Audited Consolidated Financial Statements for respective years/periods and

- there were no changes in accounting policies during the year/period of these financial statements, except for the new and amended Ind AS-116- ‘Leases’- Refer Annexure VII and Note 5 and Note 43;
- there were no material amounts which have been adjusted for in arriving at profit of the respective periods; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited

Mrs. Bectors Food Specialities Limited
Annexure V - Significant accounting policies

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

Consolidated Financial Statements of the Group as at and for the six months period ended 30 September 2020 and the requirements of the SEBI Regulations.

The group has given adjustments for lease accounting in accordance with Ind AS 116 which came into effect on 1 April 2019 using modified retrospective approach and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116, refer Schedule VII – “Statement of Adjustments to the Restated Consolidated Financial Information”.

2) Functional and presentation currency

These Restated Consolidated Financial Information are presented in Indian Rupees, which is the Group and its associate’s functional currency. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

3) Basis of measurement

The Restated Consolidated Financial Information have been prepared under the historical cost basis except for the following:

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

Fair value measurement

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

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

The principal or the most advantageous market must be accessible to/ by the Group and its associate. All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

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

When measuring the fair value of an asset or liability, the Group and its associate uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group and its associate recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Mrs. Bectors Food Specialities Limited
Annexure V - Significant accounting policies

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

Further information about the assumptions made in measuring fair values used in preparing these Restated Consolidated Financial Information is included in note 48 - Financial instruments.

4) Use of judgments and estimates

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

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

Judgements

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

- Note 48 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 5 & 43 - leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116

Assumptions and estimation uncertainties

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

- Note 1 and 4 - useful life and residual value of property, plant and equipment and other intangible assets;
- Note 45 - measurement of defined benefit obligations: key actuarial assumptions,
- Note 47 - fair value of share based payments
- Note 29 and 41 - Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- Note 48 - impairment of financial assets;
- Note 48 - Fair value measurement of financial instruments.
- Note 11 - Valuation of inventories
- Note 2(i), 24 and 28 - Accounting for Government grant
- Note 2(o) and 23 - Recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used.

5) Current and non-current classification

The Group presents assets and liabilities in the Restated Consolidated Balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle.
- it is held primarily for the purpose of being traded;

Mrs. Bectors Food Specialities Limited
Annexure V - Significant accounting policies

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

- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

b) Basis of consolidation

i) Business Combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

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ii) *Subsidiaries*

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Restated Consolidated Balance sheet, Restated Consolidated Statement of Profit and loss and Restated Consolidated Statement of changes in equity respectively.

iii) *Associates*

The Group's interests in equity accounted investment comprise interests in associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Restated Consolidated financial information include the Group's share of profit or loss and OCI of equity accounted investment until the date on which significant influence ceases.

iv) *Equity method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group and its associate's share of post-acquisition profits or losses of the investee on profit and loss, and the Group and its associate's share of other comprehensive income. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

When the Group and its associate's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group and its associate does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group are eliminated to the extent of the Group and its associate's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

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- v) The Restated Consolidated Financial Information comprises the financial information of the members of the Group as under:

Name of subsidiaries / Associate	Country of incorporation	% of Interest				
		As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Subsidiaries Bakebest Foods Private Limited	India	100	100	100	100	100
Mrs. Bectors English Oven Limited	India	100	100	100	100	100
Associate Cremica Agro Foods Limited	India	43.09	43.09	43.09	43.09	44.95

c) **Property, plant and equipment**

i. Recognition and measurement

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

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

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

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

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work-in-progress’.

The cost and related accumulated depreciation are eliminated from the Restated Consolidated Financial Information upon sale or retirement of the asset and the resultant gains or losses are recognized in the Restated Consolidated Statement of Profit and Loss. Assets held for sale, that meets

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the criteria of Ind AS 105 are reported at the lower of the carrying value or the fair value less cost to sell.

ii. Transition to Ind AS

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

iii. Subsequent Measurement

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and its associate and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Consolidated Statement of Profit and Loss as and when incurred.

iv. Depreciation

Depreciation is calculated on cost of items of PPE (excluding freehold land) less their estimated residual values over their estimated useful lives using the straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and equipment such as moulds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation, and is recognised in the Restated Consolidated Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on items of property, plant and equipment is provided as per the rates corresponding to the useful life specific in Schedule II of the Companies Act, 2013 read with notification dated 29 August 2014 of Ministry of Corporate Affairs as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Building	30 years	30 years
Plant and machinery	3 to 15 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computer	3 to 6 years	3 years

Significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Depreciation method, useful lives and residual values are reviewed at each balance sheet date and adjusted if appropriate.

Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a property plant and equipment are measured as the difference between the net

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disposal proceeds and the carrying amount of the asset and are recognised in the Restated Consolidated Statement of Profit and Loss.

d) Goodwill and other intangible assets

Goodwill

For measurement of goodwill that arises on a business combination (Refer note b.i). Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

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

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

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

Amortisation method, useful lives and residual values are reviewed at the end of each balance sheet date and adjusted, if appropriate.

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

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

Transition to Ind AS

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

e) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group and its associate at the exchange rates at the dates of the transactions.

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

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f) **Borrowing costs**

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

g) **Employee benefits**

Short-term employee benefits

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

Share-based payment transactions

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

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group and its associate makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group and its associate's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Group and its associate's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Parent Company's plan is funded with an Insurance Company in the form of insurance policies. However, the subsidiaries and associate's plan is not funded. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When

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the calculation results in a potential asset for the Group and its associate, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Group and its associate determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Consolidated Statement of Profit and Loss.

Other long term employee benefits

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

h) Revenue

i. Sale of goods

Under Ind AS 115, the Group and its associate recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Group and its associate is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses, or a reasonable estimate can be made.

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Rendering of services

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

ii. *Contract assets*

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

iii. *Contract liabilities*

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

i) **Government grants and subsidies**

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

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

Export Incentives

Export incentives under various schemes notified by the government are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and that the group and its associates will comply with the conditions associated with the grant and ultimate collection exist.

j) **Recognition of interest income or expense**

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- a) the gross carrying amount of the financial asset; or
- b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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k) Inventories

Inventories are measured at the lower of cost and net realizable value. The methods of determining cost of various categories of inventories are as follows:

Raw materials, packing material and stores and spares	Weighted average method
Traded goods	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average cost and includes an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

l) Provisions, contingent liabilities, Contingent assets, Commitments

Provisions are recognised when the Group and its associate has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future losses are not provided for.

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

Contingent assets are not recognised in the Restated Consolidated Financial Information but disclosed where an inflow of economic benefit is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

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m) Financial instruments

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

1) Financial assets

i) Initial recognition and measurement

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

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

ii) Classifications and subsequent measurement

Classifications

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

Business model assessment

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

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

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

Debt instrument at amortised cost

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

Debt instrument at fair value through profit and loss (FVTPL)

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

Equity instruments

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

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

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

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

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

iii) Reclassification of financial assets

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

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group and its associate of similar financial assets) is primarily derecognised (i.e. removed from the Group and its associate's Restated Consolidated Balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group and its associate has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third

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party under a 'pass-through' arrangement; and either (a) the Group and its associate has transferred substantially all the risks and rewards of the asset, or (b) the Group and its associate has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

2) *Financial liabilities*

i) *Initial recognition and measurement*

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

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

ii) *Classification and subsequent measurement*

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

Financial liabilities measured at amortised cost

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

Financial liabilities at fair value through profit or loss

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

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

iii) *Derecognition of financial liabilities*

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

3) *Offsetting of financial instruments*

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

4) *Derivative financial instruments*

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

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

n) **Impairment**

Impairment of financial assets

The Group and its associate recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group and its associate assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group and its associate on terms that the Group and its associate would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group and its associate measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and its associate is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and its associate considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group and its associate's historical experience and informed credit assessment and including forward-looking information.

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Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group and its associate in accordance with the contract and the cash flows that the Group and its associate expects to receive).

Presentation of allowance for expected credit losses in the Restated Consolidated Balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and its associate determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group and its associate's procedures for the recovery of amount due.

v) *Impairment of non-financial assets*

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

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

The Group and its associate's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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

o) Income taxes

Income tax comprises current and deferred tax. It is recognised in the Restated Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and its associate expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and its associate intends to settle its current tax assets and liabilities on a net basis.

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

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iii. Minimum Alternative tax

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

p) Leases

At inception of a contract, the Group and its associate assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group and its associate's lease asset classes primarily consist of leases for buildings and leasehold land. The Group and its associate, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The group and its associate elected to use the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Group and its associate recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group and its associate's incremental borrowing rate. The

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lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group and its associate recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group and its associate recognises any remaining amount of the re-measurement in Restated Consolidated Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group and its associate is reasonably certain to exercise, lease payments in an optional renewal period if the Group and its associate is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and its associate is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group and its associate's estimate of the amount expected to be payable under a residual value guarantee, if the Group and its associate changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group and its associate presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Group and its associate has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group and its associate recognises the lease payments associated with these leases as an expense in the Restated Consolidated Statement of Profit or Loss over the lease term.

As lessor

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

Leases in which the group and its associate does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in

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Property, plant and equipment. Lease income on an operating income is recognized in the Restated Consolidated Statement of Profit and Loss on a straight line basis over lease term. Costs, including depreciation, are recognized as an expense in the Restated Consolidated Statement of Profit and Loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the Restated Consolidated Statement of Profit and Loss.

q) **Corporate Social Responsibility ("CSR") expenditure**

CSR expenditure incurred by the Group and its associate is charged to the Restated Consolidated Statement of the Profit and Loss.

r) **Segment reporting**

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

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

s) **Cash and cash equivalents**

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

t) **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group and its associate are segregated.

u) **Earnings per equity share**

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

v) **Cash dividend**

The Group recognises 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 recognised directly in equity.

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w) Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

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Annexure VI - Notes to Restated Consolidated Financial Information

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

1. Property, plant and equipment

Particulars	Gross block					Depreciation				Net block	
	As at 1 April 2020	Additions	Disposals during the period	Adjustments***	As at 30 September 2020	As at 1 April 2020	Charge for the period	Disposals during the period	As at 30 September 2020	As at 1 April 2020	As at 30 September 2020
Own assets											
Freehold land ***	177.70	-	-	8.74	168.96	-	-	-	-	177.70	168.96
Leasehold improvements	1.08	-	1.08	-	-	0.99	-	0.99	-	0.09	-
Buildings **	1,390.26	2.77	-	-	1,393.03	141.88	23.82	-	165.70	1,248.38	1,227.33
Plant and machinery*	2,837.88	107.88	4.15	-	2,941.61	987.16	177.04	3.57	1,160.63	1,850.72	1,780.98
Furniture and fixtures	44.18	0.15	-	-	44.33	15.21	2.28	-	17.49	28.97	26.84
Vehicles	85.09	2.53	-	-	87.62	36.35	5.20	-	41.55	48.74	46.07
Office equipment	26.29	0.82	-	-	27.11	12.61	1.87	-	14.48	13.68	12.63
Computer	18.61	1.29	-	-	19.90	11.19	1.85	-	13.04	7.42	6.86
Total	4,581.09	115.44	5.23	8.74	4,682.56	1,205.39	212.06	4.56	1,412.89	3,375.70	3,269.67

Particulars	Gross block					Depreciation				Net block	
	As at 1 April 2019	Additions	Disposals during the year	Adjustments***	As at 31 March 2020	As at 1 April 2019	Charge for the year	Disposals during the year	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Own assets											
Freehold land	176.50	1.20	-	-	177.70	-	-	-	-	176.50	177.70
Leasehold improvements	1.08	-	-	-	1.08	0.99	-	-	0.99	0.09	0.09
Buildings **	1,301.85	93.23	4.82	-	1,390.26	95.55	46.85	0.52	141.88	1,206.30	1,248.38
Plant and machinery*	2,628.21	219.93	10.26	-	2,837.88	669.16	323.44	5.44	987.16	1,959.05	1,850.72
Furniture and fixtures	41.34	2.84	-	-	44.18	10.70	4.51	-	15.21	30.64	28.97
Vehicles	78.23	13.88	7.02	-	85.09	30.85	10.60	5.10	36.35	47.38	48.74
Office equipment	23.12	3.32	0.15	-	26.29	8.90	3.81	0.10	12.61	14.22	13.68
Computer	16.03	2.58	-	-	18.61	7.54	3.65	-	11.19	8.49	7.42
Total	4,266.36	336.98	22.25	-	4,581.09	823.69	392.86	11.16	1,205.39	3,442.67	3,375.70

Particulars	Gross block					Depreciation				Net block	
	As at 1 April 2019	Additions	Disposals during the period	Adjustments***	As at 30 September 2019	As at 1 April 2019	Charge for the period	Disposals during the period	As at 30 September 2019	As at 1 April 2019	As at 30 September 2019
Own assets											
Freehold land	176.50	-	-	-	176.50	-	-	-	-	176.50	176.50
Leasehold improvements	1.08	-	-	-	1.08	0.99	-	-	0.99	0.09	0.09
Buildings **	1,301.85	73.59	4.82	-	1,370.62	95.55	23.15	0.52	118.18	1,206.30	1,252.44
Plant and machinery*	2,628.21	129.06	4.07	-	2,753.20	669.16	161.69	3.51	827.34	1,959.05	1,925.86
Furniture and fixtures	41.34	1.34	-	-	42.68	10.70	2.23	-	12.93	30.64	29.75
Vehicles	78.23	0.85	0.25	-	78.83	30.85	5.23	0.18	35.90	47.38	42.93
Office equipment	23.12	2.65	-	-	25.77	8.90	1.86	-	10.76	14.22	15.01
Computer	16.03	1.29	-	-	17.32	7.54	1.83	-	9.37	8.49	7.95
Total	4,266.36	208.78	9.14	-	4,466.00	823.69	195.99	4.21	1,015.47	3,442.67	3,450.53

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

Particulars	Gross block					Depreciation				Net block	
	As at 1 April 2018	Additions	Disposals during the year	Adjustments***	As at 31 March 2019	As at 1 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Own assets											
Freehold land	176.50	-	-	-	176.50	-	-	-	-	176.50	176.50
Leasehold improvements	1.08	-	-	-	1.08	0.99	-	-	0.99	0.09	0.09
Buildings **	972.77	329.08	-	-	1,301.85	54.74	40.81	-	95.55	918.03	1,206.30
Plant and machinery*	1,634.07	1,006.33	12.19	-	2,628.21	412.27	267.49	10.60	669.16	1,221.80	1,959.05
Furniture and fixtures	29.44	11.90	-	-	41.34	6.66	4.04	-	10.70	22.78	30.64
Vehicles	75.05	7.13	3.95	-	78.23	21.76	11.29	2.20	30.85	53.29	47.38
Office equipment	12.66	10.46	-	-	23.12	5.87	3.03	-	8.90	6.79	14.22
Computer	10.85	5.18	-	-	16.03	4.48	3.06	-	7.54	6.37	8.49
Total	2,912.42	1,370.08	16.14	-	4,266.36	506.77	329.72	12.80	823.69	2,405.65	3,442.67

Particulars	Gross block					Depreciation				Net block	
	As at 1 April 2017	Additions	Disposals during the year	Adjustments***	As at 31 March 2018	As at 1 April 2017	Charge for the year	Disposals during the year	As at 31 March 2018	As at 1 April 2017	As at 31 March 2018
Own assets											
Freehold land	171.92	4.58	-	-	176.50	-	-	-	-	171.92	176.50
Leasehold improvements	2.43	-	1.35	-	1.08	1.45	0.89	1.35	0.99	0.98	0.09
Buildings **	806.77	166.00	-	-	972.77	25.19	29.55	-	54.74	781.58	918.03
Plant and machinery*	1,274.10	368.53	8.56	-	1,634.07	199.07	216.09	2.89	412.27	1,075.03	1,221.80
Furniture and fixtures	28.06	1.48	0.10	-	29.44	3.23	3.46	0.03	6.66	24.83	22.78
Vehicles	71.65	3.83	0.43	-	75.05	10.42	11.49	0.15	21.76	61.23	53.29
Office equipment	11.09	1.59	0.02	-	12.66	3.16	2.72	0.01	5.87	7.93	6.79
Computer	8.38	2.50	0.03	-	10.85	2.16	2.32	-	4.48	6.22	6.37
Total	2,374.40	548.51	10.49	-	2,912.42	244.68	266.52	4.43	506.77	2,129.72	2,405.65

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

b) Freehold land includes land having gross block amounting to 30 September 2020 Rs. 2.59 (30 September 2019 Rs. 3.07, 31 March 2020 Rs. 4.27, 31 March 2019 Rs. 3.07, 31 March 2018 Rs. 3.07) in the state of Himachal Pradesh, pending to be registered in the name of Group.

c) Vehicles includes motor cars having gross block amounting to 30 September 2020 Rs. 0.03 (30 September 2019 Rs. 0.03, 31 March 2020 Rs. 0.03, 31 March 2019 Rs. 0.03, 31 March 2018 Rs. 0.03) and written down value amounting to Rs. 0.03 (30 September 2019 Rs. 0.03, 31 March 2020 Rs. 0.03, 31 March 2019 Rs. 0.03, 31 March 2018 Rs. 0.03) are pending to be registered in the name of Group.

d) Refer note 41 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

* Plant and machinery includes amount of gross value Rs. 1,254.04 (30 September 2019 - Rs. 423.15, 31 March 2020 Rs. 1,219.91, 31 March 2019 Rs. 419.09, 31 March 2018 Rs. 402.00), net value of Rs 821.93 (30 September 2019 - Rs. 190.28, 31 March 2020 Rs. 873.83, 31 March 2019 - 215.98, 31 March 2018- 269.24) which are partially given under lease arrangement. Also refer note - 32

** Buildings includes amount of gross value Rs. 561.46 (30 September 2019 - Rs. 357.53, 31 March 2020 Rs. 736.00, 31 March 2019 Rs. 357.53, 31 March 2018 Rs. 357.50), net value of Rs. 508.02 (30 September 2019 - Rs. 311.05, 31 March 2020 Rs. 664.44, 31 March 2019 - Rs. 317.72, 31 March 2018- Rs. 331.02) which are partially given under lease arrangement. Also refer note - 32

*** Adjustment include freehold land having gross block as at 30 September 2020 Rs. 7.05 and accumulated depreciation as at 30 September 2020 Rs. Nil, has been transferred to assets held for sale. (also refer note 18A).

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Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in rupees million, unless otherwise stated)

2. Capital work-in-progress

Particulars	As at 1 April 2020	Additions	Capitalised during the period	As at 30 September 2020
Capital work-in-progress*	66.55	289.36	67.02	288.89

Particulars	As at 1 April 2019	Additions	Capitalised during the year	As at 31 March 2020
Capital work-in-progress*	155.58	182.23	271.26	66.55

Particulars	As at 1 April 2019	Additions	Capitalised during the period	As at 30 September 2019
Capital work-in-progress*	155.58	90.30	180.30	65.58

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

Particulars	As at 1 April 2017	Additions	Capitalised during the year	As at 31 March 2018
Capital work-in-progress*	117.84	1,255.63	452.68	920.79

*Detail of preoperative expenses included in CWIP	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Opening for the period/ year	5.21	0.88	0.88	52.98	21.52
Additions as per restated consolidated statement of profit and loss during the period/ year					
- Interest and processing charges #	6.17	0.85	3.02	29.52	29.12
- Bank charges	0.07	-	-	0.32	0.50
- Power & fuel	-	-	-	1.73	2.72
- Insurance	-	-	-	0.51	0.54
- Employee benefits expense	-	-	-	4.59	7.02
- Communication costs	-	-	-	-	0.12
- Legal & professional expense	-	-	-	2.96	5.64
- Rates & taxes	-	-	-	-	7.58
- Rent	-	-	-	0.46	0.02
- Travelling and conveyance	0.23	-	1.57	2.65	3.71
- Miscellaneous expenses	0.16	-	0.62	0.75	0.28
Subtotal	6.63	0.85	5.21	43.49	57.25
Less:- Expense off during the period/ year	-	-	-	-	2.65
Less:- Capitalised to respective property, plant and equipment	1.04	0.88	0.88	95.59	23.14
Closing for the period/ year	10.80	0.85	5.21	0.88	52.98

Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation relating to general borrowings was Rs. 1.34 at 8.75 % (30 September 2019 Rs 0.66 at 8.88%, 31 March 2020 Rs. 3.02 at 8.88%, 31 March 2019 Rs. 29.52 at 8.10%, 31 March 2018 Rs. 29.12 at 8.39 %).

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3. Goodwill

Particulars	Gross block			As at 30 September 2020	As at 1 April 2020	Impairment Adjustment	Net block	
	As at 1 April 2020	Additions	Deletions				As at 1 April 2020	As at 30 September 2020
Goodwill	3.95	-	-	3.95	-	-	3.95	3.95
Total	3.95	-	-	3.95	-	-	3.95	3.95

Particulars	Gross block			As at 31 March 2020	As at 1 April 2019	Impairment Adjustment	Net block	
	As at 1 April 2019	Additions	Deletions				As at 1 April 2019	As at 31 March 2020
Goodwill	3.95	-	-	3.95	-	-	3.95	3.95
Total	3.95	-	-	3.95	-	-	3.95	3.95

Particulars	Gross block			As at 30 September 2019	As at 1 April 2019	Impairment Adjustment	Net block	
	As at 1 April 2019	Additions	Deletions				As at 1 April 2019	As at 30 September 2019
Goodwill	3.95	-	-	3.95	-	-	3.95	3.95
Total	3.95	-	-	3.95	-	-	3.95	3.95

Particulars	Gross block			As at 31 March 2019	As at 1 April 2018	Impairment Adjustment	Net block	
	As at 1 April 2018	Additions	Deletions				As at 1 April 2018	As at 31 March 2019
Goodwill	3.95	-	-	3.95	-	-	3.95	3.95
Total	3.95	-	-	3.95	-	-	3.95	3.95

Particulars	Gross block			As at 31 March 2018	As at 1 April 2017	Impairment Adjustment	Net block	
	As at 1 April 2017	Additions	Deletions				As at 1 April 2017	As at 31 March 2018
Goodwill	3.95	-	-	3.95	-	-	3.95	3.95
Total	3.95	-	-	3.95	-	-	3.95	3.95

There has been no impairment loss recognised on goodwill generated on acquisition of Bakebest Foods Private Limited.

For the purpose of impairment testing, goodwill is allocated to the group's operating divisions which represent the lowest level within the group at which goodwill is monitored for internal management purposes.

The entire goodwill of Rs. 3.95 has been allocated to the purchase of business of Bakebest Foods Private Limited. The recoverable amount of this CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources.

Particulars	As at 30 September 2020	As at 30 September 2019	As At 31 March 2020	As At 31 March 2019	As At 31 March 2018
Discount rate	12.40%	12.40%	12.40%	12.40%	12.40%
Terminal value rate	5%	5%	5%	5%	5%
Budgeted EBITDA growth rate	10%	10%	10%	10%	10%

- The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.

- The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

- Budgeted EBITDA has been estimated taking into account past experience.

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4. Other intangible assets

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2020	Additions	Deletions	As at 30 September 2020	As at 1 April 2020	Charge for the period	Disposals during the year	As at 30 September 2020	As at 1 April 2020	As at 30 September 2020
Computer softwares	27.56	-	-	27.56	21.43	2.93	-	24.36	6.13	3.20
Total	27.56	-	-	27.56	21.43	2.93	-	24.36	6.13	3.20

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	Charge for the period	Disposals during the year	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Computer softwares	27.56	-	-	27.56	15.59	5.84	-	21.43	11.97	6.13
Total	27.56	-	-	27.56	15.59	5.84	-	21.43	11.97	6.13

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2019	Additions	Deletions	As at 30 September 2019	As at 1 April 2018	Charge for the period	Deletions	As at 30 September 2019	As at 1 April 2019	As at 30 September 2019
Computer softwares	27.56	-	-	27.56	15.59	2.92	-	18.51	11.97	9.05
Total	27.56	-	-	27.56	15.59	2.92	-	18.51	11.97	9.05

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

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

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5. Right-of-use assets and lease liabilities :

Information about leases for which the Group is a lessee is presented below :

Particulars	Category of ROU asset		
	Leasehold land	Building	Total
Balance as at 1 April 2017	-	-	-
Reclassified on account of adoption of Ind AS 116	44.00	27.61	71.61
Additions/(Deletions)	96.84	26.61	123.45
Impact of lease modification	-	-	-
Depreciation for the year	(0.72)	(10.54)	(11.26)
Balance as at 31 March 2018	140.12	43.68	183.80
Balance as at 1 April 2018	140.12	43.68	183.80
Additions/(Deletions)	-	-	-
Impact of lease modification	-	-	-
Depreciation for the year	(1.56)	(14.71)	(16.27)
Balance as at 31 March 2019	138.56	28.97	167.53
Balance as at 1 April 2019	138.56	28.97	167.53
Additions/(Deletions)	-	-	-
Impact of lease modification	-	-	-
Depreciation for the year	(1.58)	(14.60)	(16.18)
Balance as at 31 March 2020	136.98	14.37	151.35
Balance as at 1 April 2019	138.56	28.97	167.53
Additions/(Deletions)	-	-	-
Impact of lease modification	-	-	-
Depreciation for the period	(0.79)	(7.30)	(8.09)
Balance as at 30 September 2019	137.77	21.67	159.44
Balance as at 1 April 2020	136.98	14.37	151.35
Additions/(Deletions)	1.71	-	1.71
Impact of lease modification	-	-	-
Depreciation for the period	(0.79)	(5.86)	(6.65)
Deletions for terminated leases	-	(1.36)	(1.36)
Balance as at 30 September 2020	137.90	7.15	145.05

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the restated consolidated statement of profit and loss.

The following is the movement in lease liabilities:

Lease liabilities	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Balance at the beginning	26.81	42.07	42.07	55.85	-
Transfer on account of adoption of Ind AS 116	-	-	-	-	37.31
Additions	-	-	-	-	26.59
Accreditation of interest	0.93	1.62	2.91	4.17	3.38
Deletions	(1.44)	-	-	-	-
Payment of lease liabilities	(7.49)	(9.03)	(18.17)	(17.95)	(11.43)
Balance at the end	18.81	34.66	26.81	42.07	55.85

As at balance sheet date, the Group is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

The total amount of cashflow on account of leases for the year has been disclosed in the restated consolidated statement of cashflows..

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The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Less than one year	8.37	16.62	13.08	17.36	17.14
After one year but not longer than five years	7.07	12.72	8.98	18.01	35.37
More than five years	74.06	74.87	74.46	-	-
Total	89.50	104.21	96.52	35.37	52.51

Lease liabilities included in the statement of consolidated assets and liabilities	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Current	7.11	15.85	11.43	15.26	13.78
Non- current	11.70	18.81	15.38	26.81	42.07
Total	18.81	34.66	26.81	42.07	55.85

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

For the transitional impact of Ind AS 116 and accounting policy, refer accounting policy.

The Group has taken certain rented premises on lease with contract terms within one year. These leases are short-term in nature and the Group has elected not to recognise right-of-use-assets and lease liabilities for these assets. The Group has incurred following expenses relating to short-term leases for which the recognition exemption has been applied. (Refer note 39).

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Expenses relating to short-term leases	9.05	9.11	18.10	20.22	26.64

The following are the amounts recognised in restated consolidated statement of cash flows

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Total cash outflow for leases	7.49	9.03	18.17	17.95	11.43

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
6 Equity accounted investment					
Investment in associate					
Quoted investment in equity share at cost *					
1,937,268 (30 September 2019: 1,937,268, 31 March 2020: 1,937,268, 31 March 2019: 1,937,268, 31 March 2018: 673,506) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited #	39.14	38.71	38.28	37.91	38.82
	39.14	38.71	38.28	37.91	38.82

* Listed on Metropolitan Stock Exchange on 16 July 2018.

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

Aggregate book value of quoted investments	39.14	38.71	38.28	37.91	-
Aggregate market value of quoted investments	*	*	*	*	-
Aggregate amount of impairment in value of investments	Nil	Nil	Nil	Nil	Nil
Aggregate book value of unquoted investments	-	-	-	-	38.82
Aggregate amount of impairment in value of investments	Nil	Nil	Nil	Nil	Nil

* Not traded since the date of listing.

Interests in equity accounted investment

Cremica Agro Foods Limited ('CAFL') is an associate of the Group and has a 43.09% (30 September 2019 - 43.09%, 31 March 2020 - 43.09%, 31 March 2019 - 43.09%, 31 March 2018 - 44.95%) ownership interest. The CAFL is principally engaged in food processing. The said Company was incorporated in India on 6 December 1989. The principal place of business is Phillaur.

Contingent liabilities in respect of associate

Share of associate's contingent liabilities in respect of a legal claim lodged against the entity	1.09	1.09	1.09	1.09	1.14
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Summarised financial information for associate

The following table summarises the financial information of CAFL as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in CAFL.

	43.09%	43.09%	43.09%	43.09%	44.95%
Percentage ownership interest					
Non-current assets	42.29	44.32	42.31	44.34	48.74
Current assets (including cash and cash equivalents – 30 September 2020: 18.74, 30 September 2019: 16.02, 31 March 2020: Rs. 16.62, 31 March 2019: Rs. 14.80, 31 March 2018: Rs. 12.01)*	62.70	60.15	60.59	61.30	58.86
Current liabilities (including current financial liabilities – 30 September 2020: 13.97, 30 September 2019: 14.42, 31 March 2020: Rs. 13.84, 31 March 2019: Rs. 16.41, 31 March 2018: Rs. 13.43)	(14.17)	(14.66)	(14.08)	(17.68)	(21.24)
Net assets (100%)	90.82	89.81	88.82	87.96	86.36
Group's share of net assets	39.14	38.71	38.28	37.91	38.82
Carrying amount of interest in equity accounted investment	39.14	38.71	38.28	37.91	38.82

*Certain deposit accounts and a bank account of associate company i.e. Cremica Agro Foods Limited were frozen by the Board of Directors due to dispute among some of the Directors of the associate w.e.f. 6 January 2016. Balance with banks as at 30 September 2020: Rs. 61.19, 30 September 2019: Rs. 59.21, 31 March 2020: Rs. 60.21, 31 March 2019: Rs. 57.97 and 31 March 2018: Rs. 55.51.

Carrying amount of the interest in equity accounted investment

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue	0.14	-	-	0.23	-
Other income	1.11	2.02	4.88	4.05	2.42
Depreciation and amortisation expense	0.03	0.03	0.05	0.09	(0.09)
Income tax expense	0.07	0.27	0.27	0.58	(16.91)
Profit	2.00	1.86	0.86	1.57	0.38
Total comprehensive income (net of tax)	2.00	1.86	0.86	1.57	0.38
Groups share of profit	0.86	0.80	0.37	0.68	0.17
Groups share of other comprehensive income	-	-	-	-	-
Group's share of total comprehensive income	0.86	0.80	0.37	0.68	0.17

No dividend has been received from the associate for the periods/years ended 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018.

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
7 Non-current loans <i>(Unsecured, considered good)</i>					
Security deposits	34.67	33.60	35.25	36.96	33.56
	34.67	33.60	35.25	36.96	33.56
Breakup of security details					
Loans receivables considered good - secured	-	-	-	-	-
Loans receivables considered good - unsecured	34.67	33.60	35.25	36.96	33.56
Loans receivables which have significant increase in credit risk	-	-	-	-	-
Loans receivables credit impaired	-	-	-	-	-
Total	34.67	33.60	35.25	36.96	33.56
Less: Loss allowance	-	-	-	-	-
Total loans receivables	34.67	33.60	35.25	36.96	33.56
8 Other non-current financial assets <i>Deposits with maturity of more than 12 months</i>					
Margin money deposit*	1.22	0.26	0.26	0.41	9.68
	1.22	0.26	0.26	0.41	9.68
*Margin money deposits with carrying amount of Rs 1.22 (30 September 2019 Rs 0.26, 31 March 2020 Rs. 0.26, 31 March 2019 Rs. 0.41, 31 March 2018 Rs. 9.68) are subject to first charge to secure the group's inland letter of credit and bank guarantees.					
9 Non-current tax assets (net) Advance income tax (net of provision for tax)	30.84	57.13	42.61	41.77	29.33
	30.84	57.13	42.61	41.77	29.33
10 Other non-current assets Advances recoverable in cash or kind Capital advances	0.19 223.21	0.61 28.63	0.29 174.00	- 40.68	- 66.22
	223.40	29.24	174.29	40.68	66.22
11 Inventories <i>(valued at the lower of cost and net realisable value)</i>					
Raw material and packing material	273.88	169.49	209.28	173.01	146.34
Work-in-progress	1.00	2.48	0.48	3.08	1.59
Finished goods - Manufactured goods (including stock in transit Rs. 102.20 (30 September 2019 Rs. 133.12, 31 March 2020 Rs. 57.94, 31 March 2019 Rs. 85.78, 31 March 2018 Rs. 85.20))*	233.06	211.34	192.11	147.58	174.97
Stock in trade	-	-	0.42	-	11.88
Stores and spares	36.54	32.45	31.44	29.16	18.71
	544.48	415.76	433.73	352.83	353.49

*The write-down of inventories to net realisable value during the period/ year amounted to 30 September 2020 Rs 1.74 (30 September 2019 Rs 1.01, 31 March 2020 Rs 0.83, 31 March 2019 Rs. 0.72, 31 March 2018 Rs. 1.47).

The write-down are included in changes in inventories of finished goods and work-in-progress.

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
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12 Current financial assets - Investments

Investments in equity instruments at fair value through profit and loss

Quoted *

Nil (31 March 2020: Nil, 30 September 2019: Nil, 31 March 2019 : Nil, 31 March 2018: 1,700) equity shares of Bank of India	-	-	-	-	0.18
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	-	-	-	-	0.18
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Aggregate amount of impairment in the value of investments

***Quoted**

Aggregate book value	-	-	-	-	0.08
Aggregate market value	-	-	-	-	0.18
Aggregate amount of impairment in value of investments #	-	-	-	0.18	-

The Group has identified impairment of 30 September 2020 Rs Nil (30 September 2019 Rs Nil, 31 March 2020 Rs Nil, 31 March 2019 Rs. 0.18, 31 March 2018 Rs. Nil). The impairment on financial assets is recognised within Miscellaneous expenses in the consolidated statement of profit or loss. Since amount is not material, it is not separately reflected in the Restated Consolidated Financial Information.

13 Trade receivables

Unsecured and considered good	729.07	877.14	750.23	1,003.28	693.83
Considered doubtful/ credit impaired	104.46	110.95	99.90	42.10	10.39
Less: Loss allowance*	(104.46)	(110.95)	(99.90)	(42.10)	(10.39)

	729.07	877.14	750.23	1,003.28	693.83
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Breakup of security details

Trade receivables considered good - secured	-	-	-	-	-
Trade receivables considered good - unsecured	729.07	877.14	750.23	1,003.28	693.83
Trade receivables considered doubtful/ credit impaired	104.46	110.95	99.90	42.10	10.39
Total	833.53	988.09	850.13	1,045.38	704.22

Less: Loss allowance	(104.46)	(110.95)	(99.90)	(42.10)	(10.39)
Total trade receivables	729.07	877.14	750.23	1,003.28	693.83

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 48 on financial instruments.

14 Cash and cash equivalents

Bank Balances					
In current account #	109.38	19.72	143.11	51.83	56.30
Cash on hand	1.38	3.33	3.81	3.45	2.46
Deposits with banks for original maturity of less than three months	61.66	-	60.07	-	-
	172.42	23.05	206.99	55.28	58.76

Includes debit balance of working capital facility availed from HDFC Bank Limited amounting to Rs 63.11 (30 September 2019 Rs 1.63, 31 March 2020 Rs 65.12, 31 March 2019 Rs. 2.96, 31 March 2018 Rs. Nil) and and State Bank of India Limited amounting to Rs 19.74 (30 September 2019 Rs Nil, 31 March 2020 Rs 17.27, 31 March 2019 Rs. Nil, 31 March 2018 Rs. 0.00*).

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

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
15 Bank balances other than cash and cash equivalents above					
Deposits due to be matured within 12 months of the reporting date	62.05	64.65	39.81	14.11	0.45
Margin money deposit*	242.13	45.88	55.69	50.91	48.06
	304.18	110.53	95.50	65.02	48.51

*Margin money deposits with carrying amount of Rs 62.05 (30 September 2019 Rs 64.65, 31 March 2020 Rs 55.69, 31 March 2019 Rs. 50.91, 31 March 2018 Rs. 48.06) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

16 Current loans

(Unsecured, considered good)

Security deposits

-	5.37	3.57	-	-
-	5.37	3.57	-	-

17 Other current financial assets

(unsecured, considered good)

Forward exchange contracts used for hedging

Export incentive receivable *

Less: Loss allowance

Claims receivable on export #

Interest accrued but not due on fixed deposits with banks

IPO expenses recoverable @

Other advances

8.61	2.33	-	6.74	6.52
105.74	118.51	100.03	124.65	85.01
-	-	-	(4.02)	-
3.39	18.44	3.21	21.51	-
3.14	1.74	1.49	1.58	1.70
87.65	69.78	69.78	-	-
0.37	4.53	4.91	4.32	4.11
208.90	215.33	179.42	154.78	97.34

* The Group has accrued following export incentives of Rs 86.59 (30 September 2019 Rs 63.06, 31 March 2020 Rs 147.92, 31 March 2019 Rs. 234.46, 31 March 2018 Rs. 156.33) and has also written off incentives of Rs Nil (30 September 2019 Rs Nil, 31 March 2020 Rs Nil, 31 March 2019 Rs. 0.58, 31 March 2018 Rs. Nil).

a) Incentive under Merchandise Exports from India Scheme of Rs 43.99 (30 September 2019 Rs 28.59, 31 March 2020 Rs. 74.80, 31 March 2019 Rs. 136.52, 31 March 2018 Rs. 107.95)

b) Duty Free Import Authorization of Rs 42.37 (30 September 2019 Rs 34.47, 31 March 2020 Rs. 73.12, 31 March 2019 Rs. 97.21, 31 March 2018 Rs. 48.17)

c) Incentive under Transport and Market Assistance Scheme of Rs 0.23 (30 September 2019 Rs Nil, 31 March 2020 Rs. Nil, 31 March 2019 Rs. 0.73, 31 March 2018 Rs. Nil)

d) Incentive under Duty Drawback of Rs Nil (30 September 2019 Rs Nil, 31 March 2020 Rs. Nil, 31 March 2019 Rs. Nil, 31 March 2018 Rs. 0.21).

In accordance with bulletin -15 issued by the Ind AS Technical Facilitation Group (ITFG) "Incentive receivable from the government under a scheme of government on complying with the certain stipulated conditions shall fall under the definition of financial instruments and shall be accounted for as a financial asset as per Ind AS 109". Accordingly, Group has classified Rs 3.39 (30 September 2019 Rs 18.44, 31 March 2020 Rs. 3.21, 31 March 2019 Rs. 21.51, 31 March 2018 Rs Nil) of various claims receivable under "Other Current Financial Assets" during the current and previous period/ year.

@ Includes Auditor's Remuneration related to proposed IPO

Fees

Reimbursement of expenses

12.50	-	-	-	-
0.42	-	-	-	-
12.92	-	-	-	-

Also refer note 18 for IPO expenses recoverable

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
18 Other current assets					
Advances recoverable in cash or kind	81.54	85.69	60.31	65.31	44.50
Less: provision for doubtful advances recoverable in cash or kind	(21.72)	(1.59)	(1.74)	(1.70)	(0.94)
Balances with statutory/government authorities					
- Considered good	19.52	26.79	34.77	66.43	105.31
IPO expenses recoverable @ *	1.79**	-	-	69.78	-
	81.13	110.89	93.34	199.82	148.87

@ In relation to the IPO expenses incurred for the secondary sales of shares by certain shareholders of the Company during the year ended 31 March 2019, the selling shareholders at that time had confirmed that the expenses incurred by the Company till date and future expenses (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the respective shares sold in the offer for sale portion of the IPO by such selling shareholders). These expenses had been approved by the selling shareholders in accordance with the agreement and such reimbursements will be recovered through cashflows received from such exit. However, while the said secondary sale was cancelled, the aforesaid selling shareholders represented that they will bear the aforesaid IPO expenses.

Management revived its Initial Public Offer (IPO) plan by way of primary and secondary sales of shares during the year ending 31 March 2021. Further, in relation to the fresh IPO expenses incurred till date and future expenses (including any tax reimbursements), the Company and the selling shareholders have confirmed that the expenses incurred by the Company will be shared between the Company and the selling shareholders in proportion to the number of shares issued in case of a fresh issue or offered for sale portion of the IPO by such selling shareholders. These expenses have been approved by the selling shareholders in accordance with the agreement and such reimbursements will be recovered through cashflows received from such exit. Also refer note 41.

* Includes Auditor's Remuneration related to proposed IPO

Fees	-	-	-	12.80	-
Reimbursement of expenses	-	-	-	1.36	-
	-	-	-	14.16	-

** This pertains to the Company share of the expenses incurred in relation to fresh IPO as explained in @.

18A Assets classified as held for sale

Land held for sale*	7.05	-	-	-	-
	7.05	-	-	-	-

* On 5 October 2020, the Group sold part of its vacant freehold land located in Punjab having a book value of Rs. 7.05 million for Rs. 7.05 million. The Board of Directors have approved the aforesaid transaction through a resolution by circulation dated 16 September 2020 based on an independent valuer's report, according to which the market value of the above land is Rs. 7.02 million.

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
19 Share capital					
Authorised					
57,850,000 (as at 30 September 2019: 57,850,000, 31 March 2020: 57,850,000, 31 March 2019: 57,850,000, 31 March 2018: 57,600,000) equity shares of Rs. 10/- each	578.50	578.50	578.50	578.50	576.00
Issued, subscribed and paid-up					
57,267,922 (as at 30 September 2019: 57,267,922, 31 March 2020: 57,267,922, 31 March 2019: 57,267,922, 31 March 2018: 57,267,622) equity shares of Rs. 10/- each	572.68	572.68	572.68	572.68	572.68
	572.68	572.68	572.68	572.68	572.68

a. Terms and rights attached to equity shares

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

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

b. Reconciliation of number of shares outstanding at the beginning and end of the year/ period :

Particulars	Number of Shares	Amount
Outstanding as at 31 March 2017	28,633,811	286.34
Add: Bonus Shares issued during the period	28,633,811	286.34
Outstanding as at 31 March 2018	57,267,622	572.68
Share based option exercised during the year*	300	0.00
Outstanding as at 31 March 2019	57,267,922	572.68
Add: Shares issued during the period	-	-
Outstanding as at 30 September 2019	57,267,922	572.68
Add: Shares issued during the period	-	-
Outstanding as at 31 March 2020	57,267,922	572.68
Add: Shares issued during the period	-	-
Outstanding as at 30 September 2020	57,267,922	572.68

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

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

Particulars	As at 30 September 2020		As at 30 September 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid										
Anoop Bector	22,848,674	39.90%	22,848,674	39.90%	22,848,674	39.90%	22,848,674	39.90%	22,848,674	39.90%
GW Crown Pte Limited	11,170,496	19.51%	11,170,496	19.51%	11,170,496	19.51%	11,170,496	19.51%	11,170,496	19.51%
Linus Private Limited	13,120,790	22.91%	13,120,790	22.91%	13,120,790	22.91%	13,120,790	22.91%	13,120,790	22.91%

d. Aggregate number of shares allotted or fully paid up during the last five years immediately preceding balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

Particulars	30 September 2020 Numbers of shares	30 September 2019 Numbers of shares	31 March 2020 Numbers of shares	31 March 2019 Numbers of shares	31 March 2018 Numbers of shares	31 March 2017 Numbers of shares	31 March 2016 Numbers of shares	31 March 2015 Numbers of shares
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	28,633,811	-	-	-
Shares allotted as per approved composite scheme of amalgamation and arrangement	-	-	-	-	-	-	-	21,287,939*
	-	-	-	-	28,633,811	-	-	21,287,939

* Note:- As per approval of Honorable High Court for the scheme of amalgamation and arrangement under section 391 to 394 of Companies Act, 1956 with effect from appointed dated 04 July 2014, the Company cancelled 22,469,418 shares and had issued 21,287,939 shares for consideration other than cash.

e. Shares reserved for issue under options

Information relating to Group's option plan, including details of options issued, exercised, and lapsed during the period/ year and options outstanding at the end of the reporting period/ year, is set out in note 47.

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	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
20 Other equity					
a Capital reserve					
Balance at the beginning of the period/ year	13.17	13.17	13.17	14.37	14.37
Less: Sale of share in equity accounted investment	-	-	-	(1.20)	-
Balance at the end of the period/ year	13.17	13.17	13.17	13.17	14.37
b Securities premium					
Balance at the beginning of the period/ year	243.92	243.92	243.92	243.83	530.17
Add:- Share based option exercised during the period/ year	-	-	-	0.09	-
Less: Bonus shares issued	-	-	-	-	(286.34)
Balance at the end of the period/ year	243.92	243.92	243.92	243.92	243.83
c Retained earnings					
Balance at the beginning of the period/ year	2,336.01	2,090.52	2,090.52	1,812.39	1,503.40
Add: Profit for the period/ year	388.83	101.74	304.03	331.50	358.93
Add: Other comprehensive (loss)/ income for the period/ year	(4.40)	(6.82)	(6.43)	0.27	1.75
Less: Interim dividend paid	-	-	(42.95)	(42.95)	(42.95)
Less: Dividend distribution tax on interim dividend*	-	-	(9.16)	(10.69)	(8.74)
Balance at the end of the period/ year	2,720.44	2,185.44	2,336.01	2,090.52	1,812.39
d Share options outstanding account					
Balance at the beginning of the period/ year	8.33	8.35	8.35	3.99	-
Share based expense	0.30	1.62	2.79	4.40	3.99
Share based option exercised during the period/ year	-	-	-	(0.04)	-
Share based option forfeited during the period/ year	-	-	(2.81)	-	-
Balance at the end of the period/ year	8.63	9.97	8.33	8.35	3.99
e General reserve					
Balance at the beginning of the period/ year	18.88	18.88	18.88	18.88	18.88
Less: Movement during the period/ year	-	-	-	-	-
Balance at the end of the period/ year	18.88	18.88	18.88	18.88	18.88
Total	3,005.04	2,471.38	2,620.31	2,374.84	2,093.46

* Tax on dividend paid is net of credit of Rs. Nil (Rs. Nil for the period ended 30 September 2019, for the year ended 31 March 2020 Rs. 8.67, 31 March 2019 Rs. 8.83, 31 March 2018 Rs. 3.53). Credit is on account of dividend distribution tax on dividend received from subsidiary company.

Nature of reserves

Capital reserve

Capital reserve is on account of the business combination transaction as per the Court Scheme dated 4 July 2014.

Securities premium

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

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

Remeasurement of defined benefit plans (included in retained earnings)

Remeasurements of defined benefit plans represents the following as per Ind AS 19, employee benefits:

- actuarial gains and losses
- the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Share options outstanding account

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

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to restated consolidated statement of profit and loss.

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Dividends					
The following dividends were declared by the Company during the period/ year					
Rs. Nil per equity share (30 September 2019: Rs. Nil, 31 March 2020: Rs. 0.75, 31 March 2019: Rs. 0.75, 31 March 2018: Rs. 0.75)	-	-	42.95	42.95	42.95
Dividend distribution tax on dividend to equity shareholders	-	-	9.16	10.69	8.74
Total	-	-	52.11	53.64	51.69

Note - Also refer note 51

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

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
21 Non-current borrowings					
Term loans (Refer note (a))					
From banks (Secured) @	1,216.85	1,179.32	1,126.96	1,249.89	1,035.14
Vehicle loans (Refer note (a))					
From banks (Secured)	9.05	0.81	6.59	5.26	5.90
From Others (Secured)	-	3.07	-	1.66	5.11
Loans from related parties (unsecured)*****	-	-	-	21.22	25.11
Total non current borrowings	1,225.90	1,183.20	1,133.55	1,278.03	1,071.26
Less: Current maturities of long term debt @	(211.82)	(241.30)	(274.61)	(203.17)	(121.17)
Less: Interest accrued but not due on borrowings @	(2.07)	(2.49)	(2.41)	(2.76)	(2.97)
Non current borrowings	1,012.01	939.41	856.53	1,072.10	947.12

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

Particulars	ICICI Bank Limited *	State Bank of India Limited **	HDFC Bank Limited ***	Vehicle loans****	Interest accrued but not due	Total
Principal amount						
As at 30 September 2020	746.89	-	467.96	8.98	1.93	1,225.76
As at 30 September 2019	735.62	-	441.23	3.86	2.49	1,183.20
As at 31 March 2020	684.99	-	439.60	6.55	2.41	1,133.55
As at 31 March 2019	763.18	-	483.99	6.88	2.76	1,256.81
As at 31 March 2018	501.65	25.98	504.60	10.95	2.97	1,046.15
Year of maturity	2025-26	2018-19	2027-28	2023-24	-	-
Term of repayment	monthly basis	monthly/quarterly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	8.05% - 9.95%	9.20% - 10.80%	7.55% - 9.30%	8.51% - 9.66%	-	-

* The term loan of ICICI Bank Limited is secured by exclusive charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by exclusive charge on current assets both present and future of the Rajpura, Phillaur and Tahliwal plant.

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

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

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

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

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

***** Refer note 25 for unsecured loans from related parties

Term Loans

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

@ Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks, the Group has availed the option in the term loans from ICICI Bank Limited and HDFC Bank Limited. However, the interest and principal amount of the moratorium period has been paid subsequently by the Group.

(b) Net debt reconciliation

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

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents	172.42	23.05	206.99	55.28	58.76
Bank balances other than cash and cash equivalents	304.18	110.53	95.50	65.02	48.51
Other financial assets	1.22	0.26	0.26	0.41	9.68
Non-current borrowings (excluding interest accrued)	(1,223.83)	(1,180.71)	(1,131.14)	(1,275.27)	(1,068.29)
Current borrowings	-	(285.49)	(180.51)	(327.09)	(262.73)
Lease liabilities (Current and non current)	(18.81)	(34.66)	(26.81)	(42.07)	(55.85)
Interest accrued but not due on borrowings	(2.07)	(2.49)	(2.41)	(4.81)	(3.67)
Net debt	(766.89)	(1,369.51)	(1,038.12)	(1,528.53)	(1,273.59)

	Financial assets			Liabilities from financing activities				Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Lease liabilities (Current and non current)	Interest on borrowings	
Net debt as at 1 April 2020	206.99	95.50	0.26	(1,131.14)	(180.51)	(26.81)	(2.41)	(1,038.12)
Cash flows	(34.57)	208.68	0.96	(92.69)	180.51	7.49	-	270.38
Interest expense	-	-	-	-	-	(0.93)	(53.85)	(54.78)
Interest paid	-	-	-	-	-	-	54.19	54.19
Other adjustments	-	-	-	-	-	1.44	-	1.44
Net debt as at 30 September 2020	172.42	304.18	1.22	(1,223.83)	-	(18.81)	(2.07)	(766.89)

	Financial assets			Liabilities from financing activities				Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Lease liabilities (Current and non current)	Interest on borrowings	
Net debt as at 1 April 2019	55.28	65.02	0.41	(1,275.27)	(327.09)	(42.07)	(4.81)	(1,528.53)
Cash flows	(32.23)	45.51	(0.15)	94.56	41.60	9.04	-	158.33
Interest expense	-	-	-	-	-	(1.62)	(76.93)	(78.55)
Interest paid	-	-	-	-	-	-	79.25	79.25
Net debt as at 30 September 2019	23.05	110.53	0.26	(1,180.71)	(285.49)	(34.65)	(2.49)	(1,369.50)

	Financial assets			Liabilities from financing activities				Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Lease liabilities (Current and non current)	Interest on borrowings	
Net debt as at 1 April 2019	55.28	65.02	0.41	(1,275.27)	(327.09)	(42.07)	(4.81)	(1,528.53)
Cash flows	151.71	30.48	(0.15)	144.13	146.58	18.17	-	490.92
Interest expense	-	-	-	-	-	(2.91)	(147.48)	(150.39)
Interest paid	-	-	-	-	-	-	149.88	149.88
Net debt as at 31 March 2020	206.99	95.50	0.26	(1,131.14)	(180.51)	(26.81)	(2.41)	(1,038.12)

	Financial assets			Liabilities from financing activities				Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Lease liabilities (Current and non current)	Interest on borrowings	
Net debt as at 1 April 2018	58.76	48.51	9.68	(1,068.29)	(262.73)	(55.85)	(3.67)	(1,273.59)
Cash flows	(3.48)	16.51	(9.27)	(206.98)	(64.36)	17.95	-	(249.63)
Interest expense	-	-	-	-	-	(4.17)	(122.58)	(126.75)
Interest paid	-	-	-	-	-	-	121.44	121.44
Net debt as at 31 March 2019	55.28	65.02	0.41	(1,275.27)	(327.09)	(42.07)	(4.81)	(1,528.53)

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	Financial assets			Liabilities from financing activities				Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Margin money deposits (Non-current)	Non-Current borrowings	Current borrowings	Lease liabilities (Current and non current)	Interest on borrowings	
Net debt as at 1 April 2017	136.08	59.32	0.21	(442.81)	(165.59)	(27.61)	(3.31)	(443.71)
Cash flows	(77.32)	(10.81)	9.47	(625.48)	(97.14)	11.43	-	(789.85)
Interest expense	-	-	-	-	-	(3.38)	(57.68)	(61.06)
Interest paid	-	-	-	-	-	-	57.32	57.32
Other non-cash movements	-	-	-	-	-	(36.29)	-	(36.29)
- Addition of lease liabilities	-	-	-	-	-	-	-	-
Net debt as at 31 March 2018	58.76	48.51	9.68	(1,068.29)	(262.73)	(55.85)	(3.67)	(1,273.59)

22 Provisions

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits					
Compensated absences (refer note 45)	19.42	18.38	19.50	16.47	12.03
Gratuity (refer note 45)	55.80	39.97	41.72	25.39	20.51
	75.22	58.35	61.22	41.86	32.54

23 Income Tax

A. Amounts recognised in profit or loss

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expense					
Current period/ year	121.89	61.03	127.98	119.87	165.77
Tax adjustment for earlier periods/ years	-	-	0.99	(2.05)	(1.27)
	121.89	61.03	128.97	117.82	164.50
Deferred tax credit/ charge					
MAT credit reversal/ (entitlement)	-	20.12	20.12	(13.21)	-
Changes in recognised temporary differences	10.69	(29.91)	(47.92)	70.45	4.80
Effect of changes in tax rate	-	(32.09)	(13.40)	-	0.18
	10.69	(41.88)	(41.20)	57.24	4.98
Total Tax Expense	132.58	19.15	87.77	175.06	169.48

B. Amounts recognised in Other Comprehensive Income

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Defined benefit plan					
Before tax	(5.87)	(9.12)	(8.60)	0.39	2.67
Tax(Expense)/Income	1.47	2.30	2.17	(0.12)	(0.92)
Net of tax	(4.40)	(6.82)	(6.43)	0.27	1.75

C. Reconciliation of effective tax rate

	For the period 1 April 2020 to 30 September 2020		For the period 1 April 2019 to 30 September 2019		For the year ended 31 March 2020		For the year ended 31 March 2019		For the year ended 31 March 2018	
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	25.17%	521.41	25.17%	120.89	25.17%	391.80	34.94%	506.56	34.61%	528.41
Tax using the Group's domestic tax rate		131.23		30.43		98.61		177.01		182.88
Tax effect of:										
Non-deductible expenses	0.24%	1.26	0.72%	0.87	0.34%	1.33	0.81%	4.10	0.26%	1.36
Effect of difference in tax rate of subsidiaries	0.00%	-	0.00%	-	0.00%	-	-1.21%	(6.11)	-1.02%	(5.38)
Changes in estimates related to earlier periods/ years	0.00%	-	0.00%	-	0.11%	0.44	0.40%	2.05	-1.36%	(7.17)
Effect of changes in tax rate	0.00%	-	-26.54%	(32.09)	-8.11%	(31.77)	0.00%	-	0.00%	-
MAT credit reversal	0.00%	-	16.64%	20.12	5.14%	20.12	0.00%	-	0.00%	-
Others	0.02%	0.09	-0.15%	(0.18)	-0.25%	(0.96)	-0.39%	(1.99)	-0.42%	(2.21)
Tax expense	25.43%	132.58	15.84%	19.15	22.40%	87.77	34.56%	175.06	32.07%	169.48

D. Movement in deferred tax balances

	As at 1 April 2020	Recognized in P&L	Recognized in OCI	As at 30 September 2020
Deferred Tax Liability				
Property, plant and equipment	200.29	(11.74)	-	188.55
Right-of-use assets	6.47	(1.97)	-	4.50
Other items	-	-	-	-
Sub- Total (a)	206.76	(13.71)	-	193.05
Deferred Tax Assets				
Provisions - employee benefits	20.87	4.63	1.47	26.97
Allowances on doubtful receivables	25.58	6.18	-	31.76
MAT credit entitlement	-	-	-	-
Deferred income on grants	37.47	(2.88)	-	34.59
Others	44.08	(32.33)	-	11.75
Sub- Total (b)	128.00	(24.40)	1.47	105.07
Net Deferred Tax Liabilities (a)-(b)	78.76	10.69	(1.47)	87.98
	As at 1 April 2019	Recognized in P&L	Recognized in OCI	As at 30 September 2019
Deferred Tax Liability				
Property, plant and equipment	286.16	(82.75)	-	203.41
Right-of-use assets	-	8.52	-	8.52
Other items	3.39	(3.39)	-	-
Sub- Total (a)	289.55	(77.62)	-	211.93
Deferred Tax Assets				
Provisions - employee benefits	21.81	(2.15)	2.30	21.96
Allowances on doubtful receivables	16.71	11.61	-	28.32
MAT credit entitlement	20.12	(20.12)	-	-
Deferred income on grants	58.60	(18.79)	-	39.81
Others	50.19	(6.28)	-	43.91
Sub- Total (b)	167.43	(35.73)	2.30	134.00
Net Deferred Tax Liabilities (a)-(b)	122.12	(41.89)	(2.30)	77.93
	As at 1 April 2019	Recognized in P&L	Recognized in OCI	As at 31 March 2020
Deferred Tax Liability				
Property, plant and equipment	286.16	(85.87)	-	200.29
Right-of-use assets	-	6.47	-	6.47
Other items	3.39	(3.39)	-	-
Sub- Total (a)	289.55	(82.79)	-	206.76
Deferred Tax Assets				
Provisions - employee benefits	21.81	(3.11)	2.17	20.87
Allowances on doubtful receivables	16.71	8.87	-	25.58
MAT credit entitlement	20.12	(20.12)	-	-
Deferred income on grants	58.60	(21.13)	-	37.47
Others	50.19	(6.11)	-	44.08
Sub- Total (b)	167.43	(41.60)	2.17	128.00
Net Deferred Tax Liabilities (a)-(b)	122.12	(41.19)	(2.17)	78.76

Note Section 115BAA of the Income Tax Act, 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Group has determined that it will recognize tax expense at the new reduced income tax rates after doing the benefit analysis of existing deductions as compared to reduced tax rates under the new tax regime. Accordingly, the Group has evaluated the outstanding deferred tax liability as at 31 March 2019 and based on current estimates, written back deferred tax liability aggregating to Rs. 32.09 and reversed MAT credit entitlement of Rs. 20.12 which represents the effect of the total adjustment over the year due to the change in income tax rate.

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	As at 1 April 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred Tax Liability				
Property, plant and equipment	148.29	137.87	-	286.16
Investments in mutual funds at fair value through profit and loss	0.03	(0.03)	-	-
Other items	3.39	-	-	3.39
Sub- Total (a)	151.71	137.84	-	289.55
Deferred Tax Assets				
Provisions - employee benefits	17.54	4.39	(0.12)	21.81
Allowances on doubtful receivables and advances	3.96	12.75	-	16.71
MAT credit entitlement	7.74	12.38	-	20.12
Deferred income on grants	12.90	45.70	-	58.60
Others	44.82	5.37	-	50.19
Sub- Total (b)	86.96	80.59	(0.12)	167.43
Net Deferred Tax Liabilities (a)-(b)	64.75	57.25	0.12	122.12

	As at 1 April 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Liability				
Property, plant and equipment	132.87	15.42	-	148.29
Investments in mutual funds at fair value through profit and loss	2.21	(2.18)	-	0.03
Forward exchange contracts used for hedging	6.50	(6.50)	-	-
Other items	0.76	2.63	-	3.39
Sub- Total (a)	142.34	9.37	-	151.71
Deferred Tax Assets				
Provisions - employee benefits	16.11	2.35	(0.92)	17.54
Allowances on doubtful receivables	2.82	1.14	-	3.96
MAT credit entitlements	13.30	(5.56)	-	7.74
Others	51.26	6.46	-	57.72
Sub- Total (b)	83.49	4.39	(0.92)	86.96
Net Deferred Tax Liabilities (a)-(b)	58.85	4.98	0.92	64.75

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
24 Other non-current liabilities					
Deferred income on government grants	116.73	139.82	131.40	148.74	137.48
	116.73	139.82	131.40	148.74	137.48

The Group has been awarded grants under Export Promotion Capital Goods Scheme (EPCG), Agricultural and Processed Food Products Export Development Authority (APEDA), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP and Scheme for Cold Chain and Value Addition Infrastructure. The grants received for the period ended 30 September 2020 amounted to Rs. Nil (30 September 2019 Rs. Nil, 31 March 2020 Rs. Nil, 31 March 2019 Rs. 45.61, 31 March 2018 Rs. 113.41) were conditional upon fulfillment of export obligations in case of EPCG purchase of specified plant and machinery in a specified region. The amount received under grants is recognised as deferred income and is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised.

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
25 Current borrowings					
Loans from banks repayable on demand (secured)*	-	268.75	165.33	327.09	262.73
Loans from related parties (unsecured)**	-	16.74	15.18	-	-
	-	285.49	180.51	327.09	262.73

* The facilities availed from State Bank of India Limited carries floating rate of interest @ Nil per annum (8.75% to 9.55% per annum for the period ended 30 September 2019, 31 March 2020: MCLR + 0.25% to 1.25% ranging from 8.75% to 10.30% per annum, 31 March 2019: 8.10% to 9.15% per annum, 31 March 2018: 8.15% to 9.15% per annum).

The Group has also taken the working capital limits from HDFC Bank Limited which are secured against entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank carries floating rate of interest @ MCLR + 0.30% @ 8.75% per annum (8.75% per annum for the period ended 30 September 2019, MCLR + 0.30% ranging from 8.45% to 8.75% per annum for the year ended 31 March 2020, 31 March 2019 8.75% per annum, 31 March 2018 8.25% per annum). (Refer Note 14 cash and cash equivalents).

The Group has also taken the working capital limits from ICICI Bank Limited which are secured by exclusive charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by exclusive charge on current assets both current and future of the Rajpura, Phillaur and Tahliwal plant. The facilities availed from ICICI Bank carries floating rate of interest @ MCLR + 0.60% @ 8.75% per annum (9.10% per annum for the period ended 30 September 2019, MCLR + 0.60% to 1.25% ranging from 8.60% to 9.10% per annum for the year ended 31 March 2020, 31 March 2019 8.60% to 9.10% per annum, 31 March 2018 Nil).

Name of the lender	Penalty Clause
State Bank of India Limited	The Company will maintain adequate net working capital at all times to meet margin requirements and in case of shortfall in NWC/excess borrowings, the Bank will charge penal interest @1.00% per annum over and above the normal interest rate applicable. In case of non compliance of current stipulations within the stipulated year, penal rate of interest@ 1% per annum over and above the normal interest rate will be charged on entire outstanding for the year of delay. Irregularity in fund based Limits: @ 2% per annum on the entire outstanding for the year of irregularity on the irregular portion for the year of irregularity. However, in case the account is continuously irregular for the year beyond 60 days, penal rate of interest will be charged on the entire outstanding from the 61st day onwards. Non-submission of renewal data including Audited Balance Sheet: Listed Companies if not submitted within 7 months-Rs.10,000/-per month of delay. For others, if not submitted within 9 months of delay-Rs.10,000/-per month.
ICICI Bank Limited	In such event of default, bank is either of facility at liberty to recall all the facility extended to the Company. 1 % per annum (The rate will be over and deemed to be an event of above the interest rate of the default for all other facility facility) on the limit amount for the delayed year will be charged for the Company for the default year.
HDFC Bank Limited	The bank reserves the right to charge an additional 2% per annum interest rate over and above the normal interest rate on the outstanding amount in case of non-submission of renewal documents. Commitment charges @0.50% per annum to be charged on quarterly basis on the entire unutilized portion if average utilization is less than 60%.

** Unsecured loans from directors and their relatives carry interest @ 7.90% per annum (30 September 2019 @8.25% per annum, 31 March 2020 @8.25% per annum, 31 March 2019 @ 8% per annum and 31 March 2018 @ 8% per annum). These loans were subordinate to the term loans from State Bank of India Limited and have been repaid subsequent to the year ended 31 March 2020, after repayment of term loans from State Bank of India Limited. Accordingly, the amount due as at 31 March 2020 has been disclosed as current borrowings. Refer note 46 on transactions with related parties.

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26 Trade Payables

Trade payables					
- Total outstanding dues of micro enterprises and small enterprises*					
- Total outstanding of creditors other than micro enterprises and small enterprises**					

* Refer note 44 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 46)

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
	75.44	55.60	59.19	67.43	-
	540.80	373.41	411.08	420.79	389.70
	616.24	429.01	470.27	488.22	389.70

27 Other financial liabilities

Current maturities of long-term debt (refer note 21)					
Interest accrued but not due on borrowings					
Capital creditors					
- Total outstanding dues of micro enterprises and small enterprises*					
- Total outstanding of creditors other than micro enterprises and small enterprises					
Unpaid dividends**					
Security and other trade deposits					
Forward exchange contracts used for hedging					

* Refer note 44 for disclosures required under MSMED Act.
**The total amount of unpaid dividends in absolute value is Rs.Nil (30 September 2019 Rs Nil, 31 March 2020 Rs. Nil, 31 March 2019 Rs. 225, 31 March 2018 Rs. Nil), but for reporting purpose rounded upto Rs. 0.00 Million.

	211.82	241.30	274.61	203.17	121.17
	2.07	2.49	2.41	4.81	3.67
	19.58	13.52	15.61	21.96	-
	35.00	14.75	14.08	47.59	141.07
	-	-	-	0.00	9.20
	27.51	20.51	25.51	19.88	17.62
	-	-	12.50	-	4.90
	295.98	292.57	344.72	297.41	297.63

28 Other current liabilities

Deferred income					
Government grants (refer note 24)					
Advances from customers (Contract liability)					
Statutory dues					
Book overdraft					
Employee payable*					

* Includes dues to related parties (refer note 46)

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
	20.70	18.36	17.48	18.97	10.15
	40.91	22.07	26.00	24.58	16.16
	16.91	15.37	17.58	12.79	14.90
	-	2.78	-	-	-
	107.22	84.57	77.25	72.42	62.58
	185.74	143.15	138.31	128.76	103.79

29 Provisions

Provision for employee benefits (refer note 45)

Compensated absences					
Gratuity					
Others:					
Provision for litigation (refer note (a))					
Provision for sales return (refer note (b))					

a) Provision for litigation*

Balance at the commencement of the period/ year					
Add: Provision made during the period/ year					
Less: Provision utilised/reversed during the period/ year					
Balance at the end of the period/ year					

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

b) Provision for sales return

Balance at the commencement of the period/ year					
Add: Provision made during the period/ year**					
Less: Provision utilised/reversed during the period/ year					
Balance at the end of the year					

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

	1.39	1.39	1.45	1.45	1.15
	2.77	2.37	2.44	2.27	1.91
	24.99	137.30	145.42	131.28	117.65
	9.52	7.40	7.58	6.97	6.15
	38.67	148.46	156.89	141.97	126.86
	145.42	131.28	131.28	117.65	103.98
	3.36	6.02	14.14	13.63	13.67
	(123.79)	-	-	-	-
	24.99	137.30	145.42	131.28	117.65
	7.58	6.97	6.97	6.15	6.10
	5.73	3.92	7.58	6.97	6.15
	(3.79)	(3.49)	(6.97)	(6.15)	(6.10)
	9.52	7.40	7.58	6.97	6.15

30 Current tax liabilities (net)

Income tax (net of advance tax)					
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	62.16	12.65	18.74	12.58	26.00
	62.16	12.65	18.74	12.58	26.00

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	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
31 Revenue from operations					
Sale of products (including excise duty to the extent applicable) *	3,944.56	3,299.22	6,862.44	7,023.96	6,248.03
Sale of services **					
Job work income	193.70	213.44	471.16	497.56	407.54
Total (A)	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57
Other operating revenue					
Export incentives (refer note 17)	86.59	63.06	147.92	234.46	156.33
Net gain on account of foreign exchange fluctuations	19.18	20.16	37.41	0.84	55.23
Sale of Scrap	19.16	18.42	36.66	22.41	17.63
Others**	46.75	31.86	65.63	57.42	54.89
Total (B)	171.68	133.50	287.62	315.13	284.08
Total revenue from operations (A + B)	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65

* Also refer note 42

** Also refer note 43

For the purposes of restated consolidated financial information, the Group has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18 w.e.f 1 April 2017. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Group has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended 31 March 2018 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at 1 April 2017 ('transition date') in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the Restated Consolidated Financial Information is not material.

Also the Group has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months. (Also refer note 48 C).

Prior to adoption of IND AS 115, the Group's revenue was primarily comprised of Revenue from sale of goods. The recognition of these revenue streams is largely unchanged by Ind AS 115.

Reconciliation of revenue recognized with the contracted price is as follows:

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Contracted price	4,342.96	3,669.00	7,648.91	7,747.12	6,803.07
Reductions towards variable consideration components (discounts, rebates and others)	(204.70)	(156.34)	(315.31)	(225.60)	(147.50)
Revenue recognised	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57

Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ sale of goods. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards sale of goods. Revenue is recognised once the performance obligation is met i.e. on sale of goods.

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Contract liabilities					
- Advances from customer	40.91	22.07	26.00	24.58	16.16
Contract Assets					
- Receivables, which are included in trade receivables	729.07	877.14	750.23	1,003.28	693.83

Note: Considering the nature of business of the Group, the above contract liabilities are generally materialised as revenue and contract assets are converted into cash/trade receivables within the same operating cycle.

32 Other income

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from financial assets at amortized cost	7.12	3.09	6.82	4.57	4.17
Interest income from others	0.71	0.73	1.37	1.14	1.91
Gain on sale/write off of investments (net)	-	-	-	1.10	0.67
Government grants (refer note 24)	11.45	9.52	18.82	15.04	9.97
Liabilities no longer required written back *	55.43	-	-	-	-
Net profit on sale/ write off of property, plant and equipment	0.27	2.16	0.59	0.25	-
Other miscellaneous income **	0.63	0.42	0.94	1.54	1.18
	75.61	15.92	28.54	23.64	17.90

* Also refer note 41

** Also refer note 43

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	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
33 Cost of materials consumed					
Raw materials (including purchased components and packing material consumed)					
Opening inventories	209.28	173.01	173.01	146.33	138.96
Add: Purchases (net)	2,353.88	1,993.01	4,149.42	4,095.05	3,786.23
Less: Closing inventories	273.88	169.49	209.28	173.01	146.33
	2,289.28	1,996.53	4,113.15	4,068.37	3,778.86
34 Purchase of stock-in-trade					
Purchase of stock-in-trade	-	2.51	3.70	134.14	119.68
	-	2.51	3.70	134.14	119.68
35 Changes in inventories of finished goods, stock-in-trade and work-in-progress					
Opening inventories					
Finished goods	192.11	147.58	147.58	174.97	115.36
Work-in-progress	0.48	3.08	3.08	1.59	1.70
Stock-in-trade	0.42	-	-	11.88	0.73
Total (A)	193.01	150.66	150.66	188.44	117.79
Closing inventories					
Finished goods	233.06	211.34	192.11	147.58	174.97
Work-in-progress	1.00	2.48	0.48	3.08	1.59
Stock-in-trade	-	-	0.42	-	11.88
Total (B)	234.06	213.82	193.01	150.66	188.44
Total (A-B)	(41.05)	(63.16)	(42.35)	37.78	(70.65)
36 Employee benefits expense					
Salaries and wages	571.47	532.71	1,093.96	1,011.48	836.75
Contribution to provident and other funds (refer note 45)	27.42	27.82	55.14	52.67	45.78
Share-based payment to employees (refer note 47)	0.30	1.62	-	4.40	3.99
Staff welfare expenses	21.34	11.03	29.87	28.76	26.55
	620.53	573.18	1,178.97	1,097.31	913.07
37 Finance costs					
Interest expense on financial liabilities measured at amortised cost :					
Loan from banks	47.12	64.82	123.39	98.14	47.34
Lease liabilities (refer note 5)	0.93	1.62	2.91	4.17	3.38
Others	6.73	12.11	24.09	24.44	10.34
	54.78	78.55	150.39	126.75	61.06
38 Depreciation and amortisation expense					
Depreciation on property, plant and equipment	212.06	195.99	392.86	329.72	266.53
Depreciation on right-of-use assets (refer note 5)	6.65	8.09	16.18	16.27	11.26
Amortisation on other intangible assets	2.93	2.92	5.84	5.84	5.68
	221.64	207.00	414.88	351.83	283.47

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	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
39 Other expenses					
Rent (refer note 5 and note 43)	9.05	9.11	18.10	20.22	26.64
Rates and taxes	4.68	2.29	9.81	8.54	7.64
Power and fuel	196.51	200.92	392.21	415.76	317.40
Repair and maintenance:					
Plant and machinery	28.20	31.36	63.29	57.32	54.36
Buildings	2.55	4.04	7.77	8.41	14.15
Others	4.21	4.18	7.95	7.34	4.59
Travelling and conveyance	24.58	42.95	89.44	93.18	78.99
Payment to auditor (refer note (a) below)	3.13	3.06	5.78	4.41	5.77
Legal and professional fees	8.79	8.19	20.41	15.67	15.68
Printing and stationery	1.42	1.83	3.76	4.38	3.76
Net change in fair value of financial assets measured at fair value through profit and loss	-	-	-	-	0.06
Advertisement and sales promotion	26.87	69.88	123.60	131.02	136.34
Consumption of stores and spare parts	20.21	20.21	41.57	33.47	27.18
Commission and brokerage	3.22	2.48	4.88	3.61	6.01
Communication costs	3.61	4.82	9.89	9.51	10.16
Director's remuneration	26.16	26.16	52.29	46.29	43.83
Freight and forwarding	269.90	229.52	454.80	591.80	510.84
Insurance	9.35	6.01	12.99	9.76	8.50
Net loss on sale of property, plant and equipment	-	-	-	0.63	2.44
Allowances on trade receivable and other advances	60.94	64.71	71.18	36.50	4.64
Bank charges	1.66	3.09	5.50	5.12	4.27
Expenditure on Corporate social responsibility (refer note 53)	2.96	0.94	1.18	3.40	2.81
Miscellaneous expenses	11.82	11.63	43.19	31.89	24.46
	719.82	747.38	1,439.59	1,538.23	1,310.52
(a) Payment to auditors					
As auditor					
Statutory audit	3.03	2.96	5.21	3.73	5.25
Certification	0.05	0.10	0.20	0.20	0.20
Reimbursement of expenses	-	-	0.37	0.48	0.32
	3.08	3.06	5.78	4.41	5.77
40 Earning per share (EPS)					
A. Basic earnings per share					
<i>i. Profit for basic earning per share of Rs. 10 each</i>					
Profit for the year	388.83	101.74	304.03	331.50	358.93
<i>ii. Weighted average number of equity shares for (basic)</i>					
Balance at the beginning of the year	57.26	57.26	57.26	57.26	28.63
Effect of issue of bonus shares	-	-	-	-	28.63
	57.26	57.26	57.26	57.26	57.26
Basic Earnings per share (face value of Rs 10 each)	6.79	1.78	5.31	5.79	6.27
B. Diluted earnings per share					
<i>i. Profit for diluted earning per share of Rs. 10 each</i>					
Profit for the year	388.83	101.74	304.03	331.50	358.93
<i>ii. Weighted average number of equity shares for (diluted)</i>					
Balance at the beginning of the year	57.26	57.26	57.26	57.26	28.63
Effect of issue of bonus shares	-	-	-	-	28.63
Effect of employee stock options	0.06	0.08	0.06	0.07	0.06
	57.32	57.34	57.32	57.33	57.32
Diluted Earnings per share (face value of Rs. 10 each)	6.78	1.77	5.30	5.78	6.26

41 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
On the basis of current status of below-mentioned individual cases and as per legal advice obtained by the Group, wherever applicable, the Group is confident that the outcome in the below cases would be in the favor of the Group and is of view that no provision is required in respect of these cases.					
a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):					
I) Income Tax related matters	31.03	2.14	31.03	2.14	2.14
i) Relating to Income tax demand on certain disallowance for AY 2010-11*	0.00	0.00	0.00	-	-
ii) Relating to Income tax demand on certain disallowance for AY 2011-12	0.13	0.13	0.13	0.13	0.13
iii) Relating to Income tax demand on certain disallowance for AY 2013-14	1.83	1.83	1.83	1.83	1.83
iv) Relating to Income tax demand on certain disallowance for AY 2015-16	0.18	0.18	0.18	0.18	0.18
v) Relating to Income tax demand on certain disallowance for AY 2017-18	28.89	-	28.89	-	-
*The total amount of income tax demand in absolute value is Rs. 4,238, but for reporting purpose rounded upto Rs. 0.00.					
II) Sales tax related matters					
i) Sales Tax demand for assessment year 2005-06 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	3.01	3.01	3.01	3.01	3.01
ii) Sales Tax demand for assessment year 2012-13 on account of sales tax liability on taxable sales not deposited in the state of Maharashtra	0.88	0.88	0.88	-	-
III) Civil matters					
i) Stamp duty case for the plot taken on 99 years lease in Noida	9.10	9.10	9.10	9.10	9.10
b. In respect of bank guarantees					
Guarantees given by the Group	0.41	8.55	8.35	7.56	7.45
c. Others					
Differential amount of Customs Duty payable by the Group in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	71.78	77.64	76.08	89.34	91.07
Impact of bonus due to retrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judice in similar case	10.48	10.48	10.48	10.47	10.47

d. Other pending litigations

- (a) The Company had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and thereafter increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter in an earlier year. The Company had provided for the estimated amount of entry tax including interest in the books of account. During the period ended 30 September 2020, the Company has opted for the H.P. (Legacy Cases Resolution) Scheme 2019 and paid Rs. 65.70 as full and final settlement towards the entry tax liability as against Rs. 123.79 provision in the books of account. Accordingly, an amount of Rs. 55.43 has been written back and disclosed under "Liabilities no longer required written back" in Other Income and an amount of Rs. 2.60, representing interest accrued on the principal amount for the current period, has been netted from "Others" in Finance costs. The estimated amount of entry tax as at 31 March 2020 was Rs. 121.13 (including interest of Rs. 61.89), as at 30 September 2019 was Rs. 115.82 (including interest of Rs. 56.57) was provided in the books of accounts. The Company had also provided a bank guarantee for an amount of Rs. 39.41 as at 30 September 2020 (30 September 2019 Rs. 39.45, 31 March 2020 Rs. 39.41, 31 March 2019 Rs. 39.45, 31 March 2018 Rs. 39.45) in this regard which has been subsequently released.
- (b) The Group had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 30 September 2020 of Rs. 4.37 (30 September 2019 Rs. 4.06, 31 March 2020 Rs. 4.22, 31 March 2019 Rs. 3.92, 31 March 2018 Rs. 3.61) (including interest of Rs. 2.60 (30 September 2019 Rs. 2.30, 31 March 2020 Rs. 2.53, 31 March 2019 Rs. 2.23, 31 March 2018 Rs. 1.92)) has been provided in the books of accounts.
- (c) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assessee on purchase of HSD. The Group has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Company. The Group filed the writ petition in High Court and the High court had accepted the contention of assessee & remanded the case back to DETC, Ludhiana. The Group had created the provision in books for amount demanded and has also accrued the interest on amount demanded @ 1.5% per month. Therefore the provision for an amount of Rs. 5.56 (30 September 2019 Rs. 5.14, 31 March 2020 Rs. 5.35, 31 March 2019 Rs. 4.92, 31 March 2018 Rs. 4.49) and Rs. 9.44 (30 September 2019 Rs. 8.77, 31 March 2020 Rs. 9.10, 31 March 2019 Rs. 8.43, 31 March 2018 Rs. 7.75) includes an interest of Rs. 3.19 (30 September 2019 Rs. 2.78, 31 March 2020 Rs. 2.98, 31 March 2019 Rs. 2.56, 31 March 2018 Rs. 2.13) and 5.69 (30 September 2019 Rs. 5.01, 31 March 2020 Rs. 5.35, 31 March 2019 Rs. 4.67, 31 March 2018 Rs. 3.99) respectively.
- (d) A demand of Rs. 1.91 (30 September 2019 Rs. 1.91, 31 March 2020 Rs. 1.91, 31 March 2019 Rs. 1.91, 31 March 2018 Rs. 1.91) and 1.60 (30 September 2019 Rs. 1.60, 31 March 2020 Rs. 1.60, 31 March 2019 Rs. 1.60, 31 March 2018 Rs. Nil) for assessment year 2013-14 and 2014-15 respectively on account of pending C forms and F forms raised by Deputy Commissioner, Gautam Budh Nagar Noida, Uttar Pradesh pending to be deposited with the sales tax department has been provided for in the books of accounts.
- (e) A demand of Rs. 0.12 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.12, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil), 0.82 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.82, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil) and 0.15 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.15, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil) for assessment year 2011-12, 2012-13 and 2013-14 respectively on account of pending C forms and F forms raised by VAT Officer, Delhi pending to be deposited with the sales tax department has been provided for in the books of accounts.
- (f) A demand of Rs. 0.01 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.01, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil), 0.25 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.25, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil) and 0.46 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.46, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil) for assessment year 2012-13, 2013-14 and 2014-15 respectively on account of pending C forms and F forms raised by Assistant Commissioner, Vanasthalipuram, Telegana pending to be deposited with the sales tax department has been provided for in the books of accounts.
- (g) A demand of Rs. 0.30 (30 September 2019 Rs. Nil, 31 March 2020 Rs. 0.30, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil) for assessment year 2014-15 on account of pending C forms and F forms raised by Deputy Commissioner, Raigad, Maharashtra pending to be deposited with the sales tax department has been provided for in the books of accounts.

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- e. There are certain ongoing differences between Mr Anoop Bector (Promoter and Managing Director) and some of his disassociated relatives, which may result in a legal dispute and could adversely impact the reputation and financial condition of the Group. Refer note 52 for details of the matter.
- f. The selling shareholders have confirmed that the IPO expenses incurred by the Group amounting to Rs. 87.65 (Rs. 69.78 for the period ended 30 September 2019, Rs. 69.78 for the year ended 31 March 2020, 31 March 2019 Rs. 69.78, 31 March 2018 Rs. Nil.) and future expenses, including any tax reimbursements incurred by the Group will be shared between the Company and the selling shareholders in proportion to the number of shares issued in case of a fresh issue or offered for sale portion of the IPO by such selling shareholders. These expenses have been approved by the selling shareholders in accordance with the agreement and such reimbursements will be recovered through cashflows received from such exit. Management has assessed the deemed dividend implications under section 2(22)(e) of the Income-tax Act, 1961 ('the Act') limited to the share of expenses incurred by the Group on behalf of the shareholders. Based on legal consultations and in absence of any judicial precedents directly on the issue, management believes that there is no deemed dividend implication in the transaction under Income tax act and accordingly has not paid / provided for any amount for deemed dividend tax on these IPO expenses.
- g. Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. The Group has assessed that there was no impact of the same for current year since provident fund was already deducted on such special allowance for current year.

Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Group had not recognised any provision for the years prior to 28 February 2019. Further, management also believes that the impact of the same on the Group will not be material.

B. Contingent Assets

The Company has filed for receiving grant from Ministry of Food Processing Industries under Scheme for Cold Chain and Value Addition Infrastructure amounting to Rs. 96.88. The Company has received grant amounting to Rs 61.81 till period ended 30 September 2020 (Rs. 61.81 till the period ended 30 September 2019, Rs. 61.81 till the year ended 31 March 2020, 31 March 2019 Rs. 61.81, 31 March 2018 Rs. 24.22). This grant is conditional upon fulfillment of conditions specified in the scheme and as approved by the authorities. The Company expects that it is more likely than not that it will receive the balance instalment of grant amounting to Rs. 35.07 in future periods as and when approved.

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 306.05 (30 September 2019 Rs. 26.85, 31 March 2020 Rs. 335.41, 31 March 2019 Rs. 37.68, 31 March 2018 Rs. 121.98).

42 Segment information

Basis for segmentation

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

Operating Segments

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

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

Entity wide disclosures

A. Information about products and services

i) Revenue comprises :

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from food products*	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57
Total	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57

*excludes other operating revenues.

B. Information about geographical areas

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

i) Revenue from external customers:

	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Within India	3,707.96	3173.5	5,853.23	5,327.87	4,592.16
Outside India	430.30	339.16	1,480.37	2,193.65	2,063.41
Total	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57

ii) Receivables

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Within India	506.81	498.78	564.69	532.56	358.17
Outside India	222.26	378.36	185.54	470.72	335.66
Total	729.07	877.14	750.23	1,003.28	693.83

iii) Non-current assets

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

C. Information about major customers (from external customers)

During the year ended 30 September 2020, Group does not have transactions with any single external customer having 10% or more of its revenue. (the period ended 30 September 2019 Rs Nil, for the year ended 30 March 2020 Rs Nil, 31 March 2019 Rs. Nil, 31 March 2018 Rs. Nil).

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D. Disaggregation of revenue

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition.

Contract	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
6 months or Less	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57
Total	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57
Major product/ service line					
Sale of products	3,944.56	3,299.22	6,862.44	7,023.96	6,248.03
Sale of services					
Job work income	193.70	213.44	471.16	497.56	407.54
Total revenue	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Receivables, which are included in trade receivables	729.07	877.14	750.23	1,003.28	693.83
Contract liabilities	40.91	22.07	26.00	24.58	16.16

43 Leases

i. Leases as lessee:

a) The Group has taken various residential, office, warehouse and shop premises under lease agreements.

b) The aggregate lease rentals payable are disclosed in note 5 and note 39.

ii. Leases as lessor

Operating lease

The Group has leased out a part of its building, plant and machinery under a job work arrangement. In addition, certain office premises have also been leased out. All these arrangements are under short term cancelable operating leases of less than 12 months.

Amounts recognised in profit or loss

During the period/ year the Group has booked lease income amounting to Rs 45.82 (for the period/ year ended 30 September 2019 Rs. 25.55 , 31 March 2020 Rs. 56.38, 31 March 2019 Rs. 47.09, 31 March 2018 Rs 46.66). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Particulars	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Income generated from lease of building, plant and machinery under job work arrangement	45.73	25.45	56.22	47.06	46.66
Income generated from office premises lease	0.09	0.10	0.16	0.02	-

44 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the period/year end has been made in the Restated Consolidated Financial Information based on information available with the Group as under:

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Principal amount remaining unpaid to any supplier as at the end of the period/ year					
Trade payables	74.58	54.65	58.40	66.75	-
Capital creditors	15.37	9.94	11.79	18.88	-
Interest due thereon remaining unpaid to any supplier as at the end of the period/ year					
Trade payables	0.86	0.95	0.79	0.68	-
Capital creditors	4.21	3.58	3.82	3.08	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the period/ year					
Trade payables	0.86	0.95	0.79	0.68	-
Capital creditors	4.21	3.58	3.82	3.08	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.					
Trade payables	0.86	0.95	0.79	0.68	-
Capital creditors	4.21	3.58	3.82	3.08	-

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45 Employee benefits

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

(i) Defined Contribution Plans:

Provident fund

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

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

Particulars	For the period		For the year ended		
	For the period	For the period	31 March 2020	31 March 2019	31 March 2018
	1 April 2020 to 30 September 2020	1 April 2019 to 30 September 2019			
Contribution to provident fund	22.26	21.67	43.85	38.21	32.36

(ii) Defined Benefit Plan:

Gratuity

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 30 September 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Restated Consolidated Financial Information as at balance sheet date:

	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Net defined benefit liability					
Liability for Gratuity	58.57	42.34	44.16	27.66	22.42
Total employee benefit liabilities	58.57	42.34	44.16	27.66	22.42
Non-current	55.80	39.97	41.72	25.39	20.51
Current	2.77	2.37	2.44	2.27	1.91

B. Movement in net defined benefit (asset)/ liability

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

Particulars	As at 30 September 2020			As at 30 September 2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	97.42	53.26	44.16	73.21	45.55	27.66
Included in Profit or loss						
Current service cost	9.02	-	9.02	7.44	-	7.44
Interest cost (income)	3.36	1.84	1.52	2.81	1.75	1.06
	12.38	1.84	10.54	10.25	1.75	8.50
Included in OCI						
Remeasurements loss (gain)						
- financial assumptions	3.49	(0.24)	3.73	5.58	(0.30)	5.88
- demographic adjustments	-	-	-	0.04	-	0.04
- experience adjustment	2.14	-	2.14	3.20	-	3.20
	5.63	(0.24)	5.87	8.82	(0.30)	9.12
Other						
Return						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(2.00)	-	(2.00)	(2.94)	-	(2.94)
	(2.00)	-	(2.00)	(2.94)	-	(2.94)
Balance as at 30 September	113.43	54.86	58.57	89.34	47.00	42.34

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Particulars	As at 31 March 2020		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2019	73.21	45.55	27.66
Included in Profit or loss			
Current service cost	15.94	-	15.94
Interest cost (income)	5.61	3.48	2.13
	21.55	3.48	18.07
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	8.67	(0.77)	9.44
- demographic adjustments	0.05	-	0.05
- experience adjustment	(0.89)	-	(0.89)
	7.83	(0.77)	8.60
Other			
Return			
Contributions paid by the employer	-	5.00	(5.00)
Benefits paid	(5.17)	-	(5.17)
	(5.17)	5.00	(10.17)
Balance as at 31 March 2020	97.42	53.26	44.16
Particulars	As at 31 March 2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2018	62.47	40.05	22.42
Included in Profit or loss			
Current service cost	12.05	-	12.05
Interest cost (income)	4.81	3.09	1.72
Past service cost	-	-	-
	16.86	3.09	13.77
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	0.35	(0.46)	0.81
- demographic adjustments	-	-	-
- experience adjustment	(1.20)	-	(1.20)
	(0.85)	(0.46)	(0.39)
Other			
Return			
Contributions paid by the employer	-	7.06	(7.06)
Benefits paid	(5.27)	(4.19)	(1.08)
	(5.27)	2.87	(8.14)
Balance as at 31 March 2019	73.21	45.55	27.66
Particulars	As at 31 March 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2017	53.81	31.83	21.98
Included in Profit or loss			
Current service cost	10.40	-	10.40
Interest cost (income)	4.06	2.40	1.66
Past service cost	0.60	-	0.60
	15.06	2.40	12.66
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	(1.35)	(0.18)	(1.17)
- demographic adjustments	-	-	-
- experience adjustment	(1.50)	-	(1.50)
	(2.85)	(0.18)	(2.67)
Other			
Return			
Contributions paid by the employer	-	6.00	(6.00)
Benefits paid	(3.55)	-	(3.55)
	(3.55)	6.00	(9.55)
Balance as at 31 March 2018	62.47	40.05	22.42

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During the previous year ended 31 March 2018, the gratuity arrangements were adjusted to reflect new legal requirements in the country regarding gratuity limits. As a result of the plan amendment, the Company's defined benefit obligation increased by Rs. Nil (30 September 2019 Nil, 31 March 2020 Nil, 31 March 2019 Nil, 31 March 2018: Rs. 0.60). A corresponding past service cost was recognised in the Consolidated Statement of Profit and Loss during the previous year.

C. Plan assets

Plan assets comprise of the following

	As at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Investments with Life insurance corporation	84.22%	82.79%	84.27%	82.88%	81.95%
Investments with SBI life insurance	15.78%	17.21%	15.73%	17.12%	18.05%

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

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

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

D. Actuarial assumptions

a) Economic assumptions

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

	As at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Discount rate	6.66%	7.15%	6.91%	7.67%	7.71%
Expected rate of future salary increase	7.00%	7.00%	7.00%	7.00%	7.00%

b) Demographic assumptions

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

	As at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
i) Retirement age (years)	60	60	60	60	60
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2006-08)	IALM (2006-08)
iii) Attrition at Ages	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%

E. Sensitivity analysis

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

	As at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Increase					
Discount rate (0.50% movement)	(7.03)	(5.40)	(5.97)	(4.34)	(3.84)
Expected rate of future salary increase (0.50% movement)	7.51	5.78	6.39	4.61	4.08
Decrease					
Discount rate (0.50% movement)	7.74	5.94	6.57	4.76	4.22
Expected rate of future salary increase (0.50% movement)	(6.89)	(5.30)	(5.86)	(4.24)	(3.75)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

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

Particulars	As at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Duration of defined benefit payments					
Less than 1 year	2.77	2.36	2.44	2.27	1.90
Between 1-2 years	4.95	2.52	3.03	1.12	1.46
Between 2-5 years	12.61	12.12	12.64	8.39	7.56
Over 5 years	93.10	72.34	79.31	61.43	51.55
Total	113.43	89.34	97.42	73.21	62.47

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 17.58 years (30 September 2019: 17.77 years, 31 March 2020: 17.65 years, 31 March 2019: 17.85 years, 31 March 2018: 18.05 years).

Expected contribution to post-employment benefit plans in the next year is Rs. 25.56 (30 September 2019: Rs. 21.69, 31 March 2020 Rs 22.65, 31 March 2019 Rs. 17.32, 31 March 2018 15.19)

G. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(iii) Other long-term employee benefits:

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such year, the benefit is classified as a long-term employee benefit. During the current period, the Group has incurred an expense on compensated absences amounting to Rs. 0.54 (30 September 2019 Rs. 3.89, 31 March 2020 Rs. 8.94, 31 March 2019 Rs. 9.06, 31 March 2018 Rs. 5.06). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

46 Related parties

I - Disclosure post elimination of intra group transactions:

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

Associate

Cremica Agro Foods Limited

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Parveen Kumar Goel	Executive Director and CFO
Nem Chand Jain	Independent Director
Subhash Agarwal	Independent Director
Rajeev Dewan	Independent Director w.e.f. 10 July 2018
Rajni Bector	Non-executive Director
Tarun Khanna	Nominee Director till 10 July 2018
Tarun Khanna	Additional Director w.e.f. 14 February 2020
Rahul Goswamy	Nominee Director
Pooja Luthra	Additional Director w.e.f. 19 September 2020

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

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

* Deceased on 26 December 2017.

Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively.

Mrs. Bectors Food Specialities Limited
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(All amounts are in rupees million, unless otherwise stated)

D. Related entities of KMP

Partnership firm

Sunshine Foods

Public/Private Limited Companies

Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family

Dharamvir and Sons (HUF)

Anoop Bector (HUF)

Parveen Goel (HUF)

E Key management personnel compensation

Particulars	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits	29.72	29.96	59.91	53.96	49.92
Post-employment defined benefit	0.18	0.54	0.68	0.77	4.08
Director sitting fees	0.23	0.10	0.23	0.65	0.18
Employee share based payment	-	0.06	0.11	0.39	0.56
Total compensation	30.13	30.66	60.93	55.77	54.74

F Transactions with related parties*

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

Particulars	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Employee stock option exercised					
- Parveen Kumar Goel	-	-	-	0.02	-
Unsecured loan taken from					
- Anoop Bector	-	15.00	30.00	16.19	30.70
- Ishaan Bector	-	0.50	2.50	-	-
Unsecured loan repaid to					
- Anoop Bector	14.02	19.11	37.98	14.08	27.73
- Ishaan Bector	1.39	0.75	1.42	6.30	12.13
- Dharamvir Bector	-	-	-	-	0.36
- Rajni Bector	0.03	0.13	0.16	0.77	1.63
Finance cost on loan taken					
- Anoop Bector	0.25	0.57	1.09	0.90	0.49
- Ishaan Bector	0.02	0.01	0.03	0.25	0.82
- Dharamvir Bector	-	-	-	-	0.03
- Rajni Bector	0.00	0.00	0.00	0.04	0.07
Others					
Rent paid					
- Anoop Bector	2.31	2.31	4.62	4.62	4.20
- Dharamvir Bector	-	-	-	-	0.09
- Anoop Bector HUF	1.50	1.50	3.00	3.00	3.00

Mrs. Bectors Food Specialities Limited
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(All amounts are in rupees million, unless otherwise stated)

Rent received					
- Cremica Agro Foods Limited	0.03	0.03	0.06	0.06	0.01
- Mrs. Bectors Cremica Dairies Private Limited	0.05	0.06	0.12	-	-
Contribution to provident and other funds					
- Rashmi Bector	0.44	0.57	1.13	1.13	0.73
- Neha Gupta Bector	0.28	0.28	0.55	0.49	0.42
- Suvir Bector	0.49	0.35	0.70	0.06	-
Interim dividend paid					
- Anoop Bector	-	-	17.14	17.14	17.14
- Anoop Bector HUF	-	-	1.50	1.50	1.50
- Ishaan Bector	-	-	1.79	1.79	1.79
- Rashmi Bector	-	-	0.91	0.91	0.91
- Suvir Bector	-	-	1.19	1.19	1.19
Consultancy charges paid					
- Subhash Agarwal	-	0.10	0.51	0.62	0.61
- Rajni Bector	1.50	-	-	-	-
Salary paid					
- Rashmi Bector	3.90	5.10	10.20	10.20	6.54
- Rajni Bector	0.30	1.80	3.60	3.60	2.52
- Neha Gupta Bector	2.40	2.40	4.80	4.20	3.60
- Suvir Bector	4.20	3.00	6.00	1.24	-

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

G Related party balances as at the period/ year end:

Outstanding balances	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Trade and other payables					
- Anoop Bector	2.18	1.14	1.09	0.36	0.41
- Anoop Bector HUF	0.23	-	-	0.23	-
- Ishaan Bector	0.96	0.70	0.42	0.61	0.62
- Parveen Kumar Goel	0.36	0.35	0.36	0.33	0.30
- Rashmi Bector	0.38	0.41	0.76	0.23	0.50
- Neha Gupta Bector	0.23	0.26	0.00	0.21	0.19
- Suvir Bector	0.32	0.27	0.23	0.14	-
- Rajni Bector	0.34	0.02	0.17	0.19	0.30
- Ram Sanjeevan Verma	0.19	0.17	0.17	0.16	0.18
Unsecured loans					
- Anoop Bector	-	16.68	13.79	20.78	17.87
- Ishaan Bector	-	0.01	1.37	0.26	6.34
- Rajni Bector	-	0.05	0.03	0.18	0.91
Advances and other receivables					
- Cremica Agro Foods Limited	-	-	0.04	1.63	6.07
- Mrs. Bectors Cremica Dairies Private Limited	0.13	-	0.07	-	-
Non current investments					
- Cremica Agro Foods Limited	39.14	38.71	38.28	37.91	38.82

Note : Refer note 18 for IPO expenses recoverable from selling shareholders.

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

Mrs. Bectors Food Specialities Limited
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(All amounts are in rupees million, unless otherwise stated)

46 Related parties

II - Disclosures prior to elimination of intra-group transactions:

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

Name of Party	Description of relationship
Bakebest Foods Private Limited	Subsidiary
Mrs. Bectors English Oven Limited	Subsidiary
Cremica Agro Foods Limited	Associate

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Parveen Kumar Goel	Executive Director
Nem Chand Jain	Independent Director
Subhash Agarwal	Independent Director
Rajeev Dewan	Independent Director w.e.f. 10 July 2018
Rajni Bector	Non-executive Director
Tarun Khanna	Nominee Director till 10 July 2018
Tarun Khanna	Additional Director w.e.f. 14 February 2020
Rahul Goswamy	Nominee Director
Pooja Luthra	Additional Director w.e.f. 19 September 2020

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

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

* Deceased on 26 December 2017.

Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively.

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D. Related entities of KMP

Partnership firm

Sunshine Foods

Public/Private Limited Companies

Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family

Dharamvir and Sons (HUF)

Anoop Bector (HUF)

Parveen Goel (HUF)

E. Key management personnel compensation

Particulars	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits	29.72	29.96	59.91	53.96	49.92
Post-employment defined benefit	0.18	0.54	0.68	0.77	4.08
Director sitting fees	0.23	0.10	0.23	0.65	0.18
Employee share based payment	-	0.06	0.11	0.39	0.56
Total compensation	30.13	30.66	60.93	55.77	54.74

F. Transactions with related parties*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities

Particulars	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Purchase of goods					
- Bakebest Foods Private Limited	0.03	0.02	0.23	0.04	6.72
Sale of goods					
- Bakebest Foods Private Limited	0.07	-	0.27	0.15	0.02
Purchase of property, plant and equipment					
- Bakebest Foods Private Limited	-	-	0.72	-	-
Sale of property, plant and equipment					
- Bakebest Foods Private Limited	-	-	-	0.07	-
Employee stock option exercised					
- Parveen Kumar Goel	-	-	-	0.02	-
Unsecured loan taken from					
- Anoop Bector	-	15.00	30.00	16.19	30.70
- Ishaan Bector	-	0.50	2.50	-	-
Unsecured loan repaid to					
- Anoop Bector	14.02	19.11	37.98	14.08	27.73
- Ishaan Bector	1.39	0.75	1.42	6.30	12.13
- Dharamvir Bector	-	-	-	-	0.36
- Rajni Bector	0.03	0.13	0.16	0.77	1.63
Other income from					
- Bakebest Foods Private Limited	-	-	-	-	0.16
Finance cost on loan taken					
- Anoop Bector	0.25	0.57	1.09	0.90	0.49
- Ishaan Bector	0.02	0.01	0.03	0.25	0.82
- Dharamvir Bector	-	-	-	-	0.03
- Rajni Bector	0.00	0.00	0.00	0.04	0.07
Others					
Rent paid					
- Anoop Bector	2.31	2.31	4.62	4.62	4.20
- Dharamvir Bector	-	-	-	-	0.09
- Anoop Bector HUF	1.50	1.50	3.00	3.00	3.00
- Bakebest Foods Private Limited	0.03	0.03	0.06	0.06	0.06

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

Rent received					
- Bakebest Foods Private Limited	0.03	0.03	0.06	0.06	0.06
- Mrs. Bectors English Oven Limited	0.01	0.01	0.07	0.07	0.07
- Cremica Agro Foods Limited	0.03	0.03	0.06	0.06	0.01
- Mrs. Bectors Cremica Dairies Private Limited	0.05	0.06	0.12	-	-
Contribution to provident and other funds					
- Rashmi Bector	0.44	0.57	1.13	1.13	0.73
- Neha Gupta Bector	0.28	0.28	0.55	0.49	0.42
- Suvir Bector	0.49	0.35	0.70	0.06	-
Interim dividend paid					
- Anoop Bector	-	-	17.14	17.14	17.14
- Anoop Bector HUF	-	-	1.50	1.50	1.50
- Ishaan Bector	-	-	1.79	1.79	1.79
- Rashmi Bector	-	-	0.91	0.91	0.91
- Suvir Bector	-	-	1.19	1.19	1.19
Dividend received					
- Bakebest Foods Private Limited	-	-	45.38	54.45	18.15
Consultancy charges paid					
- Subhash Agarwal	-	0.10	0.51	0.62	0.61
- Rajni Bector	1.50	-	-	-	-
Salary paid					
- Rashmi Bector	3.90	5.10	10.20	10.20	6.54
- Rajni Bector	0.30	1.80	3.60	3.60	2.52
- Neha Gupta Bector	2.40	2.40	4.80	4.20	3.60
- Suvir Bector	4.20	3.00	6.00	1.24	-

* Transactions are net off goods and services tax wherever applicable.

G. Related party balances as at the period/ year end:

Outstanding balances	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Trade and other payables					
- Bakebest Foods Private Limited	-	-	-	0.01	0.01
- Anoop Bector	2.18	1.14	1.09	0.36	0.41
- Anoop Bector HUF	0.23	-	-	0.23	-
- Ishaan Bector	0.96	0.70	0.42	0.61	0.62
- Parveen Kumar Goel	0.36	0.35	0.36	0.33	0.30
- Rashmi Bector	0.38	0.41	0.76	0.23	0.50
- Neha Gupta Bector	0.23	0.26	0.00	0.21	0.19
- Suvir Bector	0.32	0.27	0.23	0.14	-
- Rajni Bector	0.34	0.02	0.17	0.19	0.30
- Ram Sanjeevan Verma	0.19	0.17	0.17	0.16	0.18
Unsecured loans					
- Anoop Bector	-	16.68	13.79	20.78	17.87
- Ishaan Bector	-	0.01	1.37	0.26	6.34
- Rajni Bector	-	0.05	0.03	0.18	0.91
Advances and other receivables					
- Bakebest Foods Private Limited	0.30	-	0.30	-	-
- Cremica Agro Foods Limited	-	-	0.04	1.63	6.07
- Mrs. Bectors English Oven Limited	-	-	0.01	0.01	-
- Mrs. Bectors Cremica Dairies Private Limited	0.13	-	0.07	-	-
Non current investments					
- Bakebest Foods Private Limited	181.50	181.50	181.50	181.50	181.50
- Mrs. Bectors English Oven Limited	0.50	0.50	0.50	0.50	0.50
- Cremica Agro Foods Limited	39.14	38.71	38.28	37.91	38.82

Note : Refer note 18 for IPO expenses recoverable from selling shareholders.

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

47 Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programme (equity-settled)

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

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

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

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

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 3)	1-Oct-2018	34,359	174.62	2 years and 6 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 4)	19-Sep-2020	11,454	174.62	1 year and 8 months service from grant date	Service conditions

B. Measurement of fair values

i. Equity-settled share-based payment to employees

The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
Fair value of options at grant date	124.01	143.94	75.12	71.62
Enterprise value per share at grant date	347.08	347.08	190.00	203.55
Exercise price at the grant date	349.24	349.24	174.62	174.62
Exercise price after bonus issue	174.62	174.62	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.56%	27.12%	51.49%
Expected life (weighted-average)	2 years	3 years	2 years	2 years
Expected dividends	0.27%	0.27%	0.00%	0.37%
Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%	4.48%

Note

- The fair value of options has been done by an independent merchant banker on the date of grant using the Black-Scholes Model.
- Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding share options

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

	Number of options 30 September 2020	Weighted average exercise price 30 September 2020	Number of options 30 September 2019	Weighted average exercise price 30 September 2019	Number of options 31 March 2018	Weighted average exercise price 31 March 2018
Employees Stock Option Plan-2017						
Options outstanding at the beginning of the period	131,417	174.62	175,801	174.62	-	-
Add: Options granted during the period	11,454	174.62	-	-	-	-
Add: Options increased due to bonus share	-	-	-	-	-	-
Less: Options forfeited during the period	-	-	-	-	-	-
Less: Options exercised during the period	-	-	-	-	-	-
Less: Options expired during the period	-	-	-	-	-	-
Options outstanding at the end of the period	142,871	174.62	175,801	174.62	141,742	174.62
Exercisable at the end of the period	109,048	174.62	113,362	174.62	-	-

	Number of options 31 March 2020	Weighted average exercise price 31 March 2020	Number of options 31 March 2019	Weighted average exercise price 31 March 2019	Number of options 31 March 2018	Weighted average exercise price 31 March 2018
Employees Stock Option Plan-2017						
Options outstanding at the beginning of the year	175,801	174.62	141,742	174.62	-	-
Add: Options granted during the year	-	-	34,359	174.62	70,871	349.24
Add: Options increased due to bonus share	-	-	-	-	70,871	(174.62)
Less: Options forfeited during the year	44,384	174.62	-	-	-	-
Less: Options exercised during the year	-	-	300	174.62	-	-
Less: Options expired during the year	-	-	-	-	-	-
Options outstanding at the end of the year	131,417	174.62	175,801	174.62	141,742	174.62
Exercisable at the end of the year	53,150	174.62	42,651	174.62	-	-

The options outstanding at 30 September 2020 had an exercise price of Rs. 174.62 (30 September 2019 Rs. 174.62, 31 March 2020 Rs. 174.62, 31 March 2019 Rs. 174.62, 31 March 2018 Rs. 174.62) and a weighted-average contractual life of 2.01 years (30 September 2019 1.98 Years, 31 March 2020 2.08 Years, 31 March 2019 1.98 Years, 31 March 2018 3.16 Years).

D. Expense recognised in statement of profit and loss

For details of the employee benefit expenses, refer note 36.

48 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	As at 30 September 2020		As at 30 September 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets										
Non-current loans	-	34.67	-	33.60	-	35.25	-	36.96	-	33.56
Other non-current financial assets	-	1.22	-	0.26	-	0.26	-	0.41	-	9.68
Trade receivables	-	729.07	-	877.14	-	750.23	-	1,003.28	-	693.83
Investments	-	-	-	-	-	-	-	-	0.18	-
Cash and cash equivalents	-	172.42	-	23.05	-	206.99	-	55.28	-	58.76
Bank balances other than cash and cash equivalents	-	304.18	-	110.53	-	95.50	-	65.02	-	48.51
Current loans	-	-	-	5.37	-	3.57	-	-	-	-
Other current financial assets	8.61	200.29	2.33	213.00	-	179.42	6.74	148.04	6.52	90.82
	8.61	1,441.85	2.33	1,262.95	-	1,271.22	6.74	1,308.99	6.70	935.16
Financial liabilities										
Non current borrowings	-	1,012.01	-	939.41	-	856.53	-	1,072.10	-	947.12
Short term borrowings	-	-	-	285.49	-	180.51	-	327.09	-	262.73
Non-current Lease liabilities	-	11.70	-	18.81	-	15.38	-	26.81	-	42.07
Current Lease liabilities	-	7.11	-	15.85	-	11.43	-	15.26	-	13.78
Trade payables	-	616.24	-	429.01	-	470.27	-	488.22	-	389.70
Other financial liabilities	-	295.98	-	292.57	12.50	332.22	-	297.41	4.90	292.73
	-	1,943.04	-	1,981.14	12.50	1,866.34	-	2,226.89	4.90	1,948.13

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the Restated Consolidated Financial Information.

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

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

Particulars	As at 30 September 2020				As at 30 September 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<i>Derivatives</i>								
Foreign exchange forward contracts	-	8.61	-	8.61	-	2.33	-	2.33

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

Particulars	As at 30 September 2020				As at 30 September 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current loans	-	-	34.67	34.67	-	-	33.60	33.60
Other non-current financial assets	-	-	1.22	1.22	-	-	0.26	0.26
Trade receivables	-	-	729.07	729.07	-	-	877.14	877.14
Cash and cash equivalents	-	-	172.42	172.42	-	-	23.05	23.05
Bank balances other than cash and cash equivalents	-	-	304.18	304.18	-	-	110.53	110.53
Current loans	-	-	-	-	-	-	5.37	5.37
Other current financial assets	-	-	200.29	200.29	-	-	213.00	213.00
Total financial assets	-	-	1,441.85	1,441.85	-	-	1,262.95	1,262.95
Financial liabilities								
Non current borrowings	-	-	1,012.01	1,012.01	-	-	939.41	939.41
Short term borrowings	-	-	-	-	-	-	285.49	285.49
Non-current Lease liabilities	-	-	11.70	11.70	-	-	18.81	18.81
Current Lease liabilities	-	-	7.11	7.11	-	-	15.85	15.85
Trade payables	-	-	616.24	616.24	-	-	429.01	429.01
Other financial liabilities	-	-	295.98	295.98	-	-	292.57	292.57
Total financial liabilities	-	-	1,943.04	1,943.04	-	-	1,981.14	1,981.14

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

Particulars	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
<i>Derivatives</i>				
Foreign exchange forward contracts	-	(12.50)	-	(12.50)

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

Particulars	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current loans	-	-	35.25	35.25
Other non-current financial assets	-	-	0.26	0.26
Trade receivables	-	-	750.23	750.23
Cash and cash equivalents	-	-	206.99	206.99
Bank balances other than cash and cash equivalents	-	-	95.50	95.50
Current loans	-	-	3.57	3.57
Other current financial assets	-	-	179.42	179.42
Total financial assets	-	-	1,271.22	1,271.22
Financial liabilities				
Non current borrowings	-	-	856.53	856.53
Short term borrowings	-	-	180.51	180.51
Non-current Lease liabilities	-	-	15.38	15.38
Current Lease liabilities	-	-	11.43	11.43
Trade payables	-	-	470.27	470.27
Other financial liabilities	-	-	332.22	332.22
Total financial liabilities	-	-	1,866.34	1,866.34

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

Particulars	As at 31 March 2019			Total
	Level 1	Level 2	Level 3	
<i>Derivatives</i>				
Foreign exchange forward contracts	-	6.74	-	6.74

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

Particulars	As at 31 March 2019			Total
	Level 1	Level 2	Level 3	
Financial assets				
Non-current loans	-	-	36.96	36.96
Other non-current financial assets	-	-	0.41	0.41
Trade receivables	-	-	1,003.28	1,003.28
Cash and cash equivalents	-	-	55.28	55.28
Bank balances other than cash and cash equivalents	-	-	65.02	65.02
Other current financial assets	-	-	148.04	148.04
Total financial assets	-	-	1,308.99	1,308.99
Financial liabilities				
Non current borrowings	-	-	1,072.10	1,072.10
Short term borrowings	-	-	327.09	327.09
Non-current Lease liabilities	-	-	26.81	26.81
Current Lease liabilities	-	-	15.26	15.26
Trade payables	-	-	488.22	488.22
Other financial liabilities	-	-	297.41	297.41
Total financial liabilities	-	-	2,226.89	2,226.89

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

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

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

Particulars	As at 31 March 2018			Total
	Level 1	Level 2	Level 3	
Financial assets				
Non-current loans	-	-	33.56	33.56
Other non-current financial assets	-	-	9.68	9.68
Trade receivables	-	-	693.83	693.83
Cash and cash equivalents	-	-	58.76	58.76
Bank balances other than cash and cash equivalents	-	-	48.51	48.51
Other current financial assets	-	-	90.82	90.82
Total financial assets	-	-	935.16	935.16
Financial liabilities				
Non current borrowings	-	-	947.12	947.12
Short term borrowings	-	-	262.73	262.73
Non-current Lease liabilities	-	-	42.07	42.07
Current Lease liabilities	-	-	13.78	13.78
Trade payables	-	-	389.70	389.70
Other financial liabilities	-	-	292.73	292.73
Total financial liabilities	-	-	1,948.13	1,948.13

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

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

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

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

Fair Value of borrowings is as follows: Level -3

	Fair value					Amortised cost				
	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Non-current borrowings (including current maturities)*	1,195.32	1,137.29	1,127.80	1,244.26	1,071.26	1,225.90	1,183.20	1,133.55	1,278.03	1,071.26

*The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

Valuation process

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

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

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

	As at 30 September 2020		As at 30 September 2019		As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets										
Non-current loans	34.67	34.67	33.60	33.60	35.25	35.25	36.96	36.96	33.56	33.56
Other non-current financial assets	1.22	1.22	0.26	0.26	0.26	0.26	0.41	0.41	9.68	9.68
Trade receivables	729.07	729.07	877.14	877.14	750.23	750.23	1,003.28	1,003.28	693.83	693.83
Cash and cash equivalents	172.42	172.42	23.05	23.05	206.99	206.99	55.28	55.28	58.76	58.76
Bank balances other than cash and cash equivalents	304.18	304.18	110.53	110.53	95.50	95.50	65.02	65.02	48.51	48.51
Current loans	-	-	5.37	5.37	3.57	3.57	-	-	-	-
Other current financial assets	200.29	200.29	213.00	213.00	179.42	179.42	148.04	148.04	90.82	90.82
	1,441.85	1,441.85	1,262.95	1,262.95	1,271.22	1,271.22	1,308.99	1,308.99	935.16	935.16
Financial liabilities										
Non current borrowings	1,012.01	1,012.01	939.41	939.41	856.53	856.53	1,072.10	1,072.10	947.12	947.12
Short term borrowings	-	-	285.49	285.49	180.51	180.51	327.09	327.09	262.73	262.73
Non-current Lease liabilities	11.70	11.70	18.81	18.81	15.38	15.38	26.81	26.81	42.07	42.07
Current Lease liabilities	7.11	7.11	15.85	15.85	11.43	11.43	15.26	15.26	13.78	13.78
Trade payables	616.24	616.24	429.01	429.01	470.27	470.27	488.22	488.22	389.70	389.70
Other financial liabilities	295.98	295.98	292.57	292.57	332.22	332.22	297.41	297.41	292.73	292.73
	1,943.04	1,943.04	1,981.14	1,981.14	1,866.34	1,866.34	2,226.89	2,226.89	1,948.13	1,948.13

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

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

II. Financial risk management

Risk management framework

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

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

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

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

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

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

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

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

A default on a financial asset is when counterparty fails to meet payment within ninety days when they fall due.

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

Cash and cash equivalents and deposits with banks

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

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Security deposits

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

Loss allowance as per expected credit loss

Particulars	As at 30	As at 30	As at	As at	As at
	September 2020	September 2019	31 March 2020	31 March 2019	31 March 2018
Financial assets for which loss allowance is measured using Expected Credit Losses					
Trade receivables	833.53	988.09	850.13	1,045.38	704.22
Export incentives receivables	105.74	118.51	100.03	120.63	85.01
Reconciliation of loss allowance provision					
Particulars	Trade Receivables		Export Receivables		Total
Loss Allowance on 1 April 2017	7.00		-		7.00
Change in Loss allowance	3.39		-		3.39
Loss Allowance on 31 March 2018	10.39		-		10.39
Loss Allowance on 1 April 2018	10.39		-		10.39
Change in Loss allowance	31.71		4.02		35.73
Loss Allowance on 31 March 2019	42.10		4.02		46.12
Loss Allowance on 1 April 2019	42.10		4.02		46.12
Change in Loss allowance	68.85		(4.02)		64.83
Loss Allowance on 30 September 2019	110.95		-		110.95
Loss Allowance on 1 April 2019	42.10		4.02		46.12
Change in Loss allowance	57.80		(4.02)		53.78
Loss Allowance on 31 March 2020	99.90		-		99.90
Loss Allowance on 1 April 2020	99.90		-		99.90
Change in Loss allowance	4.56		-		4.56
Loss Allowance on 30 September 2020	104.46		-		104.46

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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

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

Maturities of financial liabilities

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

	Carrying amount		Contractual cash flows			Carrying amount		Contractual cash flows		
	As at	Total	Upto 1 year	Between 1 and 5 years	More than 5 year	As at	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
	30 September 2020					30 September 2019				
Financial liabilities										
Non current borrowings	1,012.01	1,012.01	-	941.03	70.98	939.41	939.41	-	796.91	142.50
Short term borrowings	-	-	-	-	-	285.49	285.49	285.49	-	-
Non-current Lease liabilities	11.70	11.70	-	1.90	9.80	18.81	18.81	-	10.46	8.35
Current Lease liabilities	7.11	7.11	7.11	-	-	15.85	15.85	15.85	-	-
Trade payables	616.24	616.24	616.24	-	-	429.01	429.01	429.01	-	-
Other current financial liabilities	295.98	295.98	295.98	-	-	292.57	292.57	292.57	-	-
Total	1,943.04	1,943.04	919.33	942.93	80.78	1,981.14	1,981.14	1,022.92	807.37	150.85

	Carrying amount		Contractual cash flows		
	As at	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
	31 March 2020				
Financial liabilities					
Non current borrowings	856.53	856.53	-	788.80	67.73
Short term borrowings	180.51	180.51	180.51	-	-
Non-current Lease liabilities	15.38	15.38	-	5.58	9.80
Current Lease liabilities	11.43	11.43	11.43	-	-
Trade payables	470.27	470.27	470.27	-	-
Other current financial liabilities	344.72	344.72	344.72	-	-
Total	1,878.84	1,878.84	1,006.93	794.38	77.53

	Carrying amount		Contractual cash flows		
	As at	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
	31 March 2019				
Financial liabilities					
Non current borrowings	1,072.10	1,072.10	-	865.99	206.11
Short term borrowings	327.09	327.09	327.09	-	-
Non-current Lease liabilities	26.81	26.81	-	17.01	9.80
Current Lease liabilities	15.26	15.26	15.26	-	-
Trade payables	488.22	488.22	488.22	-	-
Other current financial liabilities	297.41	297.41	297.41	-	-
Total	2,226.89	2,226.89	1,127.98	883.00	215.91

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	Carrying amount		Contractual cash flows		
	As at 31 March 2018	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non current borrowings	947.12	947.12		686.89	260.23
Short term borrowings	262.73	262.73	262.73	-	-
Non-current Lease liabilities	42.07	42.07	-	32.27	9.80
Current Lease liabilities	13.78	13.78	13.78	-	-
Trade payables	389.70	389.70	389.70	-	-
Other current financial liabilities	292.73	292.73	292.73	-	-
Total	1,948.13	1,948.13	958.94	719.16	270.03

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

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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

Currency risk

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

Currency risks related to the cash credit loan have been hedged using forward contracts taken by the Group.

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

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	As at 30 September 2020		As at 30 September 2019	
	USD	Euro	USD	Euro
Financial asset				
Trade receivables	3.56	0.08	5.58	0.28
Forward contracts receivables (including above trade receivables)	5.75	-	2.69	-
Total	9.31	0.08	8.27	0.28
Financial liabilities				
Payable for capital assets	-	0.17	-	-
Total	-	0.17	-	-
Net exposure to foreign currency risk	9.31	(0.09)	8.27	0.28

As at 31 March 2020

	USD	Euro
Financial asset		
Trade receivables	3.25	0.26
Forward contracts receivables (including above trade receivables)	4.20	-
Total	7.45	0.26
Financial liabilities		
Payable for capital assets	-	0.01
Total	-	0.01
Net exposure to foreign currency risk	7.45	0.25

As at 31 March 2019

	USD	Euro
Financial asset		
Trade receivables	6.63	0.45
Forward contracts receivables (including above trade receivables)	3.17	-
Total	9.80	0.45
Financial liabilities		
Payable for capital assets	0.13	0.12
Total	0.13	0.12
Net exposure to foreign currency risk	9.67	0.33

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

Sensitivity analysis

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

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 September 2020				
USD (1% movement)	6.87	(6.87)	5.14	(5.14)
EUR (1% movement)	(0.08)	0.08	(0.06)	0.06
31 March 2020				
USD (1% movement)	5.57	(5.57)	4.17	(4.17)
EUR (1% movement)	0.20	(0.20)	0.15	(0.15)
30 September 2019				
USD (1% movement)	5.80	(5.80)	4.34	(4.34)
EUR (1% movement)	0.21	(0.21)	0.16	(0.16)
31 March 2019				
USD (1% movement)	6.62	(6.62)	4.31	(4.31)
EUR (1% movement)	0.25	(0.25)	0.16	(0.16)
31 March 2018				
USD (1% movement)	12.90	(12.90)	8.44	(8.44)
EUR (1% movement)	(0.25)	0.25	(0.16)	0.16

Interest rate risk

The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group cash flow to interest rate risk. Group normally maintains most of its long term borrowings at MCLR + 0.05% to 1.25% in Rupees. Group has all the long term loans from HDFC Bank Limited and ICICI Bank.Limited

Exposure to interest rate risk

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

Particulars	Amount as at				
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Fixed-rate instruments					
Financial assets	308.54	112.53	97.25	67.01	59.89
Financial liabilities	-	-	-	(21.22)	(25.11)
	308.54	112.53	97.25	45.79	34.78
Variable-rate instruments					
Financial assets	-	-	-	-	-
Financial liabilities	(1,227.97)	(1,471.18)	(1,316.47)	(1,588.71)	(1,312.55)
	(1,227.97)	(1,471.18)	(1,316.47)	(1,588.71)	(1,312.55)

Fair value sensitivity analysis for fixed-rate instruments

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

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 2.31 after tax (30 September 2019 Rs. 0.84, 31 March 2020 Rs. 0.73, 31 March 2019 Rs. 0.30, 31 March 2018 Rs. 0.23). This analysis assumes that all other variables remain constant.

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Cash flow sensitivity analysis for variable-rate instruments

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

INR	Profit or loss (net of tax)	
	100 bp increase	100 bp decrease
30 September 2020		
Variable-rate instruments	(9.19)	9.19
Cash flow sensitivity (net)	(9.19)	9.19
31 March 2020		
Variable-rate instruments	(9.85)	9.85
Cash flow sensitivity (net)	(9.85)	9.85
30 September 2019		
Variable-rate instruments	(11.01)	11.01
Cash flow sensitivity (net)	(11.01)	11.01
31 March 2019		
Variable-rate instruments	(10.34)	10.34
Cash flow sensitivity (net)	(10.34)	10.34
31 March 2018		
Variable-rate instruments	(8.54)	(8.54)
Cash flow sensitivity (net)	(8.54)	(8.54)

49 Capital management

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

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings.

Particulars	As at	As at	As at	As at	As at
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Total liabilities	2,509.54	2,561.50	2,464.16	2,822.92	2,444.45
Less: Cash and cash equivalent	172.42	23.05	206.99	55.28	58.76
Less: Bank balances other than cash and cash equivalents	304.18	110.53	95.50	65.02	48.51
Less: Fixed deposits with banks with maturity period for more than 12 months	1.22	0.26	0.26	0.41	9.68
Adjusted total liabilities (a)	2,031.72	2,427.66	2,161.41	2,702.21	2,327.50
Total equity (b)	3,577.72	3,044.06	3,192.99	2,947.52	2,666.14
Capital gearing ratio (a/b)	56.79%	79.75%	67.69%	91.68%	87.30%

Particulars	As at	As at	As at	As at	As at
	30 September 2020	30 September 2019	31 March 2020	31 March 2019	31 March 2018
Borrowings (including interest accrued but not due)	1,225.90	1,468.69	1,314.06	1,607.17	1,334.69
Less: Cash and cash equivalents	172.42	23.05	206.99	55.28	58.76
Less: Bank balances other than cash and cash equivalents	304.18	110.53	95.50	65.02	48.51
Less: Fixed deposits with banks with maturity period for more than 12 months	1.22	0.26	0.26	0.41	9.68
Adjusted net debt	748.08	1,334.85	1,011.31	1,486.46	1,217.74
Total equity	3,577.72	3,044.06	3,192.99	2,947.52	2,666.14
Adjusted net debt to equity ratio	0.21	0.44	0.32	0.50	0.46

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

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in million, unless otherwise stated)

50 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of Restated Consolidated Financial Information' of Division II of Schedule III

As at 30 September 2020

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	90.77%	3,247.62	97.15%	377.73	98.64%	(4.34)	97.13%	373.39
Subsidiaries								
Bakebest Foods Private Limited	8.12%	290.46	2.64%	10.26	1.36%	(0.06)	2.65%	10.20
Mrs Bectors English Oven Limited	0.01%	0.50	0.00%	0.01	0.00%	-	0.00%	0.01
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.09%	39.14	0.22%	0.86	0.00%	-	0.22%	0.86
Elimination	0.00%	0.00	-0.01%	(0.03)	-	-	-0.01%	(0.03)
Total	100%	3,577.72	100%	388.83	100%	(4.40)	100%	384.43

As at 31 March 2020

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	90.01%	2,873.95	93.09%	283.02	92.85%	(5.97)	93.09%	277.05
Subsidiaries								
Bakebest Foods Private Limited	8.78%	280.28	21.79%	66.25	7.15%	(0.46)	22.11%	65.79
Mrs Bectors English Oven Limited	0.02%	0.48	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.20%	38.28	0.12%	0.37	0.00%	-	0.12%	0.37
Elimination	0.00%	0.00	-15.00%	(45.61)	-	-	-15.33%	(45.61)
Total	100%	3,192.99	100%	304.03	100%	(6.43)	100%	297.60

As at 30 September 2019

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	88.75%	2,701.56	64.80%	65.93	93.84%	(6.40)	62.72%	59.53
Subsidiaries								
Bakebest Foods Private Limited	9.96%	303.30	34.41%	35.01	6.16%	(0.42)	36.44%	34.59
Mrs Bectors English Oven Limited	0.02%	0.49	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.27%	38.71	0.79%	0.80	0.00%	-	0.84%	0.80
Elimination	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Total	100%	3,044.06	100%	101.74	100%	(6.82)	100%	94.92

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in million, unless otherwise stated)

As at 31 March 2019

Name of entity in the group	Net Assets		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	(Total assets - Total liabilities)		As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	As % of consolidated net assets	Amount						
Parent								
Mrs. Bectors Food Specialities Limited	89.58%	2,640.39	97.49%	323.17	51.85%	0.14	97.45%	323.31
Subsidiaries								
Bakebest Foods Private Limited	9.12%	268.74	18.74%	62.13	48.15%	0.13	18.77%	62.26
Mrs Bectors English Oven Limited	0.02%	0.48	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.29%	37.91	0.21%	0.68	0.00%	-	0.20%	0.68
Elimination	0.00%	0.00	-16.43%	(54.48)	-	-	-16.42%	(54.48)
Total	100%	2,947.52	100%	331.50	100%	0.27	100%	331.77

As at 31 March 2018

Name of entity in the group	Net Assets		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	(Total assets - Total liabilities)		As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	As % of consolidated net assets	Amount						
Parent								
Mrs. Bectors Food Specialities Limited	88.35%	2,355.24	88.85%	318.84	97.71%	1.71	88.88%	320.55
Subsidiaries								
Bakebest Foods Private Limited	10.18%	271.60	16.10%	58.05	2.29%	0.04	16.03%	58.09
Mrs Bectors English Oven Limited	0.02%	0.48	0.00%	0.01	0.00%	-	0.00%	0.01
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.45%	38.82	0.05%	0.17	0.00%	-	0.05%	0.17
Elimination	-	-	-5.00%	(18.14)	-	-	-4.97%	(18.14)
Total	100%	2,666.14	100%	358.93	100%	1.75	100%	360.68

51 Dividends

After reporting date the following dividend (excluding dividend distribution tax) was proposed by the directors subject to the approval at the time of annual general meeting; the dividend has not been recognised as liability. The dividend will attract dividend distribution tax when declared or paid.

	For the period ended 30 September 2020	For the period ended 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Rs.Nil per equity share (30 September 2019: Rs.Nil, 31 March 2020: Rs.0.75, 31 March 2019: Rs.0.75, 31 March 2018: Rs. 0.75 per equity share) (all amounts in absolute terms)	-	-	42.95	42.95	42.95
	-	-	42.95	42.95	42.95

Mrs. Bectors Food Specialities Limited

Annexure VI - Notes to Restated Consolidated Financial Information

(All amounts are in million, unless otherwise stated)

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

In connection with the filing in earlier year, of the Draft Red Herring Prospectus, Mr. Ajay Bector, by way of his letters dated 3 September 2018 and 15 November 2018 ("Letters"), addressed to SEBI and the Book Running Lead Managers (BRLMs), made certain allegations against the Company and the Promoter. With respect to the Company, Mr. Ajay Bector has, inter alia, alleged in 2018-19 non-disclosure of certain family settlement related agreements in the Draft Red Herring Prospectus and also alleged certain irregularities in relation to the financial information of the Company disclosed in the Draft Red Herring Prospectus. With respect to the Promoter, Mr. Ajay Bector has, inter alia, made allegations of misconduct and non-compliance with the terms of the family settlement by the Promoter. The Company and the Promoter have responded to the letters vide separate letters dated 24 September 2018 and 6 December 2018 denying all the allegations. The Company has not received any further letter or communication from Mr. Ajay Bector or other disassociated member till date in relation to the aforesaid matter and further no new complaint has been filed by Mr. Ajay Bector or other disassociated member till date.

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

In recent developments, the Company had sent a letter dated 21 August 2020 to Mr. Ajay Bector for confirming that he and his family will not be classified as a member of the promoter group of the Company in connection with the DRHP that the Company proposes to file with Securities Exchange Board of India (SEBI) for the proposed Initial Public Offering of the equity shares (IPO). The Company received a response letter dated September 18, 2020, from Mr. Ajay Bector which states that he and his family has disassociated from the Company and therefore, should not be considered or classified as members of promoter group of the Company. Accordingly, Mr. Ajay Bector and any entity in which they may have interest were not considered "promoter group" within the definition provided under the SEBI ICDR Regulations, in the Draft Red Herring Prospectus dated 19 October 2020, filed by the Company. The Company also made an application to SEBI seeking exemption from including Mr. Ajay Bector and any entity in which they may have interest in the "promoter group" which was approved by, SEBI vide its letter dated 27 October 2020.

53 Corporate Social Responsibility

30 September 2020

- a) Gross amount required to be spent by the Group during the period was Rs. 5.81
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students.

Particulars

	In cash	Yet to be paid in cash	Total
On construction/acquisition of any asset	-	-	-
On purpose other than above	2.96	-	2.96
Total	2.96	-	2.96

31 March 2020

- a) Gross amount required to be spent by the Group during the year was Rs. 11.38.
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students.

Particulars

	In cash	Yet to be paid in cash	Total
On construction/acquisition of any asset	-	-	-
On purpose other than above	1.18	-	1.18
Total	1.18	-	1.18

30 September 2019

- a) Gross amount required to be spent by the Group during the period was Rs. 5.70
b) Amount spent during the year on promoting environmental sustainability, health care, eradication of poverty and providing scholarship to students.

Particulars

	In cash	Yet to be paid in cash	Total
On construction/acquisition of any asset	-	-	-
On purpose other than above	0.94	-	0.94
Total	0.94	-	0.94

31 March 2019

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

Particulars

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

31 March 2018

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

Particulars

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

54 Impact of COVID 19 (Global Pandemic) on Business

The Manufacturing facilities and all offices of the Group were closed on 22 March 2020 on account of Janta Curfew followed by curfew in the State of Punjab and countrywide lockdown due to COVID-19. The Group obtained required permissions and restarted its partial manufacturing operations from 30 March 2020. The Group established several measures, procedures & safety instructions for restarting its operations and for maintaining the high standard of safety & hygiene for the employees. The Group made a strong connect with all employees during and post lockdown, strengthening morale and consciousness towards health.

In assessing the recover-ability of carrying amounts of Group's assets such as trade receivables, inventories, loans and advances, property, plant and equipment etc. and as part of its assessment relating to the going concern, the Group has considered various internal and external information up to the date of approval of these consolidated financial statements and concluded that they are fairly valued in the books and are also recoverable after consideration of the present conditions read together with long term business projections. In making the said projections, reliance has been placed on prevailing and estimates of future prices of materials, consumables, and other resources, assumptions relating to operational performance and future demands. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Group does not anticipate any impairment of financial and non- financial assets nor an impact on its assessment relating to validity of the going concern assumption. The Group is also quite comfortable on liquidity front as most of the due realizations from the customers have been received during lockdown period. The Group is servicing its debt obligations. Also, the Group has sufficient lines of credit sanctioned by its bankers and also has ability to borrow, if required in future depending upon performance of business.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these restated consolidated financial information and the Group will continue to closely monitor any material changes to future economic conditions.

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

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

Rajiv Goyal
Partner
Membership No.: 094549

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary
M. No:- F10412

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 28 November 2020

Place: Gurugram
Date: 28 November 2020

Mrs. Bectors Food Specialities Limited
Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Summarised below are the restatement adjustments made to the equity of the Audited Consolidated Financial Statements of the Group for the period/ years ended 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and their consequential impact on the equity of the Group:

Particulars	Notes Reference	As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
A. Total Equity as per Audited Consolidated Financial Statements		3,578.47	3,045.60	3,194.22	2,949.67	2,667.69
B. Adjustment:						
Material restatement Adjustment:						
(i) Audit qualifications		-	-	-	-	-
Total		-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments						
Adjustments on account of adoption of Ind AS 116	3(a)	1.01	2.48	1.65	3.30	2.37
Total		1.01	2.48	1.65	3.30	2.37
iii) Deferred tax impact on adjustments in (i) and (ii), as applicable						
Deferred tax impact on restatement adjustments	3(a)	(0.26)	(0.94)	(0.42)	(1.15)	(0.82)
Total		(0.26)	(0.94)	(0.42)	(1.15)	(0.82)
C. Total impact of adjustments (i + ii + iii)		0.75	1.54	1.23	2.15	1.55
D. Total equity as per Restated Consolidated Financial Information (A+C)		3,577.72	3,044.06	3,192.99	2,947.52	2,666.14

Summarised below are the restatement adjustments made to the net profit of the audited consolidated financial statements of the Group for the period / year ended 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and their impact on the profit of the Group:

Particulars	Notes Reference	For the period 1 April 2020 to 30 September 2020	For the period 1 April 2019 to 30 September 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Net Profit after tax as per Audited Consolidated Financial Statements		388.35	101.13	303.11	332.10	360.48
B. Adjustment:						
Material restatement Adjustment:						
(i) Audit qualifications		-	-	-	-	-
Total		-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments						
Adjustments on account of adoption of Ind AS 116	3(a)	0.64	0.82	1.65	(0.93)	(2.37)
Total		0.64	0.82	1.65	(0.93)	(2.37)
iii) Deferred tax impact on adjustments in (i) and (ii), as applicable						
Deferred tax impact on restatement adjustments		(0.16)	(0.21)	(0.74)	0.33	0.82
Total		(0.16)	(0.21)	(0.74)	0.33	0.82
C. Total impact of adjustments (i + ii - iii)		0.48	0.61	0.91	(0.60)	(1.55)
D. Net Profit after tax as per Restated Consolidated Financial Information (A+C)		388.83	101.74	304.03	331.50	358.93

1. Adjustments for audit qualification: None

2. Material regrouping: None

3. Material restatement adjustments

(a) Recognition of lease liability

A new lease standard i.e., Ind AS 116 has been notified to be effective w.e.f 01 April 2019 which provide guidelines for the accounting of the lease contracts entered in the capacity of a lessee and a lessor.

The Group has entered into various operating lease contracts in the capacity of a lessee and in lines with the accounting principals laid down in Ind AS 116, is required to make the following adjustments:-

The Group is required to recognise a right to use asset and a corresponding lease liability in respect of all the operating leases on the transition date.

The Group shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, incremental borrowing rate shall be substituted

The lease payments included in the measurement of the lease liability comprise the payments for the right to use the underlying asset during the lease term that are not paid at the commencement date and includes the following:

(a) fixed payments (including in-substance fixed payments as described in paragraph B42 of Ind AS 116), less any lease incentives receivable;

(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28 of Ind AS 116).

The asset recognised in lines with the provisions of Ind AS 116 is required to be depreciated as per Ind AS 16, Property plant and equipment.

The group has applied 'modified retrospective approach' as mentioned in Ind AS 116 for transitional adjustments. Therefore, the cumulative effect of adopting Ind AS 116 has been recognised as an adjustment to the opening balance of retained earnings at 1 April 2017. The Group has applied the practical expedient to grandfather the definition of a lease on transition. This means that it has applied Ind AS 116 to all contracts entered into before 1 April 2017 and identified as leases in accordance with Ind AS 17.

Non-adjusting items

1. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020 respectively. Certain statements/comments included in the annexure to the Auditors' report on the financial statements (i.e., CARO), which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented:

Mrs. Bectors Food Specialities Limited

Financial year 2017-18

Clause (i) (c) of CARO 2016 Order

The title of deed of the immovable properties are held in the name of the Group except for the following:-

Type of Immovable Property	Location of Immovable property	Gross block of property as on 31 March 2018	Net block of property as on 31 March 2018
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.52

Mrs. Bectors Food Specialities Limited
Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)
Clause (ii) of CARO 2016 Order

According to information and explanations given to us, the inventories, except goods in transit, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2018 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2016 Order

According to the information and explanations given to us, there are no dues of service tax or duty of customs or duty of excise which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed value added tax and income-tax dues that have not been deposited by the Group as at 31 March 2018 are as follow:

Nature of Statute	Nature of Dues	Amount disputed*	Amount deposited	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales Tax	2.37	-	2008-09	Deputy Excise and Taxation Commissioner, Ludhiana
	Sales Tax	3.75	-	2009-10	
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	-	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	-	2010-11	High Court of Himachal Pradesh
	Entry Tax	7.57	-	2011-12	
	Entry Tax	8.73	-	2012-13	
	Entry Tax	7.44	-	2013-14	
	Entry Tax	15.15	-	2014-15	
	Entry Tax	11.70	-	2015-16	
	Entry Tax	7.10	-	2016-17	
	Entry Tax	1.02	-	2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	-	2005-06	VAT Tribunal of Himachal Pradesh
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	-	2013-14	Deputy Excise and Taxation Commissioner, Gautam budha Nagar
Income Tax Act, 1961	Additions/ disallowed	5.73	-	2007-08 (AY)	Income Tax Appellate Tribunal, Chandigarh
		0.00	-	2010-11 (AY)	
		0.13	-	2011-12 (AY)	
		1.83	-	2013-14 (AY)	
Income Tax Act, 1961	Additions/ disallowed	0.18	-	2015-16 (AY)	Commissioner of Income Tax (Appeals), Ludhiana

*an amount as per demand order including interest and penalty, whichever indicated in order

Financial year 2018-19

Clause (i) (c) of CARO 2016 Order

The title of deed of the immovable properties are held in the name of the Group except for the following:-

Type of Immovable Property	Location of Immovable property	Gross block of property as on 31 March 2019	Net block of property as on 31 March 2019
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.36

Clause (ii) of CARO 2016 Order

According to information and explanations given to us, the inventories, except goods in transit, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2019 for a period of more than six months from the date they became payable.

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

Clause (vii) (b) of CARO 2016 Order

According to the information and explanations given to us, there are no dues of service tax or duty of customs or duty of excise which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed value added tax and income-tax dues that have not been deposited by the Group as at 31 March 2019 are as follow:

Nature of Statute	Nature of Dues	Amount disputed*	Amount deposited	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales Tax	2.37	-	2008-09	Deputy Excise and Taxation Commissioner, Ludhiana
	Sales Tax	3.75	-	2009-10	
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	-	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	46.33	2010-11	High Court of Himachal Pradesh
	Entry Tax	7.57		2011-12	
	Entry Tax	8.73		2012-13	
	Entry Tax	7.44		2013-14	
	Entry Tax	15.15		2014-15	
	Entry Tax	11.70		2015-16	
	Entry Tax	7.10		2016-17	
	Entry Tax	1.02		2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	-	2005-06	VAT Tribunal of Himachal Pradesh
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	-	2013-14	Deputy Excise and Taxation Commissioner, Gautam budha Nagar
	Sales Tax	1.59	-	2014-15	
Income Tax Act, 1961	Additions/ disallowed	5.73	5.73	2007-08 (AY)#	Income Tax Appellate Tribunal, Chandigarh
		6.05	6.05	2009-10 (AY)	
		0.00	-	2010-11 (AY)	
		0.13	-	2011-12 (AY)	
Income Tax Act, 1961	Additions/ disallowed	1.83	-	2013-14 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		0.18	-	2015-16 (AY)	

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

Mrs. Bectors Food Specialities Limited

Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information

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

Financial year 2019-20

Clause (i) (c) of CARO 2016 Order

According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties included in property, plant and equipment are held in the name of the Company except for the following:-

Type of Immovable Property	Location of Immovable property	Gross block of property as on 31 March 2020	Net block of property as on 31 March 2020
Freehold land	Tahliwal, Himachal Pradesh	4.27	4.27

In respect of immovable properties taken on lease and disclosed as right-of-use-assets, the lease agreements are in the name of the Company

Clause (ii) of CARO 2016 Order

The inventories, except goods in transit, have been physically verified by the management during the year. For goods in transit in respect of purchase and sales of material, all material is substantially received or delivered till the date of issuance of this report. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. Further, as informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.

Clause (vii) (a) of CARO 2016 Order

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

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, GST, Duty of customs and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

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

Clause (vii) (b) of CARO 2016 Order

According to the information and explanations given to us, there are no dues of service tax or duty of customs or duty of excise which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed value added tax and income-tax dues that have not been deposited by the Group as at 31 March 2020 are as follow:

Nature of Statute	Nature of Dues	Amount disputed*	Amount deposited	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales Tax	2.37	-	2008-09	Deputy Excise and Taxation Commissioner, Ludhiana
	Sales Tax	3.75	-	2009-10	
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	-	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	46.33	2010-11	High Court of Himachal Pradesh
	Entry Tax	7.57		2011-12	
	Entry Tax	8.73		2012-13	
	Entry Tax	7.44		2013-14	
	Entry Tax	15.15		2014-15	
	Entry Tax	11.70		2015-16	
	Entry Tax	7.10		2016-17	
	Entry Tax	1.02		2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	-	2005-06	VAT Tribunal of Himachal Pradesh
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	-	2013-14	Deputy Excise and Taxation Commissioner, Gautam budha Nagar
	Sales Tax	1.59	-	2014-15	
Income Tax Act, 1961	Additions/ disallowed	5.73	5.73 #	2007-08 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		6.05	6.05	2009-10 (AY)	
		0.00	-	2010-11 (AY)	
		0.13	-	2011-12 (AY)	
		1.83	-	2013-14 (AY)	
		0.18	-	2015-16 (AY)	
		28.89	-	2017-18 (AY)	

*an amount as per demand order including interest and penalty, whichever indicated in order

#adjusted against refund dues.

Bakebest Foods Private Limited

Financial year 2018-19

Clause (ii) of CARO 2016 Order

According to information and explanations given to us, the inventories, except goods in transit, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2019 for a period of more than six months from the date they became payable.

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

Financial year 2019-20

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2020 for a period of more than six months from the date they became payable.

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

Clause (vii) (b) of CARO 2016 Order

According to the information and explanations given to us, there are no dues of service tax or duty of customs or duty of excise which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed value added tax and income-tax dues that have not been deposited by the Group as at 31 March 2020 are as follow:

Nature of Statute	Nature of Dues	Amount disputed*	Amount deposited	Period to which amount relates	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	Sales Tax	0.88	0.03	2012-13	Commissioner of Sales Tax

*an amount as per demand order including interest and penalty, whichever indicated in order

Cremica Agro Foods Limited

Financial year 2018-19

Clause (ii) of CARO 2016 Order

According to information and explanations given to us, the inventories, except goods in transit, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2019 for a period of more than six months from the date they became payable.

Financial year 2019-20

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and service tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in deposit of income-tax, value added tax, provident fund and the employee state insurance in few cases though not serious.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as on 31 March 2020 for a period of more than six months from the date they became payable.

OTHER FINANCIAL INFORMATION

- The audited standalone financial statements of our Company as at and for the year ended March 31, 2020, March 31, 2019, and March 31, 2018 (“**Standalone Financial Statements**”) are available at <http://www.cremica.in/investors>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.
- The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	For the period between April 1, 2020 to September 30, 2020 [^]	For the period between April 1, 2019 to September 30, 2019 [^]	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Earnings per equity share (Face Value of ₹10/- each)					
Basic EPS (in ₹) *	6.79	1.78	5.31	5.79	6.27
Diluted EPS (in ₹)*	6.78	1.77	5.30	5.78	6.26
Return on Net Worth (%)*	10.87%	3.34%	9.52%	11.25%	13.46%
Net asset value per equity share (₹) *	62.47	53.15	55.76	51.47	46.56
Weighted average number of equity shares for Basic Earnings Per Equity Share (in million) (Refer note 40 of the Restated Consolidated Financial Information)	57.26	57.26	57.26	57.26	57.26
Weighted average number of equity shares for Diluted Earnings Per Equity Share (in million) (Refer note 40 of the Restated Consolidated Financial Statements)	57.32	57.34	57.32	57.33	57.32
Net Profit after tax attributable to Owners (in ₹ in million)	388.83	101.74	304.03	331.50	358.93
Equity Share Capital (₹ in million)	572.68	572.68	572.68	572.68	572.68
Reserves (Other equity), as restated (₹ in million)	3,005.04	2,471.38	2,620.31	2,374.84	2,093.46
Net worth, as restated (in ₹ million)	3,577.72	3,044.06	3,192.99	2,947.52	2,666.14

[^] Numbers for the six months ended September 30, 2020 and September 30, 2019 have not been annualised

* presented in two decimals

1. The ratios on the basis of Restated consolidated financial information have been computed as below:

<i>Basic Earnings per share (INR)</i>	=	$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$
<i>Diluted Earnings per share (INR)</i>	=	$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$
<i>Return on net worth (%)</i>	=	$\frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the period}}$
<i>Net Asset Value (NAV) per equity share (INR)</i>	=	$\frac{\text{Net worth as restated at the end of the period}}{\text{Number of equity shares outstanding at the end of the period}}$

2. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. This has been adjusted for all periods presented by giving effect to bonus and subdivision subsequent to the balance sheet date.*

3. *Net Worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit)).*

4. *The above ratios have been computed on the basis of the Restated Consolidated Financial Information.*

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at September 30, 2020, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" on pages 305, 218 and 22, respectively.

<i>(In ₹ million)</i>		
Particulars*	Pre-Offer as at September 30, 2020	As adjusted for the proposed Offer
Total borrowings[#]		
-Current borrowings*	-	-
-Non-current borrowings (including current maturity)*	1,223.83	1,223.83
Total borrowings (A)	1,223.83	1,223.83
Total equity		
-Equity share capital*	572.68	586.77
-Other equity*	3,005.04	3,396.35
Total equity (B)	3,577.72	3,983.12
Ratio: Non-current borrowings(including current maturity)/Total equity**	0.34	0.31
Ratio: Total borrowings (A) / Total equity (B)	0.34	0.31

[#] Total Borrowing does not include interest accrued on borrowings

*All terms shall carry the meaning as per Schedule III of the Companies Act, 2013.

**For the Ratio: Non-current borrowings (including current maturity)/Total equity (B), the interest accrued on borrowings is excluded while calculating the ratio.

Note 1 –

The above table does not include lease liability on implementation of Ind AS 116 – “Leases” which we have disclosed as a separate line item in the Restated Financial Information.

Note 2 –

- a) The details of total borrowings under “As adjusted for the proposed offer” have not been adjusted for any proceeds / repayments of borrowings subsequent to September 30, 2020.
- b) The amount for equity share capital and other equity under “As adjusted for the proposed offer” column reflects changes in equity on account of proceeds from the Fresh Issue of ₹ 405.40 million out of which ₹ 14.09 million has been adjusted against equity share capital and ₹ 391.31 million has been adjusted against other equity. The equity shares are yet to be allotted. The figures above may be required to be adjusted, depending on, inter alia, the actual number of equity shares allotted upon finalisation of Basis of Allotment.
- c) Since September 30, 2020, 70,000 Equity Shares have been allotted under ESOP Plan 2017. For details, see “Capital Structure - Notes to the Capital Structure - History of Equity Share Capital of our Company - Allotment dated December 6, 2020 on page 76 which has not been adjusted against equity share capital and other equity under “As adjusted for the proposed offer” column as it is not pursuant to the proposed Offer.
- d) Further, the amount for other equity under “As adjusted for the proposed offer” column has not been adjusted for share issue expenses of the proposed Offer.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of our business. Pursuant to our Articles of Association, subject to applicable laws and pursuant to the Board resolution dated July 10, 2018 and the special resolution passed by our Shareholders on August 1, 2018, our Board has been authorised to borrow sums of money with or without security, which, together with the monies borrowed by our Company (excluding temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 3,500.00 million over and above the aggregate of the paid-up share capital, free reserves and securities premium of our Company.

Set forth below is a brief summary of our aggregate outstanding borrowings on a consolidated basis as on October 31, 2020.

Category of Borrowing	Sanctioned Amount (to the extent applicable)	Amount outstanding as on October 31, 2020
<i>(in ₹ million)</i>		
Working Capital facilities		
Secured		
Fund based	500.00	1.25
Non-fund based	135.00	10.41
<i>Total (A)</i>	635.00	11.66
Unsecured		
Fund based	Nil	Nil
Non-fund based	Nil	Nil
<i>Total (B)</i>	Nil	Nil
<i>Total Working Capital facilities (A+B)</i>	635.00	11.66
Term Loan Facilities		
Secured (C1)	2,405.87	1,260.03
Unsecured (C2)	Nil	Nil
Total term loan facilities (C=C1+C2)	2,405.87	1,260.03
Total borrowings (A+B+C)	3,040.87	1,271.69

*As certified by SCV & Co. LLP, Chartered Accountants, by way of their certificate dated December 8, 2020.

Key terms of our secured borrowings are disclosed below.

- Tenor and interest rate: The tenor of the term loan facilities availed by us typically range from 60 months to 96 months. All our borrowings are on floating rates of interest.
- Security: Our secured borrowings are typically secured against:
 - (i) Charge on current assets, existing and future, and entire movable and/or fixed assets of the manufacturing units or the Company, as applicable;
 - (ii) Existing and future charge on the immovable properties of the Company;
 - (iii) Charge by way of hypothecation of the entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills, outstanding monies, receivables; and
 - (iv) Mortgage (including through the deposit of title deeds) on the land and building of the Company's manufacturing unit.

In most cases the security created in favour of the lender by our Company is *pari passu* with other lenders.

- **Restrictive Covenants:** As per the terms of our loan agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:
 - a) Formulating any scheme of amalgamation, compromise, reconstruction, consolidation, demerger or merger;
 - b) Change in ownership or control of our Company whereby effective beneficial ownership or control of our Company changes;
 - c) Effecting any material change in the constitution or management of our Company;
 - d) Changing the capital structure of our Company or dilution of shareholding of the promoter of our Company;

- e) Amending the Memorandum of Association and Articles of Association;
 - f) Change in management control of our Company;
 - g) Undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
 - h) Declaration of dividends or distribution of profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are no irregularities in relation thereto; and
 - i) Breach of any covenant, undertaking or conditions set out in the facility documents or breach of agreement, representation or warranty which in the opinion of the bank is prejudicial to their interests.
- ***Events of Default:*** As per the terms of our borrowings, the following, among others, constitute events of default:
- a) Non-Payment of installment/ interest within the stipulated time;
 - b) Representations or warranties found to be untrue or misleading when made;
 - c) Our Company ceasing or threatening to cease or carrying on its business;
 - d) Utilisation of a loan for purposes other than the sanctioned purpose;
 - e) Cross-Default under other borrowings of our Company; and
 - f) Breach of any covenant, undertaking or conditions set out in the facility documents or breach of agreement, representation or warranty which in the opinion of the bank is prejudicial to their interests.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender or the trustee that may amount to an event of default under various borrowing arrangements entered into by us.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Consolidated Financial Information for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019 and the Financial Years 2020, 2019 and 2018, including the notes thereto and reports thereon, each included in this Prospectus.

The Restated Consolidated Financial Information are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI.

Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Consolidated Financial Information Statements may not be comparable to our historical financial statements. Please also see "Risk Factors – Significant differences exist between Indian GAAP and IND AS, on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition." on page 50.

This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 15 and 22, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Our Financial Year ends on March 31 of each year.

The industry data used in this section has been derived from the Technopak Report.

Overview

We are one of the leading companies in the premium and mid-premium biscuits segment and the premium bakery segment in North India, according to the Technopak Report. We manufacture and market a range of our biscuits such as cookies, creams, crackers, digestives and glucose under our flagship brand 'Mrs. Bector's Cremica'. We also manufacture and market bakery products in savoury and sweet categories which include breads, buns, pizza bases and cakes under our brand 'English Oven'. We supply our products to retail consumers in 26 states within India, as well as to reputed institutional customers with pan-India presence and to 64 countries across six continents during the Financial Year ended March 31, 2020. According to Technopak Report, 'Mrs. Bector's Cremica' is one of the leading biscuit brands in the premium and mid-premium segment in Punjab, Himachal Pradesh, Jammu and Kashmir and Ladakh and 'English Oven' is the one of the largest selling brand in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. We are the largest supplier of buns in India to reputed QSR chains such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (Source: Technopak Report).

Our diversified product portfolio includes two main categories.

Biscuits – We manufacture and sell biscuits, primarily in the premium and mid-premium segments including a wide variety of cookies, creams, crackers, and digestives which accounted for ₹ 4,512.00 million, ₹ 2941.86 million, and ₹ 2187.80 million of our revenue from sale of biscuits in India and globally excluding contract manufacturing or 59.20%, 68.26% and 60.00% of our revenue from operations for the Financial Year 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019 respectively, and has grown by 34.47% from September 30, 2019 to September 30, 2020. In the recent past, we have launched new products such as 'Trufills', 'Premium Sugar and Classic Crackers', 'Pista Almond Cookies', 'Choco Chip Cookies', 'Honey Oatmeal Cookies' and for the period between April 1, 2020 to September 30, 2020, our product portfolio for our biscuits category consists of 384 SKUs. We also manufacture 'Oreo' biscuits and 'Chocobakes' cookies on contract basis for Mondelez India Foods Private Limited.

Bakery Products – We manufacture and sell various types of premium bakery products in savoury and sweets categories for our retail customers such as breads, buns, pizza bases, and cakes under the 'English Oven' brand,

which caters to the premium segment in Delhi NCR, Mumbai, and Bengaluru. The ‘English Oven’ is one of the fastest growing largescale premium bakery brand in India (Source: Technopak Report). Our revenue from the sale of branded breads and bakery products to our retail customers under the ‘English Oven’ brand accounted for ₹ 1,302.00 million or 17.09%, ₹ 883.86 million or 20.51% and ₹ 585.12 million or 16.05%, of our revenue from operations for the Financial Year 2020, the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019, respectively and has grown by 51.06% from September 30, 2019 to September 30, 2020. We also manufacture and sell a variety of bakery and frozen products such as buns, kulchas, pizzas, and cakes to our QSR customers with pan India presence, cloud kitchens such as Rebel Foods Private Limited since 2015, multiplexes such as PVR Limited, as well as certain hotels, restaurants and cafés. We are the sole supplier of burger buns and pan muffins (frozen) to Connaught Plaza Restaurants Private Limited (Source: Technopak Report) and have been associated since the year 1995 and preferred supplier of burger buns and pan muffins (fresh) to Hardcastle Restaurants Private Limited since 2007. For the Financial Year 2020, the period April 1, 2020 to September 30, 2020, and the period April 1, 2019 to September 30, 2019, the revenue from sale of our buns, bakery and frozen products to our institutional customers accounted for ₹ 1,283.00 million, or 16.84%, ₹ 244.28 million, or 5.67% and ₹ 634.35 million, or 17.40% respectively, of our revenue from operations and has de-grown by 61.49% from September 30, 2019 to September 30, 2020. Recently, we have introduced new products such as sub breads, pizzas, garlic breads, cheese garlic bun fills, frozen cookies for our retail as well as institutional customers and during period between April 1, 2020 to September 30, 2020, our diversified product portfolio for our bakery segment consists of 118 SKUs.

All our products are manufactured in-house at our six manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahlial (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka), which enables us to have an effective control over the manufacturing process and to ensure consistent quality of our products. All our manufacturing facilities are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses (Source: Technopak Report). We have received several quality certifications and accreditations, including certification from the FSSC 22000, the U.S. Food and Drugs Administration, British Retail Consortium (BRC) and Sedex Members Ethical Trade Audit (SMETA).

We have a strong distribution network in India and globally in the general trade and the modern trade segment. During the period between April 1, 2020 to September 30, 2020, we distributed our biscuits across 23 states in India, through our widespread network of 196 super-stockists and 748 distributors supplying to wide range of customers through 458,000 retail outlets (Source: Technopak Report) and 4,422 preferred outlets. We are also one of the largest suppliers of biscuits to Canteen Stores Department of Government of India (“CSD”) supplying in 33 locations across India and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India (Source: Technopak Report). We are one of the leading exporters of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to 64 countries during the Financial Year ended March 31, 2020, to reputed retail chains, distributors and buying houses.

We also have a strong distribution network for our bakery products sold under our brand ‘English Oven’ supplied to our customers, for the period between April 1, 2020 to September 30, 2020 through 191 distributors and over 14,000 retail outlets (Source: Technopak Report) situated in Delhi NCR, Mumbai, Pune and Bengaluru under modern trade and general trade channels, direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors. According to Technopak Report, we are one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables us to distribute our bakery products across India.

Our Company was founded by Mrs. Rajni Bector, and our recipes are inspired by the original recipes created by her. Our Company is promoted by Mr. Anoop Bector who has over 25 years of industry experience. He is also the Managing Director of our Company and in addition to his overall supervision of our business operations he also heads our business development and manages relationships with our key institutional customers, distributors and suppliers. Mr. Ishaan Bector, our whole time director, heads our breads business under our brand ‘English Oven’ and is responsible for the overall supervision, development and expansion of our branded breads and bakery business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

The following table sets forth our financial performance in the last three Financial Years and the three-month periods from April 1, 2020 to September 30, 2020 and April 1, 2019 to September 30, 2019:

S. No.	Particulars	The period		Financial	Financial	Financial
		April 1, 2020 to September 30, 2020	April 1, 2019 to September 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
1.	Consolidated Revenue from Operations (₹ million)	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
2.	Gross Margin (%) ¹	47.84%	46.91%	46.54%	45.89%	44.36%
3.	EBITDA ² (₹ million)	722.22	390.52	928.53	961.50	855.04
4.	EBITDA Margin (%) ³	16.76%	10.71%	12.18%	12.27%	12.32%
5.	EBIT Margin (%) ⁴	11.61%	5.03%	6.74%	7.78%	8.24%
6.	Net Profit (₹ million)	388.83	101.74	304.03	331.50	358.93
7.	PAT Margin (%) ⁵	9.02%	2.79%	3.99%	4.23%	5.17%
8.	ROE (%) ⁶	21.72%	6.68%	9.90%	11.81%	14.30%
9.	ROCE (%) ⁷	24.22%	9.33%	12.68%	15.90%	18.00%
10.	Cash Flow from Operating activities (₹ million)	679.71	375.52	1,094.85	539.86	464.99
11.	EBITDA to operating cash flows (%)	106.25%	103.99%	84.81%	178.10%	183.88%
12.	Working capital cycle (days) ⁸	25	43	33	35	33

Notes:

1. *Gross Margin = Revenue from Operations - COGS (cost of materials consumed + purchase of stock-in-trade + changes in inventories of finished goods, stock-in-trade and work-in-progress + excise duty). Gross Margin % = Gross Margin / revenue from operations*
2. *EBITDA = Earnings before interest, taxes, depreciation and amortisation excluding other income*
3. *EBITDA% = EBITDA / revenue from operations*
4. *EBIT% = (Earnings before interest and taxes excluding other income) / revenue from operations*
5. *PAT margin (%) is calculated as PAT / revenue from operations*
6. *ROE has been calculated based on PAT and average shareholders' funds during the year. ROE has been annualised for September 30, 2020 and September 30, 2019*
7. *ROCE = Earnings before tax and interest / average capital employed. Capital Employed = shareholders funds + term loans + current maturities of long term loans + interest accrued but not due on borrowings. ROCE has been annualised for September 30, 2020 and September 30, 2019*
8. *Working capital cycle days = trade receivables days + inventory days - trade payable days*

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Product mix

Our revenue and profit margins are impacted by our product mix. Our product offerings through sale of our products excluding contract manufacturing to consumers primarily include a wide variety of premium and mid-premium biscuits and premium bakery products including savoury and sweet products. As on September 30, 2020, our diversified product portfolio consists of 502 SKU's across all our product segments including varieties of biscuits across the cookies, creams, crackers and digestives categories and varieties of bakery products in savoury categories such as breads, buns, pizza bases, frozen pizzas, and sweet categories such as cakes, cookies and cupcakes.

The success of our business depends upon our ability to identify emerging market trends and offer differentiated product offerings to our customers. According to the Technopak Report, the premium and mid-premium category biscuits market is expected to grow to ₹ 504 billion by Financial Year 2025 growing at a CAGR of 9.5%. Further, according to the Technopak Report, the market for premium bakery products is estimated to grow to ₹ 15 billion by Financial Year 2025 growing at a CAGR of 15% from Financial Year 2020 to Financial Year 2025. As we continue to increase our focus on growing our retail consumer business in India and globally, we expect the relative proportion of revenue contribution from sales of premium and high margin products to increase in the future. We also intend to foray into manufacturing niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, pizza puffs, sub breads, footlong breads, croissants, frozen pizzas, sandwiches and cakes, which will help us realize higher margins. While we believe that we are well placed to capitalize on the growing consumer demand for premium and higher margin biscuit and bakery products, however, if we are unable to continue and/or expand our premium product range, we may lose market share to our competitors and that may adversely impact our results of operations.

Growth of the QSR industry and the relationship with our QSR customers

While the sales of our products to our QSR customers, CSDs and Indian Railway canteens and stores have been significantly impacted during COVID-19 pandemic, according to the Technopak Report, the QSR and CSDs is expected to grow to 85% by Financial Year 2025. QSRs are expected to drive the growth based on the operating model, where centralised commissaries, support by processed food vendors and robust supply chain will help in attaining deeper penetration in Tier II & Tier III cities. Our buns (institutional) segment is dependent on the growth of the QSR industry and our continuing relationship with our QSR customers. Our ability to benefit from the growth of the QSR industry in India is dependent on receiving repeat orders from our existing QSR customers, expanding our QSR customer base, the quality of our products and our ability to deliver on their orders in a timely manner. There can be no assurance that our existing QSR customers will continue to do business with us in the future on commercially acceptable terms and there is no surety that we will be able to expand our QSR customer base. Historically certain of our key QSR customers such as Hardcastle Restaurants Private Limited and Burger King India Private Limited, have contributed a significant proportion of our revenues of our buns (institutional) segment. However, we do not have any long term supply agreement with any of our QSR customers. The supply of our products to such QSR customers is typically contingent on demand arising on a day to day basis which is subject to fluctuation. Further, the sales of our products to our QSR customers have been significantly impacted due to COVID-19, as the operations of most of the QSRs were severely impacted during this time. We cannot assure you that the operations of the QSRs will substantially improve in near future and sales of our products to our QSR customers will revert to the pre-COVID-19 level soon. Additionally, significant dependence on certain QSR customers may increase the potential volatility of our results of operations and exposure to individual contract risks. Such concentration of our business on a few customers may have an adverse impact on our results of operations.

Availability and price of raw materials

Our business operations are primarily dependent on availability of wheat flour, oil and fats, sugar and packaging material used in the production of the majority of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. Our cost of materials consumed accounted for 52.16%, 53.09%, 53.46%, 54.11% and 55.64% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. Wheat flour represents the largest cost of our raw materials and accounted for 31.78%, 33.66%, 34.61%, 32.31% and 30.24% of our cost of materials for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. We have long standing relationships with certain of our suppliers although we do not have any long term contracts with such third parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products.

The availability and price of raw materials is subject to a number of factors beyond our control including overall climatic and economic conditions, production levels, market demand and competition for such materials, production and transportation cost, labour costs, labour unrest and natural disasters. Interruption of, or a shortage in the supply of, raw materials may result in our inability to operate our production facilities at optimal capacities, leading to a decline in production and sales. In addition, while competition for procuring raw material may result in an increase in raw material prices, our ability to pass on such increases in overall operational costs may be limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of our products, may reduce demand for our products and thereby affect our margins and profitability.

Additionally, considering the seasonal nature of some of our raw materials, we are required to procure and warehouse such raw materials for our production activities throughout the year. However, if such warehoused raw materials get spoilt, it may affect production levels, consequently impacting our results of operations and financial conditions.

Geographic expansion in India and distribution network

Our revenues are impacted by our geographic presence and the scale and growth of our distribution network. While historically we have had a strong presence in North India, we intend to leverage our brands and expand our presence in the other regions of India by expanding our manufacturing capacity and by leveraging our already established institutional customer relationships. We are looking to expand our premium biscuits production in our Rajpura Manufacturing Facility. Further, we have also commissioned a sheeting line capable of producing 'Focaccia Breads', 'Panini Breads', 'Ciabatta Breads', at our Greater Noida facility. We have also added large blast freezing, individual quick freezing and holding freezers and are increasing our capacity by installing an automated bread and bun manufacturing line at our Greater Noida Facility. Through commissioning of new

technologies, we intend to create a seamless capability to manufacture various bakery and frozen products at all our manufacturing facilities. We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. We plan to increase our penetration in select export markets, such as South, Central and North America, the MENA region and Australasia. We are also in the process of setting-up a new office in Dubai and participate in trade fairs in these export markets extensively to strengthen our presence in these markets.

As we propose to expand our geographic reach, we may incur additional capital expenditure for setting up our new manufacturing facilities. We will also be required to incur additional operational and marketing expenses as we enter new markets. Our ability to expand and grow our product reach significantly also depends on the reach and effective management of our distribution network. We rely largely on third-party super stockists and distributors to sell our products to retailers who place our products in the market. For the period April 1, 2020 to September 30, 2020, we distributed our biscuits across 23 states in India, through our widespread network of 196 super-stockists and 748 distributors supplying to wide range of customers through 458,000 retail outlets (*Source: Technopak Report*) and our bakery products under our brand 'English Oven' through over 14,000 retail outlets (*Source: Technopak Report*) situated in Delhi NCR, Mumbai and Bengaluru. We have entered into certain arrangements with certain preferred outlets, which help us enhancing our brand visibility and presence. For the period between April 1, 2020 to September 30, 2020, we had a network of 4,422 preferred outlets. Our modern trade channels include large supermarkets or modern retailer stores. We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions.

We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. The super stockists place bulk orders with us after aggregating orders from various distributors. In the event our super stockists and distributors are unable to accurately predict the demand for our products or if they are delayed in placing orders with us or if they do not effectively market our products or market the products of our competitors, our business and results of operations may be adversely affected. Our inability to maintain our existing distribution network of such super stockists and distributors or to expand it proportionately with the proposed increase in our manufacturing facilities, can adversely affect our sales, results of operation and business.

Revenues from exports and foreign currency fluctuations

According to the Technopak Report, we are one of the leading exporter of biscuits from India, with approximately 12% share of the Indian biscuit export market in calendar year 2019 and we contribute more than 50% by value of biscuit exports from India to countries like South Africa and Uganda and more than 25% by value of biscuit exports from India to Canada. We export cookies, creams and crackers biscuits under our flagship brand 'Mrs. Bector's Cremica' as well as under private labels for international retail chains. Revenue from the export of biscuits accounted for ₹ 1056.23 million constituting 35.90% of our total biscuit revenue (domestic and international business) in the period April 1, 2020 to September 30, 2020 which has grown by 38.82% compared to the period April 1, 2019 to September 30, 2019. This has also decreased at a CAGR of 14.45% during Financial Years 2018 to 2020.

During the Financial Year ended March 31, 2020, we exported our biscuits to 64 countries across six continents in the world. However, due to political and financial instability in certain African countries in Financial Year 2019, our invoices remained unpaid or payment was delayed significantly and we had to stop exporting or substantially reduce our exports to these African countries. This was caused by political unrest, worsening socio-economic conditions and foreign currency shortage in these countries. Further, we may in the future, exit from these countries altogether. As a result our results of operations for the Financial Year 2019 was adversely affected and our revenue from sale of our biscuits decreased in Financial Year 2019 primarily due to our reduction in export of biscuits. While since then we have consciously reduced our exposure to such export markets and have focused to increase our export to more developed and politically and economically more stable geographies such as South, Central and North America, the MENA region and Australasia, we cannot assure you that political and economic instability will not arise in any of the geographies we export to in future and such development will not adversely affect our business prospects and results of operations.

Further, we are currently entitled to certain export incentives. These incentives are available to our Company under the Duty Drawback Scheme, Transport and Market Assistance Scheme, Duty Free Import Authorisation and Merchandise Exports from India Scheme, from Government of India.

Our Restated Consolidated Financial Information is presented in Indian Rupees. However, our revenues are influenced by the currencies of those countries where we sell our products. Rate fluctuations can therefore have a significant impact on our revenue from export sales.

We face exchange rate risk as a result of the fluctuations in the value of the Rupee against the U.S. Dollar and other major currencies. An appreciation of the Rupee causes our export products to be less competitive by raising our prices in U.S. Dollar terms, or alternatively requires us to reduce the Rupee price we charge for export sales, either of which could adversely affect our profitability. In addition, depreciation of the Rupee may adversely affect the results of our operations because, among other things, it causes:

- an increase in Rupee terms in the costs of machinery and capital equipment or any other imported materials or items that we purchase from overseas sources and our freight costs, part of which is denominated in foreign currencies; and
- foreign exchange translation losses on liabilities, which lower our earnings for accounting purposes.

We may from time to time for a portion of our foreign exchange transactions enter into forward foreign exchange contracts, currency swaps, options or a combination of both to hedge against some of our foreign exchange rate risks in connection with our operations.

Competition

International and domestic competition may adversely affect our business and results of operations. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior manufacturing facilities than we have. Competition emerges not only from the branded sector but also from the unorganised sector and from both small and big players. In the biscuits segment, we face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. Our competitors include national players such as ITC Limited, Britannia Industries Limited and Parle Biscuits Private Limited (*Source: Technopak Report*). We also face competition from certain regional players such as Surya Agro Food Limited. We also compete on a broader scale with regional bakeries in the unbranded biscuit sector.

Within the branded bread segment, we face competition from Harvest Gold Foods India Private Limited and Britannia Industries Limited, which currently have larger manufacturing capacity and their brands have larger market presence.

We are the largest supplier of buns in India to reputed QSR chains such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited (*Source: Technopak Report*). Further, according to Technopak Report, we are one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables us to distribute our bakery products across India. According to the Technopak Report, we and Baker's Circle are the key vendors for supply of processed and semi-processed dough-based offerings. In this segment, we face competition from in-house commissaries and other smaller players.

COVID-19 Pandemic

The COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India, as well as in countries where our customers are located. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown from March 24, 2020 onwards.

During the nation-wide lockdown, our Tahliwal Manufacturing Facility, Phillaur Manufacturing Facility, Rajpura Manufacturing Facility and Khopoli Manufacturing Facility were shut down for a period of around 3-6 days and given that we are engaged in manufacturing of biscuits, and bakery products which are fast moving consumer products, and are all categorised as 'essential goods', our operations resumed thereafter after making adequate arrangements to meet the government's requirement on sanitisation, and social distancing. While there was an accelerated increase in sale of our biscuits and bakery products to our retail customers during this time, the sales of our products to our QSR customers, CSDs and Indian Railway Canteens were significantly impacted due to COVID-19 pandemic. While the sales of our products to our QSR customers and CSDs have improved, we continue to be adversely impacted as the operations of Indian Railway canteens are severely impacted.

Due to the rising number of infected cases of COVID-19 in India, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we will not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations. Farther, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and temporarily shut down a part of or the entire manufacturing facility or our offices and branches, as necessary. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

See “*Risk Factors - Internal Risks - The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.*” on page 22.

SIGNIFICANT ACCOUNTING POLICIES UNDER IND AS

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as “the Company” or “Parent” is domiciled in India. The Company’s registered office is at Theing Road, Phillaur-144410, Punjab, India. These Restated Consolidated Financial Information comprise of the Company and its subsidiaries (together referred to as the ‘Group’) and it’s associate. The Group and its associate is engaged in the business of manufacturing and distribution of food products. The Group caters to both domestic and export markets.

2. Significant Accounting Policies

The Group and its associate has consistently applied the following accounting policies to all periods presented in the Restated Consolidated Financial Information.

a) Basis of preparation

1) Compliance with Indian Accounting Standards

The Restated Consolidated Statement of Balance sheet of the Group as at 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018 and the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the periods/years ended 30 September 2020, 30 September 2019, 31 March 2020, 31 March 2019 and 31 March 2018, and Restated Other Consolidated Financial Information (together referred to as ‘Restated Consolidated Financial Information’) has been prepared under Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act as amended from time to time.

The Restated Consolidated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’) in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act;
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India (‘SEBI’) as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (‘ICAI’). The Restated Consolidated Financial Information has been extracted by the Management from the Audited Consolidated Financial Statements for respective years/periods and

- there were no changes in accounting policies during the year/period of these financial statements, except for the new and amended Ind AS-116- 'Leases'- Refer Annexure VII and Note 5 and Note 43;
- there were no material amounts which have been adjusted for in arriving at profit of the respective periods; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited Consolidated Financial Statements of the Group as at and for the six months period ended 30 September 2020 and the requirements of the SEBI Regulations.

The group has given adjustments for lease accounting in accordance with Ind AS 116 which came into effect on 1 April 2019 using modified retrospective approach and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116, refer Schedule VII – “Statement of Adjustments to the Restated Consolidated Financial Information”.

2) *Functional and presentation currency*

These Restated Consolidated Financial Information are presented in Indian Rupees, which is the Group and its associate’s functional currency. All amounts have been rounded to the nearest million, up to two places of decimal, unless otherwise stated.

3) *Basis of measurement*

The Restated Consolidated Financial Information have been prepared under the historical cost basis except for the following:

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

Fair value measurement

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

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

The principal or the most advantageous market must be accessible to/ by the Group and its associate. All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information 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 prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Group and its associate uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group and its associate recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these Restated Consolidated Financial Information is included in note 48 - Financial instruments.

4) *Use of judgments and estimates*

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

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

Judgements

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

- Note 48 - classification of financial assets: assessment of business model within which the assets the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 5 & 43 - leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116

Assumptions and estimation uncertainties

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

- Note 1 and 4 - useful life and residual value of property, plant and equipment and other intangible assets;
- Note 45 - measurement of defined benefit obligations: key actuarial assumptions,
- Note 47 - fair value of share based payments
- Note 41 - Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- Note 48 - impairment of financial assets;
- Note 48 - Fair value measurement of financial instruments.
- Note 11 – Valuation of inventories
- Note 2(i) and 24 – Accounting for Government grant
- Note 2(o) and 23 - Recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used.

5) *Current and non-current classification*

The Group presents assets and liabilities in the Restated Consolidated Statement of Balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

b) Basis of consolidation

i) Business Combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

ii) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Restated Consolidated Statement of Balance sheet, Restated Consolidated Statement of Profit and loss and Restated Consolidated Statement of changes in equity respectively.

iii) Associates

The Group's interests in equity accounted investment comprise interests in associate. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Restated

Consolidated financial information include the Group's share of profit or loss and OCI of equity accounted investment until the date on which significant influence ceases.

iv) *Equity method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group and its associate's share of post-acquisition profits or losses of the investee on profit and loss, and the Group and its associate's share of other comprehensive income. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

When the Group and its associate's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group and its associate does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group are eliminated to the extent of the Group and its associate's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

v) The Restated Consolidated Financial Information comprises the financial information of the members of the Group as under:

Name of subsidiaries / Associate	Country of incorporation	% of Interest					
		As at 30 September 2020	As at 30 September 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	
Subsidiaries							
i. Bakebest Foods Private Limited	India	100	100	100	100	100	
ii. Mrs. English Bectors Oven Limited	India	100	100	100	100	100	
Associate							
Cremica Agro Foods Limited	India	43.09	43.09	43.09	43.09	44.95	

c) **Property, plant and equipment**

i. *Recognition and measurement*

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

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

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

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

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

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the Restated Consolidated Financial Information upon sale or retirement of the asset and the resultant gains or losses are recognised in the Consolidated Statement of Profit and Loss. Assets held for sale, that meets the criteria of Ind AS 105 are reported at the lower of the carrying value or the fair value less cost to sell.

ii. *Transition to Ind AS*

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

iii. *Subsequent Measurement*

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and its associate and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Consolidated Statement of Profit and Loss when incurred.

iv. *Depreciation*

Depreciation is calculated on cost of items of PPE (excluding freehold land) less their estimated residual values over their estimated useful lives using the straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and equipment such as molds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation, and is recognised in the Consolidated Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on items of property, plant and equipment is provided as per the rates corresponding to the useful life specific in Schedule II of the Companies Act, 2013 read with notification dated 29 August 2014 of Ministry of Corporate Affairs as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Building	30 years	30 years
Plant and machinery	3 to 15 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computer	3 to 6 years	3 years

Significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss.

d) Goodwill and other intangible assets

Goodwill

For measurement of goodwill that arises on a business combination (Refer note b.i). Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

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

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

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

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

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

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

Transition to Ind AS

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

e) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group and its associate at the exchange rates at the dates of the transactions.

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

f) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with

the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

g) Employee benefits

Short-term employee benefits

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

Share-based payment transactions

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

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group and its associate makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group and its associate's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Group and its associate's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Parent Company's plan is funded with an Insurance Company in the form of insurance policies. However, the subsidiaries and associate's plan is not funded. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group and its associate, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Group and its associate determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Consolidated Statement of Profit and Loss.

Other long term employee benefits

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

h) Revenue

a) Sale of goods

Under Ind AS 115, the Group and its associate recognised revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognised based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Group and its associate is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses, or a reasonable estimate can be made.

Rendering of services

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

b) Contract assets

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

c) Contract liabilities

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

i) Government grants and subsidies

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

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

Export Incentives

Export incentives under various schemes notified by the government are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and that the group and its associates will comply with the conditions associated with the grant and ultimate collection exist.

j) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- a) the gross carrying amount of the financial asset; or
- b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k) Inventories

Inventories are measured at the lower of cost and net realizable value. The methods of determining cost of various categories of inventories are as follows:

Raw materials, packing material and stores and spares	Weighted average method
Traded goods	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average cost and includes an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

l) Provisions, contingent liabilities, Contingent assets, Commitments

Provisions are recognised when the Group and its associate has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future losses are not provided for.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control

of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the Restated Consolidated Financial Information but disclosed where an inflow of economic benefit is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

m) Financial instruments

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

1) Financial assets

i) Initial recognition and measurement

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

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

ii) Classifications and subsequent measurement

Classifications

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

Business model assessment

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

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

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

Debt instrument at amortised cost

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

Debt instrument at fair value through profit and loss (FVTPL)

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

Equity instruments

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

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

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

iii) Reclassification of financial assets

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

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group and its associate of similar financial assets) is primarily derecognised (i.e. removed from the Group and its associate's Restated Consolidated Statement of Balance sheet) when:

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

2) *Financial liabilities*

i) *Initial recognition and measurement*

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

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

ii) *Classification and subsequent measurement*

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

Financial liabilities measured at amortised cost

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

Financial liabilities at fair value through profit or loss

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

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

iii) *Derecognition of financial liabilities*

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

3) *Offsetting of financial instruments*

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

4) *Derivative financial instruments*

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

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

n) **Impairment**

Impairment of financial assets

The Group and its associate recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group and its associate assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group and its associate on terms that the Group and its associate would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group and its associate measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of financial instrument) has not increased significantly since initial recognition. Loss allowances for trade receivables are always measured at an amount equal lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and its associate is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and its associate considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group and its associate's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group and its associate in accordance with the contract and the cash flows that the Group and its associate expects to receive).

Presentation of allowance for expected credit losses in the Restated Consolidated Statement of Balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and its associate determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group and its associate's procedures for the recovery of amount due.

v) *Impairment of non-financial assets*

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value

using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group and its associate's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) Income taxes

Income tax comprises current and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and its associate expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and its associate intends to settle its current tax assets and liabilities on a net basis.

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

iii. Minimum Alternative tax

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

p) Leases

At inception of a contract, the Group and its associate assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group and its associate's lease asset classes primarily consist of leases for buildings and leasehold land. The Group and its associate, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The group and its associate elected to use the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Group and its associate recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group and its associate's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The

Group and its associate recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group and its associate recognises any remaining amount of the re-measurement in Consolidated Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group and its associate is reasonably certain to exercise, lease payments in an optional renewal period if the Group and its associate is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and its associate is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group and its associate's estimate of the amount expected to be payable under a residual value guarantee, if the Group and its associate changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group and its associate presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Group and its associate has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group and its associate recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

As lessor

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

Leases in which the group and its associate does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in Property, plant and equipment. Lease income on an operating income is recognised in the Consolidated Statement of Profit and Loss on a straight line basis over lease term. Costs, including depreciation, are recognised as an expense in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal cost, brokerage cost etc. are recognised immediately in the Consolidated Statement of Profit and Loss.

q) **Corporate Social Responsibility ("CSR") expenditure**

CSR expenditure incurred by the Group and its associate is charged to the Consolidated Statement of the Profit and Loss.

r) **Segment reporting**

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

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

s) **Cash and cash equivalents**

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

t) **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group and its associate are segregated.

u) **Earnings per share**

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

v) **Cash dividend**

The Group recognises 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 recognised directly in equity.

w) **Non-current assets (or disposal groups) held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

RESULTS OF OPERATIONS

Income

Our total revenue from operations are divided into revenue from operation and other operating revenue. The following table shows our operating turnover and other income:

(₹ in million, except percentages)

Particulars	The period April 1, 2020 to September 30, 2020	The period April 1, 2019 to September 30, 2019	Financial Year 2020	Financial Year 2019	Financial Year 2018
A. Revenue from operations					
Revenue from sale of products (including excise duty to the extent applicable)	3,944.56	3,299.22	6,862.44	7,023.96	6,248.03
Percentage of total revenue from operations (% of A+B)	91.52%	90.48%	90.04%	89.63%	90.03%
Job work income	193.70	213.44	471.16	497.56	407.54
Percentage of total revenue from operations (% of A+B)	4.49%	5.85%	6.18%	6.35%	5.87%
Total (A)	4,138.26	3,512.66	7,333.60	7,521.52	6,655.57
B. Other operating revenue					
Export incentives	86.59	63.06	147.92	234.46	156.33
Percentage of total revenue from operations (% of A+B)	2.01%	1.73%	1.94%	2.99%	2.25%
Net gain on account of foreign exchange fluctuations	19.18	20.16	37.41	0.84	55.23
Percentage of total revenue from operations (% of A+B)	0.45%	0.55%	0.49%	0.01%	0.80%
Revenue from sale of scrap	19.16	18.42	36.66	22.41	17.63
Percentage of total revenue from operations (% of A+B)	0.44%	0.51%	0.48%	0.29%	0.25%
Others	46.75	31.86	65.63	57.42	54.89
Percentage of total revenue from operations (% of A+B)	1.08%	0.87%	0.86%	0.73%	0.79%
Total (B)	171.68	133.50	287.62	315.13	284.08
Total revenue from operations (A+B)	4,309.94	3,646.16	7,621.22	7,836.65	6,939.65
Other income	75.61	15.92	28.54	23.64	17.90
Total income	4,385.55	3,662.08	7,649.76	7,860.29	6,957.55

Total Revenue from Operations

Our total revenue from operations are divided into revenue from operation and other operating revenue. Revenue from operations consisted of (i) revenue from sale of products; and (ii) job work income. Our other operating revenue consisted of (i) export incentives; (ii) net gain on account of foreign exchange fluctuations; (iii) revenue from sale of scrap; and (iv) others.

Revenue from sale of products

Our revenue from sale of products accounted for 91.52%, 90.48%, 90.04%, 89.63% and 90.03% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. Our revenue from sale of products primarily consists

of sale of finished biscuits, and sweet and savoury bakery products manufactured in our manufacturing facilities and sale of traded biscuits.

Job work income

Our job work income accounted for 4.49%, 5.85%, 6.18%, 6.35% and 5.87% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. Our job work income primarily consists of revenue from certain third-party biscuit companies for whom we manufacture biscuits from our Tahliwal Manufacturing Facility and Phillaur Manufacturing Facility, respectively.

Export incentives

Our Company is eligible to avail certain benefits under the export promotion schemes introduced by the Government of India including Duty Drawback Scheme pursuant to which, our Company can avail a refund on customs duty paid on imported goods. We are entitled to avail benefits under the Duty Free Import Authorisation which entitles us to duty free import of certain inputs consumed or utilised in the production of an export product. We were eligible to avail Focus Product Scheme, Market Linked Focus Product Scheme and Vishesh Krishi, Gram Udyog Yojna and Transport and Market Assistance Scheme. However, subsequently, Focus Product Scheme, Market Linked Focus Product Scheme and Vishesh Krishi and Gram Udyog Yojna and other similar schemes have been merged under the Merchandise Exports from India Scheme. We are eligible to avail benefits under the Merchandise Exports from India Scheme under which we can avail certain custom duty incentives at rates which vary from 2% to 7% on the basis of the type of products and the country where such products are exported. Since, we do not import any goods as a part of our operations, we sell the license for customer entitlements to other importers. The proceeds from such sale are recognised as export incentives.

Our revenue from export incentives accounted for 2.01%, 1.73%, 1.94%, 2.99% and 2.25% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Net gain on account of foreign exchange fluctuations

Our revenue from net gain on account of foreign exchange fluctuations accounted for 0.45%, 0.55%, 0.49%, 0.01% and 0.80% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. These primarily include gain on account of movement in certain foreign currencies and settlement of our export sales, forward contract and debtor restatements.

Revenue from sale of scrap

Our revenue from sale of scrap accounted for 0.44%, 0.51%, 0.48%, 0.28% and 0.25% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. Our revenue from sale of scrap primarily consists of waste packing material and waste raw materials.

Others

Our revenue from others accounted for 1.08%, 0.87%, 0.86%, 0.73% and 0.79% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September, 2019, Financial Years 2020, 2019 and 2018, respectively.

Other Income

Other income includes interest income, dividend income, net gain on sale of investments, net gain on disposal of property plant and equipment and intangible assets, net gain on account of foreign exchange fluctuations, net change in fair value of financial assets measured at fair value through profit and loss, government grants, income from lease rentals, dividend income and miscellaneous income.

Expenses

Our expenses comprise of (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of finished goods, stock-in-trade and work-in-progress; (iv) excise duty; (v) employee benefit expenses; (vi) finance costs; (vii) depreciation and amortisation expense; and (viii) other expenses.

The following table sets forth our expenditure in Rupees (in million) and as a percentage of our total revenue for the periods indicated:

Particulars	(₹ in million, except percentages)				
	The period April 1, 2020 to September 30, 2020	The period April 1, 2019 to September 30, 2019	Financial Year 2020	Financial Year 2019	Financial Year 2018
Cost of materials consumed (including packaging material)	2,289.28	1,996.53	4,113.15	4,068.37	3,778.86
Percentage of total revenue from operations	53.12%	54.76%	53.97%	51.91%	54.45%
Purchase of stock-in-trade	-	2.51	3.70	134.14	119.68
Percentage of total revenue from operations	NA	0.07%	0.05%	1.71%	1.72%
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(41.05)	(63.16)	(42.35)	37.78	(70.65)
Percentage of total revenue from operations	(0.95)%	(1.73)%	(0.56)%	0.48%	(1.02)%
Excise duty	-	-	-	-	33.30
Percentage of total revenue from operations	NA	NA	NA	NA	0.48%
Employee benefit expenses	620.53	573.18	1,178.97	1,097.31	913.07
Percentage of total revenue from operations	14.40%	15.72%	15.47%	14.00%	13.16%
Finance costs	54.78	78.55	150.39	126.75	61.06
Percentage of total revenue from operations	1.27%	2.15%	1.97%	1.62%	0.88%
Depreciation and amortisation expense	221.64	207.00	414.88	351.83	283.47
Percentage of total revenue from operations	5.14%	5.68%	5.44%	4.49%	4.08%
Other expenses	719.82	747.38	1,439.59	1,538.23	1,310.52
Percentage of total revenue from operations	16.70%	20.50%	18.89%	19.63%	18.88%
Total expenses	3,865.00	3,541.99	7,258.33	7,354.40	6,429.31

Cost of materials consumed

Cost of materials consumed comprises of raw material costs incurred in production of biscuits, and sweet and savoury bakery products. The primary raw materials involved in the manufacture of our products include wheat flour, oil and fats, sugar and packaging material. Raw materials purchased represent a significant majority of our total expenditure. Cost of materials consumed accounted for 53.12%, 54.76%, 53.97%, 51.91% and 54.45% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Purchase of stock-in-trade

Purchase of stock-in-trade represents purchase of biscuits and other confectionary items during the relevant Financial Year which we procure from certain third parties. Purchase of stock-in-trade accounted for 0.07%, 0.05%, 1.71% and 1.72% of our total revenue from operations for the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively. We did not purchase any stock-in-trade in the period April 1, 2020 to September 30, 2020.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress consist of costs attributable to an

increase or decrease in inventory levels during the relevant financial period in finished goods, stock-in-trade and work-in progress. Changes in inventories of finished goods, stock-in-trade and work-in-progress accounted for (0.95)%, (1.73)% (0.56)%, 0.48% and (1.02)% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Excise duty on sales

Excise duty relates to such duty on manufacturing and sale of products made during the Financial Year 2018. There was no excise duty on sales paid by our Company in the subsequent periods due to implementation of the Goods and Services Tax Act 2017 with effect from July 1, 2017. Excise duty accounted for 0.48% of our total revenue from operations for Financial Year 2018.

Employee benefit expenses

Employee benefits expense includes (i) salaries and wages; (ii) contribution to provident fund and other funds, (iii) employee share-based payment expense; and (iv) staff welfare expenses. Employee benefit expenses accounted for 14.40%, 15.72%, 15.47%, 14.00% and 13.16% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Finance costs

Finance cost includes financial liabilities measured at amortised cost and finance cost on finance lease obligations. Finance costs accounted for 1.27%, 2.15%, 1.97%, 1.62% and 0.88% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Depreciation and amortisation expense

Depreciation represents depreciation on our fixed assets including buildings, leasehold improvements, plant and equipment, vehicles, office equipment, computers and furniture and fixtures and leasehold land. Amortisation represents amortisation on our intangible assets which includes our computer software. Depreciation on property, plant and equipment is calculated on a straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and machinery such as mould, crates and pallets where our management has assessed useful life as three years based on internal technical evaluation. Depreciation methods, useful lives and residual values are reviewed at each Financial Year end and adjusted if appropriate. Freehold land is not depreciated.

Depreciation and amortisation expense accounted for 5.14%, 5.68%, 5.44%, 4.49% and 4.08% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

Other expenses

Other expenses include power and fuel charges, rent payment charges, repairs and maintenance of plant and machinery and building, insurance payments, rates and taxes and traveling and conveyance related expenses, director's remuneration, payment to auditor, expenditure on corporate social responsibility, legal and professional charges, communication, legal and professional fees, consumption of stores and spare parts, freight and forwarding charges, net change in fair value of financial assets measured at fair value through profit and loss, commission and brokerage, bank charges, loss on sale/ write off of property, plant and equipment, loss on allowance on trade receivables, printing and stationary and miscellaneous expenses. Other expenses accounted for 16.70%, 20.50%, 18.89%, 19.63% and 18.88% of our total revenue from operations for the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Years 2020, 2019 and 2018, respectively.

The period April 1, 2020 to September 30, 2020 compared with the period April 1, 2019 to September 30, 2019

Revenue

Total Revenue from Operations

Our total revenue from operations increased by ₹ 663.78 million or by 18.20% from ₹ 3,646.16 million in the period April 1, 2019 to September 30, 2019 to ₹ 4,309.94 million in the period April 1, 2020 to September 30, 2020. This increase was primarily driven by ₹ 645.34 million or by 19.56% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 645.34 million or by 19.56% from ₹ 3,299.22 million in the period April 1, 2019 to September 30, 2019 to ₹ 3,944.56 million in the period April 1, 2020 to September 30, 2020. This increase was primarily driven by increase in the domestic and export volume through an expanded distribution network, increase in weighted average realisation of our biscuits and breads due to our focus on premium biscuit and bakery segment and a price revision undertaken in October 2019. This was also positively impacted by the increased sale of our biscuits and breads as the demand for packaged foods significantly increased due to the COVID-19 pandemic and also availability of our surplus products for sale which were not sold in the last week of March 2020 due to the nation-wide lockdown announced by the Government of India.

Job work income

Our job work income decreased by ₹ 19.74 million or by 9.25% from ₹ 213.44 million in the period April 1, 2019 to September 30, 2019 to ₹ 193.70 million in the period April 1, 2020 to September 30, 2020. This decrease was due to complete termination of our job work arrangement with one customer in April 2020 as we wanted to focus more on production of our own products.

Export incentives

Our income from export incentives increased by ₹ 23.53 million or by 37.31% from ₹ 63.06 million in the period April 1, 2019 to September 30, 2019 to ₹ 86.59 million in the period April 1, 2020 to September 30, 2020. This increase was primarily driven by increase in the export incentives availed due to growth in the export volume of our biscuits.

Net gain on account of foreign exchange fluctuations

Our net gain on account of foreign exchange fluctuations was ₹ 20.16 million in the period April 1, 2019 to September 30, 2019 and the net gain on account of foreign exchange fluctuations was ₹ 19.18 million in the period April 1, 2020 to September 30, 2020. The marginal decrease in net gain on account of foreign exchange fluctuations in the period April 1, 2020 to September 30, 2020 was due to decrease in the exchange rate in US Dollar during this period.

Revenue from sale of scrap

Our income from sale of scrap increased marginally by ₹ 0.74 million or by 4.02% from ₹ 18.42 million in the period April 1, 2019 to September 30, 2019 to ₹ 19.16 million in the period April 1, 2020 to September 30, 2020. The marginal increase in revenue from sale of scrap was due to a slow and gradual increase in sale of waste packing material and other waste raw materials in the period April 1, 2020 to September 30, 2020.

Others

Our revenue from others increased by ₹ 14.89 million or by 46.74% from ₹ 31.86 million in the period April 1, 2019 to September 30, 2019 to ₹ 46.75 million in the period April 1, 2020 to September 30, 2020.

Other Income

Our other income increased by ₹ 59.69 million or by 374.94% from ₹ 15.92 million the period April 1, 2019 to September 30, 2019 to ₹ 75.61 million in the period April 1, 2020 to September 30, 2020. This increase was on account of a one time write back of liabilities of ₹ 55.43 million due to reversal of entry tax provision after settlement of case.

Expenditure

Total expenses increased by ₹ 323.01 million or by 9.12% from ₹ 3,541.99 million in the period April 1, 2019 to

September 30, 2019 to ₹ 3,865.00 million in the period April 1, 2020 to September 30, 2020.

Cost of materials consumed

Cost of raw materials consumed increased ₹ 292.75 million or by 14.66% from ₹ 1,996.53 million in the period April 1, 2019 to September 30, 2019 to ₹ 2,289.28 million in the period April 1, 2020 to September 30, 2020 on account of higher production resulting from an increase in volume of sales and marginal increase in cost of raw materials consumed.

The following table sets forth the amount spent on certain primary raw materials consumed in the period April 1, 2020 to September 30, 2020 and the period April 1, 2019 to September 30, 2019.

(₹ in million)

Raw Material Consumed	The period April 1, 2020 to September 30, 2020	The period April 1, 2019 to September 30, 2019
Wheat flour	727.48	672.03
Oil and fats	424.99	320.24
Sugar	330.92	271.79
Packaging material	481.79	398.92
Others	324.10	333.55
Total	2289.28	1,996.53

However, as a percentage of our total revenue from operations, our cost of materials consumed was 58.17% in the period April 1, 2020 to September 30, 2020 compared to 54.66% in the period April 1, 2019 to September 30, 2019 due to more efficient utilisation of the raw materials.

Purchase of stock-in-trade

Purchase of traded goods was ₹ 2.51 million in the period April 1, 2019 to September 30, 2019. We did not purchase any stock-in-trade in the period April 1, 2020 to September 30, 2020 as we have started manufacturing all our products in-house and have stopped exporting purchased products or products which are not manufactured in our manufacturing facilities.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress increased by ₹ 22.11 million or by 35.01% from ₹ (63.16) million in the period April 1, 2019 to September 30, 2019 to ₹ (41.05) million in the period April 1, 2020 to September 30, 2020. This was primarily due to an increase in sale of our biscuits and bakery products.

Employee benefit expenses

Employee benefits expenses increased by ₹ 47.35 million or by 8.26% from ₹ 573.18 million in the period April 1, 2019 to September 30, 2019 to ₹ 620.53 million in the period April 1, 2020 to September 30, 2020. This was primarily due to increase in number of employees, general increase in the salaries, allowances and bonus paid to our employees.

Finance costs

Finance costs decreased by ₹ 23.77 million or by 30.26% from ₹ 78.55 million in the period April 1, 2019 to September 30, 2019 to ₹ 54.78 million in the period April 1, 2020 to September 30, 2020. The decrease in finance costs was primarily on account of reduced drawdown of cash credit limits, repayment of term loans and consequent lesser amount of interests paid in relation to such cash credits and term loans due to a better cash flow management in the period April 1, 2020 to September 30, 2020.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 14.64 million, or 7.07%, from ₹ 207.00 million in the period April 1, 2019 to September 30, 2019 to ₹ 221.64 million in the period April 1, 2020 to September 30, 2020. This increase was primarily on account of addition of fixed assets.

Other expenses

Other expenses decreased by ₹ 27.56 million or by 3.69% from ₹ 747.38 million in the period April 1, 2019 to September 30, 2019 to ₹ 719.82 million in the period April 1, 2020 to September 30, 2020. The decrease in other expenses was primarily due to decrease in power and fuel costs, costs relating to repair and maintenance of plant and machinery, traveling and conveyance expenses and advertisement and sales promotion costs.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 400.52 million or by 331.31% from ₹ 120.89 million in the period April 1, 2019 to September 30, 2019 to ₹ 521.41 million in the period April 1, 2020 to September 30, 2020.

Tax expense

Our total tax expense increased by ₹ 113.43 million or by 592.32% from ₹ 19.15 million in the period April 1, 2019 to September 30, 2019 to ₹ 132.58 million in the period April 1, 2020 to September 30, 2020. This was primarily due an increase of ₹ 60.86 million increase in current tax expenses and ₹ 52.57 million increase in deferred tax expenses in the period April 1, 2020 to September 30, 2020.

Profit after tax

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit after tax by ₹ 287.09 million or by 282.18% from ₹ 101.74 million in the period April 1, 2019 to September 30, 2019 to ₹ 388.83 million in the period April 1, 2020 to September 30, 2020.

Financial Year 2020 compared with Financial Year 2019

Revenue

Total Revenue from Operations

Our total revenue from operations decreased by ₹ 187.92 million or by 2.50% from ₹ 7,521.52 million in Financial Year 2019 to ₹ 7,333.60 million in Financial Year 2020. This decrease was primarily driven by ₹ 161.52 million or by 2.30% decrease in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products decreased by ₹ 161.52 million or by 2.30% from ₹ 7,023.96 million in Financial Year 2019 to ₹ 6,862.44 million in Financial Year 2020. This decrease was primarily driven by reduction in export of biscuits to certain African countries due to political and financial instability in those jurisdictions and reduction in our supply of bakery products to our QSR and CSD customers in March 2020 due to the COVID-19 pandemic.

Job work income

Our job work income decreased by ₹ 26.40 million or by 5.31% from ₹ 497.56 million in Financial Year 2019 to ₹ 471.16 million in Financial Year 2020. This was due to decrease in our job work operations in Financial Year 2020 as we wanted to focus more on production of our own products.

Export incentives

Our income from export incentives decreased by ₹ 86.54 million or by 36.91% from ₹ 234.46 million in Financial Year 2019 to ₹ 147.92 million in Financial Year 2020. This decrease was primarily driven by reduction in export of biscuits to certain African countries due to political and financial instability in those jurisdictions.

Net gain on account of foreign exchange fluctuations

Our net gain on account of foreign exchange fluctuations increased significantly by ₹ 36.57 million or by 4,353.57% from ₹ 0.84 million in Financial Year 2019 to ₹ 37.41 million in Financial Year 2020. This increase was primarily driven by increase in export realisation in foreign currency due to increase in the exchange rates of certain key foreign currencies.

Revenue from sale of scrap

Our income from sale of scrap increased by ₹ 14.25 million or by 63.59% from ₹ 22.41 million in Financial Year 2019 to ₹ 36.66 million in Financial Year 2020. This increase was primarily driven by increase in sale of waste packing material and waste raw materials which increased due to an increase in production of our bakery products, particularly breads.

Others

Our revenue from others increased by ₹ 8.21 million or by 14.30% from ₹ 57.42 million in Financial Year 2019 to ₹ 65.63 million in Financial Year 2020.

Other Income

Our other income increased by ₹ 4.9 million or by 20.73% from ₹ 23.64 million in Financial Year 2019 to ₹ 28.54 million in Financial Year 2020. This increase was primarily on account of an increase in interest income on financial assets and an increase in government grants under various government schemes.

Expenditure

Total expenses decreased by ₹ 96.08 million or by 1.31% from ₹ 7,354.40 million in Financial Year 2019 to ₹ 7,258.33 million in Financial Year 2020.

Cost of materials consumed

Cost of raw materials consumed increased marginally by ₹ 44.78 million or by 1.10% from ₹ 4,068.37 million in Financial Year 2019 to ₹ 4,113.15 million in Financial Year 2020 on account of increase in the prices of certain raw materials.

The following table sets forth the amount spent on certain primary raw materials consumed in Financial Year 2020 and Financial Year 2019.

	<i>(₹ in million)</i>	
Raw Material Consumed	Financial Year 2020	Financial Year 2019
Wheat flour	1,423.74	1,314.62
Oil and fats	667.71	747.76
Sugar	548.55	565.13
Packaging material	803.88	813.76
Others	669.27	627.10
Total	4,113.15	4,068.37

As a percentage of our total revenue from operations, our cost of materials consumed was 53.97% in Financial Year 2020 compared to 51.91% in Financial Year 2019. While our revenue from operations decreased in Financial Year 2020, our cost of material consumed as a percentage of our total revenue from operations increased due to increase in the prices of certain raw materials in Financial Year 2020.

Purchase of stock-in-trade

Purchase of traded goods was ₹ 3.70 million in Financial Year 2020, compared to ₹ 134.14 million in Financial Year 2019. The substantial decrease in purchase of stock in trade by ₹ 130.44 million or by 97.24% was due to a reduction in our export business to certain African countries for which we used to sell products.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress decreased significantly by ₹ 80.13 million or by 212.10% from ₹ 37.78 million in Financial Year 2019 to ₹ (42.35) million in Financial Year 2020. This was primarily due to a significant increase in inventory of finished goods in the second half of the month of March 2020 as a result of COVID-19 pandemic and the lock-down announced by the Government of India which adversely impacted transport of our finished goods.

Employee benefit expenses

Employee benefits expenses increased by ₹ 81.66 million or by 7.44% from ₹ 1,097.31 million in Financial Year 2019 to ₹ 1,178.97 million in Financial Year 2020. This was primarily due to an increase in the number of employees and a general increase in the salaries, allowances and bonus paid to our employees.

Finance costs

Finance costs increased by ₹ 23.64 million or by 18.65% from ₹ 126.75 million in Financial Year 2019 to ₹ 150.39 million in Financial Year 2020. The increase in finance costs was primarily on account of an increase in our interest expenses during this period arising from borrowing availed by our Company for setting up the Rajpura Manufacturing Facility. The Rajpura Manufacturing Facility was commissioned in August 2018 and the full impact of the interest payment on such borrowing in Financial Year 2020 increased our financing costs as interest payments on such borrowing until commissioning of the Rajpura Manufacturing Facility was capitalised. This was also impacted by an increase in the rate of interest on our working capital facilities.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 63.05 million, or 17.92%, from ₹ 351.83 million in Financial Year 2019 to ₹ 414.88 million in Financial Year 2020. This increase was primarily due commissioning of our Rajpura Manufacturing Facility in August 2018 which had an eight month impact in Financial Year 2019 as compared to a full-year impact in Financial Year 2020.

Other expenses

Other expenses decreased by ₹ 98.65 million or by 6.41% from ₹ 1,538.23 million in Financial Year 2019 to ₹ 1,439.59 million in Financial Year 2020. The decrease in other expenses was primarily due to decrease in power and fuel costs, freight and forwarding costs, costs related to advertisement and sales promotion and traveling and conveyance costs. These decreases were driven by our overall decrease in export operations.

Profit before tax

In light of above discussions, our profit before tax decreased by ₹ 114.76 million or by 22.65% from ₹ 506.56 million in Financial Year 2019 to ₹ 391.80 million in Financial Year 2020.

Tax expense

Our total tax expense decreased by ₹ 87.29 million or by 49.86% from ₹ 175.06 million in Financial Year 2019 to ₹ 87.77 million in Financial Year 2020. This was primarily due a decrease of ₹ 98.44 million in deferred tax expenses which was partially offset ₹ 11.15 million increase in current tax expenses in Financial Year 2020.

Profit after tax

For the various reasons discussed above, and following adjustments for tax expense, we recorded a decrease in our profit after tax by ₹ 27.47 million or by 8.28% from ₹ 331.50 million in Financial Year 2019 to ₹ 304.03 million in Financial Year 2020.

Financial Year 2019 compared with Financial Year 2018

Revenue

Total Revenue from Operations

Our total revenue from operations increased by ₹ 897.00 million or by 12.93% from ₹ 6,939.65 million in Financial Year 2018 to ₹ 7,836.65 million in Financial Year 2019. This increase was primarily driven by ₹ 775.93 million or by 12.42% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 775.93 million or by 12.42% from ₹ 6,248.03 million in Financial

Year 2018 to ₹ 7,023.96 million in Financial Year 2019. This increase was primarily on account of growth in our domestic biscuit business due to the commissioning of our Rajpura Manufacturing Facility in August 2018, increase in our export business in Financial Year 2019 and higher penetration of our business in a few North Indian states (e.g., Uttar Pradesh, Rajasthan) which were catered by our new manufacturing facilities in Rajpura, Punjab and Greater Noida, Uttar Pradesh.

Job work income

Our job work income increased by ₹ 90.02 million or by 22.09% from ₹ 407.54 million in Financial Year 2018 to ₹ 497.56 million in Financial Year 2019. This increase was primarily on account of increased orders from our existing job-work customers.

Export incentives

Our income from export incentives increased by ₹ 78.13 million or by 49.98% from ₹ 156.33 million in Financial Year 2018 to ₹ 234.46 million in Financial Year 2019. This increase was primarily driven by increase in the export incentives availed due to growth in the export volume of our biscuits.

Net gain on account of foreign exchange fluctuations

Our net gain on account of foreign exchange fluctuations decreased substantially by ₹ 54.39 million or by 98.48% from ₹ 55.23 million in Financial Year 2018 to ₹ 0.84 million in Financial Year 2019. This decrease was primarily driven by high fluctuation in dollar rates (in the range of ₹ 63.00 to ₹ 72.00 per USD 1.00) in Financial Year 2019.

Revenue from sale of scrap

Our income from sale of scrap increased by ₹ 4.78 million or by 27.11% from ₹ 17.63 million in Financial Year 2018 to ₹ 22.41 million in Financial Year 2019. This increase was primarily driven by increase in sale of waste packing material and waste raw materials which increased due to an increase in production of our bakery products, particularly breads.

Others

Our revenue from others increased by ₹ 2.53 million or by 4.61% from ₹ 54.89 million in Financial Year 2018 to ₹ 57.42 million in Financial Year 2019.

Other Income

Our other income significantly decreased by ₹ 5.74 million or by 32.07% from ₹ 17.90 million in Financial Year 2018 to ₹ 23.64 million in Financial Year 2019. This increase was primarily on account of an increase in interest income on financial assets and an increase in government grants under various government schemes.

Expenditure

Total expenses increased by ₹ 925.09 million or by 14.39% from ₹ 6,429.31 million in Financial Year 2018 to ₹ 7,354.41 million in Financial Year 2019.

Cost of materials consumed

Cost of raw materials consumed increased ₹ 289.51 million or by 7.66% from ₹ 3,778.86 million in Financial Year 2018 to ₹ 4,068.37 million in Financial Year 2019 primarily on account of increase in uses of raw materials due to higher production along with increase in prices of certain raw materials.

The following table sets forth the amount spent on certain primary raw materials consumed in Financial Year 2019 and Financial Year 2018.

(₹ in million)

Raw Material Consumed	Financial Year 2019	Financial Year 2018
Wheat flour	1,314.62	1,142.67
Oil and fats	747.76	669.35
Sugar	565.13	646.88
Packaging material	813.76	741.10
Others	627.10	578.86
Total	4,068.37	3,778.86

As a percentage of our total revenue from operations, our cost of materials consumed was 51.91% in Financial Year 2019 compared to 54.45% in Financial Year 2018. This decrease in the cost of materials consumed as a percentage of total revenue from operations was driven by our focus on efficient utilisation of the raw materials.

Purchase of stock-in-trade

Purchase of traded goods was ₹ 134.14 million in Financial Year 2019, compared to ₹ 119.68 million in Financial Year 2018. This increase in purchase of stock in trade by ₹ 14.46 million or by 12.08% was due to our growth in export business for which we increased purchase of stock-in-trade in Financial Year 2019.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress increased significantly by ₹ 108.43 million or by 153.47% from ₹ (70.65) million in Financial Year 2018 to ₹ 37.78 million in Financial Year 2019. This was primarily due to higher inventory and stock in transit level in Financial Year 2019 as compared to corresponding levels in the previous Financial Year resulting in significant changes in inventories in Financial Year 2018.

Excise Duty

Excise duty was ₹ 33.30 million in Financial Year 2018 which was only for the first three months of Financial Year 2018 and it became nil in Financial Year 2019. This was primarily due to the introduction of the GST with effect from July 1, 2017 consequent upon which the central excise and value added tax have been subsumed into GST.

Employee benefit expenses

Employee benefits expenses increased by ₹ 184.24 million or by 20.18% from ₹ 913.07 million in Financial Year 2018 to ₹ 1,097.31 million in Financial Year 2019. This was primarily due to an increase in the number of employee and a general increase in the salaries, allowances and bonus paid to our employees.

Finance costs

Finance costs increased by ₹ 65.69 million or by 107.58% from ₹ 61.06 million in Financial Year 2018 to ₹ 126.75 million in Financial Year 2019. This significant increase in finance costs was primarily on account of an increase in our interest expenses during this period arising from borrowing availed by our Company for setting up the Rajpura Manufacturing Facility. The Rajpura Manufacturing Facility was commissioned in August 2018 and interest payments on such borrowing until commissioning of the Rajpura Manufacturing Facility was capitalised. Accordingly, our interest payment increased significantly for the last eight months in the Financial Year 2019.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by ₹ 68.36 million, or 24.12%, from ₹ 283.47 million in Financial Year 2018 to ₹ 351.83 million in Financial Year 2019. This increase was primarily due commissioning of our Rajpura Manufacturing Facility in August 2018 and a new bread line installed at our Greater Noida Facility in February 2018 which only had a two month impact in Financial Year 2018 as compared to a full-year impact in Financial Year 2019.

Other expenses

Other expenses increased by ₹ 227.71 million or by 17.38% from ₹ 1,310.52 million in Financial Year 2018 to ₹

1,538.22 million in Financial Year 2019. The increase in other expenses was primarily due to increase in power and fuel costs, traveling and conveyance costs, increase in allowances on trade receivable and other advances and freight and forwarding costs.

Profit before tax

In light of above discussions, our profit before tax decreased by ₹ 21.84 million or by 4.14% from ₹ 528.41 million in Financial Year 2018 to ₹ 506.56 million in Financial Year 2019.

Tax expense

Our total tax expense increased by ₹ 5.58 million or by 3.29% from ₹ 169.48 million in Financial Year 2018 to ₹ 175.06 million in Financial Year 2019. This was driven by a ₹ 52.26 million increase in deferred tax expenses which was partially offset ₹ 46.68 million increase in current tax expenses in Financial Year 2019.

Profit after tax

For the various reasons discussed above, and following adjustments for tax expense, we recorded a decrease in our profit after tax by ₹ 27.43 million or by 7.64% from ₹ 358.93 million in Financial Year 2018 to ₹ 331.50 million in Financial Year 2019.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in the period April 1, 2020 to September 30, 2020, the period April 1, 2019 to September 30, 2019, Financial Year 2020, Financial Year 2019 and Financial Year 2018:

	<i>(₹ in million)</i>				
	The period April 1, 2020 to September 30, 2020	The period April 1, 2019 to September 30, 2019	Financial Year 2020	Financial Year 2019	Financial Year 2018
Net cash generated in operating activities	679.71	375.52	1,094.85	539.86	464.99
Net cash used in investing activities	(564.78)	(183.31)	(432.29)	(612.51)	(1,120.36)
Net cash generated from/used in the financing activities	(149.50)	(224.44)	(510.85)	69.17	578.05
Net increase/(decrease) in cash and cash equivalents	(34.57)	(32.23)	151.71	(3.48)	(77.32)
Cash and cash equivalents at the beginning of the year	206.99	55.28	55.28	58.76	136.08
Cash and cash equivalents at the end of the periods / years	172.42	23.05	206.99	55.28	58.76

Net cash generated from operating activities

Net cash from operating activities in the period April 1, 2020 to September 30, 2020 was ₹ 679.71 million and our operating profit before working capital changes for that period was ₹ 774.16 million. The difference was primarily attributable to ₹ 110.75 million increase in inventories, ₹ 51.76 million increase in trade receivables, ₹ 62.79 million decrease in current provisions and ₹ 66.70 million of income taxes paid. However, this was partially offset by ₹ 44.21 million increase in other liabilities, ₹ 145.97 million increase in trade payables, ₹ 12.21 million decrease in other current assets.

Net cash from operating activities in the period April 1, 2019 to September 30, 2019 was ₹ 375.52 million and our operating profit before working capital changes for that period was ₹ 444.78 million. The difference was primarily attributable to ₹ 60.39 million increase in other financial assets, ₹ 62.93 million increase in inventories, ₹ 59.20 million decrease in trade payables and ₹ 76.32 million of income taxes paid. However, this was partially offset by ₹ 88.93 million decrease in other current assets, ₹ 78.21 million decrease in receivables and ₹ 14.98 million increase in other liabilities.

Net cash from operating activities in the in Financial Year 2020 was ₹ 1,094.85 million and our operating profit before working capital changes for that period was ₹ 1,008.06 million. The difference was primarily attributable

to ₹ 189.12 million decrease in trade receivables, ₹ 106.48 million decrease in other current assets which was partially offset by ₹ 123.65 million of income taxes paid.

Net cash from operating activities in the in Financial Year 2019 was ₹ 539.86 million and our operating profit before working capital changes for that period was ₹ 1,022.89 million. The difference was primarily attributable to ₹ 370.06 million increase in trade receivables, ₹ 50.95 million increase in other current assets, ₹ 52.46 million increase in other financial assets and ₹ 143.68 million of income taxes paid. However, this was partially offset by ₹ 98.52 million increase in trade payables in Financial Year 2019.

Net cash from operating activities in the in Financial Year 2018 was ₹ 464.99 million and our operating profit before working capital changes for that period was ₹ 879.42 million. The difference was primarily attributable to ₹ 102.13 million increase in trade receivables, ₹ 85.47 million increase in other current assets, ₹ 77.40 million increase in inventories and ₹ 155.04 million of income taxes paid.

Net cash used in investing activities

In the period April 1, 2020 to September 30, 2020, our net cash used in investing activities was ₹ 564.78 million. This reflected the payments of ₹ 364.38 million towards the purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances) which primarily consisted of plant and machinery for our Greater Noida and Rajpura Manufacturing Facility and ₹ 209.64 million paid towards net investments in bank deposits (having original maturity of more than three months). These payments were partially offset by ₹ 3.06 million received as proceeds of sale of property, plant and equipment (including capital work in progress) and ₹ 6.18 million received as interest.

In the period April 1, 2019 to September 30, 2019, our net cash used in investing activities was ₹ 183.31 million. This reflected the payments of ₹ 148.70 million towards the purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances) which primarily consisted of plant and machinery for expansion of existing lines at our manufacturing facilities in Greater Noida and Rajpura and ₹ 45.36 million paid towards net investments in bank deposits (having original maturity of more than three months). These payments were partially offset by ₹ 7.09 million received as proceeds of sale of property, plant and equipment (including capital work in progress) and ₹ 3.66 million received as interest.

In Financial Year 2020, our net cash used in investing activities was ₹ 432.29 million. This reflected the payments of ₹ 424.75 million towards the purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances) which primarily consisted of plant and machinery for setting up a new bread line at our Greater Noida Manufacturing Facility and setting up a new line at our Rajpura Manufacturing Facility and ₹ 30.33 million paid towards net investments in bank deposits (having original maturity of more than three months). These payments were partially offset by ₹ 14.51 million received as proceeds of sale of property, plant and equipment (including capital work in progress) and ₹ 8.28 million received as interest.

In Financial Year 2019, our net cash used in investing activities was ₹ 612.51 million. This reflected the payments of ₹ 615.89 million towards the purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances) which primarily consisted of plant and machinery for our Rajpura Manufacturing Facility and ₹ 7.24 million paid towards net investments in bank deposits (having original maturity of more than three months). This payment was partially offset by ₹ 5.83 million received as interest, ₹ 3.12 million received as proceeds of sale of property, plant and equipment (including capital work in progress) and ₹ 1.67 million received as net proceeds from sale of investments.

In Financial Year 2018, our net cash used in investing activities was ₹ 1,120.36 million. This reflected the payments of ₹ 1,180.04 million towards the purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances) which primarily consisted of plant and machinery for our manufacturing facilities situated at Rajpura and Greater Noida. This payment was partially offset by ₹ 6.03 million received as interest, ₹ 48.69 million received as net proceeds from sale of investments, ₹ 3.62 million received as proceeds of sale of property, plant and equipment (including capital work in progress) and ₹ 1.34 million received from redemption of bank deposits.

Net cash generated from/ used in financing activities

In the period April 1, 2020 to September 30, 2020, our net cash used in financing activities was ₹ 149.50 million. This reflected ₹ 163.19 million repayments of non-current borrowings, ₹ 180.51 million repayments of current

borrowings, ₹ 54.19 million paid towards finance costs and ₹ 7.49 million of payment of lease liabilities. This cash flow was partially offset by ₹ 255.88 million received as proceeds from non-current borrowings.

In the period April 1, 2019 to September 30, 2019, our net cash used in financing activities was ₹ 224.44 million. This reflected ₹ 108.34 million repayments of non-current borrowings, ₹ 58.34 million towards repayments of current borrowings, ₹ 9.03 million of payment of lease liabilities and ₹ 79.25 million paid towards finance costs. These cash flows were partially offset by ₹ 30.53 million received as proceeds from non-current borrowings.

In Financial Year 2020, our net cash used in financing activities was ₹ 510.85 million. This reflected ₹ 203.98 million repayments of non-current borrowings, ₹ 167.80 million towards repayments of current borrowings and ₹ 149.88 million paid towards interests on borrowings. These cash flows were partially offset by ₹ 81.09 million received as proceeds from non-current borrowings.

In Financial Year 2019, our net cash generated from financing activities was ₹ 69.17 million. This reflected ₹ 399.56 million received as proceeds from non-current borrowings. This cash flow was partially offset by ₹ 121.44 million paid towards interests on borrowings, ₹ 62.84 million paid towards dividends (including dividend distribution tax) on the Equity Shares in Financial Year 2019 and ₹ 192.57 million paid towards repayment of certain non-current borrowings.

In Financial Year 2018, our net cash generated from financing activities was ₹ 578.05 million. This reflected ₹ 757.56 million received as proceeds from non-current borrowings. This cash flow was partially offset by ₹ 57.32 million paid towards interests on borrowings, ₹ 42.49 million paid towards dividends (including dividend distribution tax) on the Equity Shares in Financial Year 2018, ₹ 165.41 million paid towards repayment of certain non-current borrowings and ₹ 97.14 million received as proceeds from certain current borrowings.

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities and borrowings under term loan facilities from banks and financial institutions. Our primary use of funds have been to pay for our working capital requirements and capital expenditures for setting-up of our manufacturing facilities. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. To the extent we do not generate sufficient cash flow from operating activities, we may rely on other debt or equity financing activities, subject to market conditions.

Our Company had consolidated cash and cash equivalents of ₹ 172.42 million as of September 30, 2020, ₹ 23.05 million as of September 30, 2019, ₹ 206.99 million as of March 31, 2020, ₹ 55.28 million as of March 31, 2019 and ₹ 58.76 million as of March 31, 2018. As of March 31, 2020, we had long term borrowings (including interests accrued) of ₹ 1,133.55 million and short term borrowings of ₹ 180.51 million and as of September 30, 2020, we had long term borrowings (including interests accrued) of ₹ 1,225.90 million and short term borrowings of ₹ Nil.

The following table sets forth certain information relating to our outstanding indebtedness as of September 30, 2020, and our repayment obligations in the periods indicated:

Category of Borrowings	Outstanding amount as on September 30, 2020
<i>(in ₹ million)</i>	
Secured	
Term loan	1,216.85
Vehicle loan	9.05
Working capital loan	-
Short term loan	-
Less: Interest accrued	2.07
Unsecured	Nil
Total	1,223.83

As of September 30, 2020, on a consolidated basis, our total borrowings (excluding interests accrued) was ₹ 1,223.83 million, representing a Net Debt to Equity Ratio (Total Borrowings (excluding interests accrued)/Total Equity) of 0.34. For further information on our indebtedness, see “*Risk Factors – We have incurred indebtedness and may incur additional debt in the future, which may expose us to interest rate fluctuations, and restrict our operational flexibility in certain ways.*”

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

As of September 30, 2020, our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, that had not been provided for were as follows:

Particulars of contingent liabilities	As of September 30, 2020 (₹ million)
a) Claims against the Group not acknowledged as debts	
(i) Income tax related matters	31.03
(ii) Sales tax related matters	3.89
(iii) Civil matters	9.10
b) In respect of bank guarantees	0.41
c) In respect of bonus	10.48
d) Others	71.78

Commitments

The following table presents the details of our commitments as of September 30, 2020:

Particulars	As of September 30, 2020 (₹ million)
Capital commitments (net of capital advance)	306.05
Total	306.05

For further information on our contingent liabilities and commitments, see “*Financial Statements*” on page 218.

Capital expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in property, plant and equipment for our manufacturing facilities and other intangible assets.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business including purchase of goods, sale of fixed assets, rent paid and rent received and unsecured loans given/repaid. For further information relating to our related party transactions, see “*Financial Statements*” on page 218.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates, of financial instruments. In the normal course of business, we are exposed to certain market risks including credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate). We seek to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to an extent by debt, and increases in interest expense may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at floating rates. We mitigate this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiations with the lenders for ensuring the cost effective method of financing. There can be no assurance that we will be able to do so on

commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Inflation risk

High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in our raw material prices, employee benefit payments or expected salary or other expenses as a result of increase in inflation in India, which we are unable to pass on to our customers, whether entirely or in part, may adversely affect our business and financial condition.

Liquidity risk

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. We require substantial amounts of working capital for our business operations such as maintaining and operating our manufacturing facilities, marketing and distributing our products, developing new products and enhance existing products and the failure to obtain such capital may adversely affect our growth prospects and future profitability.

General

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, interest rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency payables and debt.

Foreign exchange rate risk

Changes in currency exchange rates influence our results of operations. A significant portion of our revenues, particularly relating to our export sales, is denominated in currencies other than Indian Rupees, most significantly the U.S. Dollar. Similarly, a significant portion of our expenses, including cost of any imported machinery and equipment and other operating expenses in connection with our distribution network, as well as certain of our capital expenditure on equipment imported, are denominated in currencies other than Indian Rupees. Although we selectively enter into hedging transactions to minimise our foreign currency exchange risks, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other relevant foreign currencies.

Commodity Price Risk

We are exposed to the price risk associated with purchasing our key raw materials such as wheat flour, oil and fats, sugar and packaging material. We generally do not enter into long-term firm price contracts for the supply of key raw materials, but instead buy the majority of our raw materials at market prices on a spot contract basis. Therefore fluctuations in the price and availability of these raw materials may adversely affect our business and results of operations. To mitigate the risk associated with the availability and volatility in raw material prices, we are actively pursuing opportunities globally to obtain mining rights to key raw materials.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

KNOWN TRENDS OR UNCERTAINTIES

Other than as described in this Prospectus, particularly in the sections “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 22 and 305, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of*

Financial Condition and Results of Operations” on pages 22, 149 and 305, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as disclosed in this chapter and in “***Our Business***” on page 149, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

SEASONALITY OF BUSINESS

Typically, there is an increase in sale of our products during the festive seasons in India i.e., during October to December. The sale of our biscuits and bakery products during this season is usually for the purpose of gifting of these products by our customers. Any change in preference by our customers may adversely affect our sales during these festive seasons.

MATERIAL DEVELOPMENTS SUBSEQUENT TO SEPTEMBER 30, 2020

Pursuant to the ESOP Plan 2017, 70,000 Equity Shares of our Company have been allotted at an exercise price of ₹ 174.62 each for the total consideration of ₹ 12.22 million to the employees against their applications to exercise Employee Stock Options in the board meeting held on December 6, 2020.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings involving our Company, Subsidiaries, Promoter or Directors; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, Subsidiaries, Promoter or Directors; (iii) outstanding claims involving our Company, Subsidiaries, Promoter or Directors for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and the total amounts involved); (iv) outstanding litigations as determined to be material by our Board as per the Materiality Policy in accordance with the SEBI ICDR Regulations; (v) disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Financial Years including outstanding action; (vi) outstanding litigation involving our Group Companies which has a material impact on our Company.

In accordance with the Materiality Policy, all pending litigation involving our Company, Subsidiaries, Promoter or Directors, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material', if the monetary amount of claim made by or against the Company, its Subsidiaries, Directors and Promoter in any such pending litigation is in excess of 2.50% of the annual consolidated profit after tax of our Company for Financial Year 2020, being ₹ 7.60 million or any such litigation, an adverse outcome of which would materially affect our Company's business, operations, prospects or reputation irrespective of the amount involved in the matter.

Further, it is clarified that for the purpose of the above, pre-litigation notices received by our Company, Subsidiaries, Promoter or Directors from third parties (excluding statutory/regulatory/tax authorities or notices threatening criminal action) shall, in any event, not be considered as litigation and accordingly have not been disclosed in this section until such time that Company, Subsidiaries, Promoter or Directors are impleaded as defendants in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

A. Outstanding litigations against our Company

Criminal proceedings

1. The Food Inspector, Udaipur, Rajasthan (“**Complainant**”) lodged a complaint against Pradeep Sharma, nominee of our Company and certain others (“**Respondents**”) before the Court of the Upper Chief Judicial Magistrate, Order-I, Udaipur Rajasthan (“**CJM**”) on December 4, 2007 alleging that the samples of Cremica Coconut Biscuits (“**Biscuits**”) collected by him from M/s Sachdeva Agency, Nada Khada, Udaipur were adulterated under the Prevention of Food Adulteration Act, 1954 (“**PFA Act**”). After analysing the state analysis report, witness/evidences submitted by the Complainant, the CJM vide its order dated January 16, 2017 (“**Order**”) concluded that the Biscuits were misbranded as defined under the PFA Act and convicted the Respondents of committing an offence under section 7 read with section 16 of the PFA Act. An appeal was then filed by the Respondents before the Sessions Court, Udaipur, Rajasthan to set aside the Order on the grounds, *inter alia*, that while charges had been framed on the basis of the state analysis report, the CJM should have made charges on the basis of central laboratory report, as the same supersedes the state analysis report. The matter is currently pending.
2. A complaint was filed by the Provident Fund Inspector/Enforcement Officer, Parwanoo, District Solan (Himachal Pradesh) before the court of Chief Judicial Magistrate, Una, Himachal Pradesh against our Company, managing director and general manager of our Company (“**Respondents**”) alleging, *inter alia*, non-compliance of instructions to submit bank account details of all the members of the funds for KYC update by the Respondent. The case is currently pending.

Actions taken by statutory and regulatory authorities involving our Company

1. The Food Safety Officer, Barabanki (“**Complainant**”) filed a complaint in the Court of the Upper District Magistrate/Judicial Officer, Barabanki (“**Court**”) against our Company and others (“**Respondents**”) alleging that the sample of ‘Cremica Branded Cashew Biscuit’ (“**Sample**”) acquired from a retailer namely

Mohd. Naseer was irregular in nature and therefore sent the sample to the Food Analyst, Gorakhpur (“**Analyst**”) for examination. The Analyst after testing the sample issued his report and found no irregularity in the ingredients and contents, however, specified in his report that the label of the sample was misleading. Basis this analysis, the Court passed an order dated February 8, 2016 (“**Order**”) imposing fine of ₹ 5,000 on Mohd. Naseer and ₹ 100,000 on the Respondent. An appeal was filed by the Respondents against the Order on the grounds that the penalty imposed by the Court was, *inter alia*, illegal and arbitrary. The matter is currently pending.

2. A sample of ‘Cremica Cashew Cookies’ (“**Sample**”) was collected by the Food Safety Officer, Sangrur, Punjab and sent to the Food Analyst, for the local area of Punjab and Union Territory Chandigarh (“**Food Analyst**”) to analyse and give a report under the provisions of Food Safety and Standards (Packaging and Labelling) Regulations, 2011 (“**Regulations**”). The Food Analyst vide report dated August 5, 2016 (“**Report**”) opined that the said Sample did not conform with the provisions of the Regulations as the name of the vegetable oil used in the product was not mentioned on the label and hence the Sample was treated as misbranded. An appeal was filed by our Company before the Designated Officer, Sangrur challenging the Report on the ground that the time period for compliance under the said Regulations was extended up to six months vide a notification dated July 30, 2016 passed by the Ministry of Health and Welfare and the date of manufacture of sample was prior the date of the notification came in force. The matter is currently pending.
3. A sample of certain products were collected from different trader’s shop by food safety officers in Indore, Gwalior, Pilibhit on the alleged grounds that such products were ‘misbranded’. Subsequently samples of these products were sent for examination. The respective food safety officers of Indore, Gwalior and Pilibhit, in three cases reported that the products were ‘misbranded’ under the provisions of FSS Act. On the basis of the examination report notices were issued by the food safety officer against our Company and others. Since, the products which are subject matter of the aforementioned notices belong to our erstwhile customer, the legal proceedings with respect to the aforementioned notices are being pursued by our customer and we do not have any further details in relation to the current status of these matters. Please see “**Risk Factors - We may be affected due to adverse outcome of certain legal proceedings in relation to cases under FSS Act with respect to products belonging to our erstwhile customer for whom we undertake contract manufacturing**” on page 28.
4. A notice has been served to our Company by the Assistant Provident Fund Commissioner (“**Commissioner**”), on the basis of a complaint filed by the certain workers (“**Complainant**”) of our Company, alleging non-payment of provident fund dues to the Complainant. In this regard, the Commissioner has directed our Company to represent and/or submit a response along with relevant documents, accordingly, our Company has duly represented its case through its representative and the matter is currently pending before the Commissioner.
5. A show cause notice dated November 24, 2020 (“**Notice**”) has been served to our Company by the environmental engineer, H.P. State Pollution Control Board (“**Engineer**”) under the Water Act, alleging, *inter alia*, failure of adopting appropriate management practices for treatment and disposal of effluent or maintaining standards laid under the Environmental (Protection) Rules, 1986 as well as violation of the Water Act. In this regard, the Engineer has directed our Company to represent and/or submit a response and further to take corrective measures for smooth operations of its effluent treatment plant. Our Company is in the process of submitting a response to the Notice and also undertakes that it will endeavour to comply with the terms set out in the Notice.

Civil proceedings

Nil.

Tax proceedings

Except as disclosed below, there are no proceedings related to direct and/ or indirect taxes pending against our Company.

(₹ in million)		
Particulars	Number of cases	Ascertainable amount involved*
Direct tax	5	35.69
Indirect tax	15 [#]	28.37
Total	20	64.06

* To the extent quantifiable.

[#]The cases related to entry tax of different years with Government of Punjab have been counted as single case.

B. Outstanding litigations by our Company

Criminal proceedings

- Our Company, in the ordinary course of business, has initiated 33 recovery proceedings against our purchasers, for dishonour of cheques under section 138 of the Negotiable Instrument Act, 1881. The aggregate consolidated amount involved in these cases is ₹ 11.21 million, to the extent ascertainable. All the proceedings are pending.

Civil proceedings

- A writ petition was filed by CAFL (“**Petitioner**”) before the High Court of Judicature, Allahabad (“**Court**”) against the State of Uttar Pradesh and others (“**Respondents**”) challenging an order dated July 20, 2015 of the District Magistrate/Collector, Uttar Pradesh by which stamp duty of ₹ 7.28 million along with penalty of ₹ 1.82 million was imposed on the Petitioner alleging, *inter alia*, non-payment of the stamp duty in a correction deed of a lease deed dated December 30, 1999 executed amongst the Petitioner and the Greater Noida Development Authority (“**Deed**”). The petition was filed on the ground that the Petitioner had already paid appropriate stamp duty on the Deed and the correction deed cannot be considered as a fresh deed under any of the provision of the Indian Stamp Act, 1899. While the property in relation to which the stamp duty has been levied by the Respondents, has been transferred from the Petitioner to our Company pursuant to the business transfer agreement dated October 11, 2006, the petition has been continued in the name of the Petitioner. The case is currently pending.

Tax proceedings

Nil.

II. LITIGATION INVOLVING OUR SUBSIDIARIES

A. Outstanding litigation against our Subsidiaries

Criminal proceedings

Nil.

Actions by regulatory and statutory authorities involving our Subsidiaries

Nil.

Civil proceedings

Nil.

Tax proceedings

Except as disclosed below, there are no proceedings related to direct and/ or indirect taxes pending against our Subsidiaries.

(₹ in million)			
Name of our Subsidiary	Nature of Litigation	Number of matters	Amount to the extent quantifiable*
BFPL	Indirect Tax	1	0.88

* To the extent quantifiable

B. Outstanding litigation filed by our Subsidiaries

Criminal proceedings

Nil.

Civil proceedings

Nil.

Tax proceedings

Nil.

III. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding litigation against our Directors

Criminal proceedings

Please see, “– *Outstanding Litigation against our Company – Criminal Proceedings*” on page 346 for criminal proceedings initiated against our Managing Director.

Actions by regulatory and statutory authorities involving our Directors

Nil.

Tax proceedings

Except as disclosed below, there are no proceedings related to direct and/ or indirect taxes pending against our Directors.

(₹ in million)

Name of our Director	Nature of Litigation	Number of matters	Amount to the extent quantifiable**
Mr. Anoop Bector*	Direct taxation	1	18.65

*Mr. Anoop Bector is also the promoter of our Company and hence this proceeding is in his capacity as both our Director and Promoter of our Company.

**To the extent quantifiable

Proceedings involving Mr. Tarun Khanna

The Income Tax Department, Bengaluru conducted search operations at the residence of Mr. Tarun Khanna between January 10, 2018 and January 12, 2018. Subsequently, assessment proceedings were initiated against Barbeque-Nation Hospitality Limited (“**Barbeque Limited**”), pursuant to which assessment orders were passed by the Deputy Commissioner of Income Tax, Bengaluru on December 30, 2019 for each of the assessment years with tax demands aggregating to ₹ 150.03 million. Separately, in respect of assessment year 2018-19, an order was passed by the Assistant Commissioner of Income-tax (“**ACIT**”) on December 31, 2019 under Section 143(3) of the IT Act with a tax demand amounting to ₹ 2.84 million. Barbeque Limited has filed appeals against these orders. Consequent to these orders, penalty proceedings have been initiated against Barbeque Limited on grounds such as concealment of income, misreporting of income and furnishing inaccurate particulars of income in relation to certain assessment years. However, no proceedings have been initiated against Mr. Tarun Khanna pursuant to these search operations or orders passed by the income tax authorities.

B. Outstanding litigation by our Directors

Criminal proceedings

Nil.

Civil proceedings

Nil.

Tax proceedings

Nil.

IV. LITIGATION INVOLVING OUR PROMOTER

A. Litigation filed against our Promoters

Criminal proceedings

Please see, “– *Outstanding Litigation against our Company- Criminal Proceedings*” on page 346 for criminal proceedings initiated against our Promoter.

Actions by regulatory and statutory authorities involving our Promoter

Nil.

Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoter in the last five Financial Years

A notice dated March 28, 2018 and letter dated April 9, 2018 were issued by BSE to one of our Group Companies and Associate, CAFL, alleging that it had failed to comply with the SEBI circular dated October 10, 2016 by non-submission of its plan of action pursuant to being placed on the dissemination board by SEBI. Certain actions including disassociation with the securities market, freezing of shares, attachment of bank accounts and other assets were initiated against our Promoter, Mr. Anoop Bector, by virtue of being a promoter of CAFL. Subsequently, CAFL intimated to BSE about the intention of listing its shares with the Metropolitan Stock Exchange of India Limited and complied with the requirements of the SEBI circulars, subsequent to which, the name of CAFL was removed from the dissemination board by BSE and the actions taken against our Promoter was also withdrawn by BSE. For further details, please see “*Risk Factors - In the past, our Group Companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange, OTC Exchange of India (“OTCEI”) and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past*” and “*Our Management*” on pages 24 and 189, respectively.

Civil proceedings

Nil.

Tax proceedings

Please see, “– *Outstanding Litigation against our Directors – Tax proceedings*” on page 349 for tax proceedings initiated against our Promoter.

B. Litigation filed by our Promoters

Criminal proceedings

Nil.

Civil proceedings

Nil.

Tax proceedings

Nil.

V. OUTSTANDING LITIGATION INVOLVING OUR GROUP COMPANIES WHICH HAS A MATERIAL IMPACT ON OUR COMPANY

Nil.

We further confirm that, as on the date of this Prospectus, there are no such litigation initiated by any overseas regulators/authorities against the Group Companies of our Company which may have any material impact on the Company.

VI. OUTSTANDING DUES TO CREDITORS

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 61.62 million, which is 10% of the total consolidated trade payables of our Company for the period from April 1, 2020 to September 30, 2020, was outstanding, were considered 'material' creditors. Based on the above, there is no material creditor of our Company as on September 30, 2020.

Based on this criterion, details of outstanding dues owed as at September 30, 2020 by our Company are set out below:

Type of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	94	75.44
Material creditors	-	-
Other creditors	558	540.80
Total	652	616.24

The details pertaining to outstanding over dues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at <http://www.cremica.in/investors>.

VII. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 305, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals issued by relevant central and state authorities under various rules and regulations. We have set out below an indicative list of all material approvals obtained by our Company, as applicable, for the purposes of undertaking our business activities and operations (“Key Approvals”). In view of such approvals, our Company can undertake the Offer and its current business activities. Unless otherwise stated, these approvals are valid as of the date of this Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies in India” on page 176.

I. General details

Incorporation details of our Company

1. Certificate of incorporation dated September 15, 1995 issued to our Company by the Registrar of Companies, N.C.T of Delhi and Haryana in the name of ‘Quaker Cremica Foods Private Limited’.
2. Fresh certificate of incorporation dated December 15, 1999 issued to our Company by the Registrar of Companies, N.C.T of Delhi and Haryana on account of the change in name from ‘Quaker Cremica Foods Private Limited’ to ‘Mrs. Bectors Food Specialities Private Limited’.
3. Fresh certificate of incorporation dated December 10, 2001 issued by the Registrar of Companies, N.C.T of Delhi and Haryana pursuant to conversion of our Company and consequential change in our name from ‘Mrs. Bectors Food Specialities Private Limited’ to ‘Mrs. Bectors Food Specialities Limited’.

For details of corporate and other approvals obtained in relation to the Offer, see “*Other Regulatory and Statutory Disclosures*” on page 355.

Tax related approvals

- (i) The permanent account number of our Company is AABCM9495K.
- (ii) The tax deduction account number of our Company is JLDMO4800F.
- (iii) GST registration certificate issued by Government of India and State Governments for GST payments in the states where our business operations are situated.

Labour and Employee related approvals

- (i) All our manufacturing units, including our subsidiary, BFPL, where Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 is applicable, have been allotted with an employee provident fund code number.
- (ii) All our manufacturing units, including our subsidiary, BFPL, where Employee State Insurance Act, 1948 is applicable, have been allotted with an employee state insurance code number.

Importer-Exporter Code

- (i) Certificate of Importer Exporter Code dated May 18, 2015 granting the IEC number 3095006896 issued on November 27, 1995, issued by the Joint Director General of Foreign Trade.
- (ii) Certificate dated August 6, 2015 issued by the Joint Director General of Foreign Trade granting our Company the status of a two star export house. This certificate is valid until March 31, 2021, as notified by the Directorate General of Foreign Trade, Ministry of Commerce and Industry by its public notice dated March 31, 2020 bearing no. 67/2015-2020.
- (iii) Certificate dated March 13, 2018 issued by the Agricultural and Processed Food Products Export Development Authority certifying our Company as a manufacturer and merchant exporter. This certificate is valid until March 31, 2022.

II. Approvals in relation to our operations

We require various approvals to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the Key Approvals required by us for conducting the operations of our Company and our Subsidiaries are provided below:

A. Approvals under the FSS Act and its Regulations

Our Company and our subsidiary, BFPL are required to obtain licenses from the FSSAI, under the FSS Act for manufacturing, processing, packaging, storage, transportation, distribution, sale and import of food products. Accordingly, we have obtained separate licenses for each of our six manufacturing facilities and all of them are valid as on the date of this Prospectus. The license granted for the manufacturing facilities under the FSS Act is generally valid for a period five years from the date of the license and are subject to periodic renewals.

We are also required to obtain licenses under the FSS Act for storage of food products in the depots. We currently operate 14 depots. We have obtained licenses under the FSS Act for all the 14 depots and all the licenses are currently valid as on the date of this Prospectus, except as disclosed below. The licenses granted for the depots under the FSS Act is generally valid for a period of three to five years and are subject to periodic renewals.

B. Approvals under the Factories Act and its Rules

Our company and our subsidiary, BFPL are required to obtain an approval for setting up and operating the manufacturing facilities under the Factories Act and the State specific rules under the Factories Act. Accordingly, we have obtained separate approvals in respect of each of our six manufacturing facilities.

C. Shops and establishments' registrations:

In states where our depots, offices and branch offices are operational, registrations under the respective S&E Acts of those states, wherever enacted and in force, would be required. The term of such registrations and renewal requirements as well as processes may differ under the various applicable state legislations and may be subject to periodic renewals, as applicable. All our depots, offices and branch offices currently hold valid approval under relevant S&E Acts as on the date of this Prospectus except as specified in the list below.

D. Other material licenses

Our Company and our subsidiary, BFPL are required to obtain other Key Approvals in respect of our facilities such as environmental approvals under the Air Act and Water Act and Electricity Act. Such licenses may be subject to periodic renewals, as applicable.

As on the date of this Prospectus, except as disclosed below, we currently hold all aforementioned Key Approvals, as required, except following Key Approvals in respect of which we have made applications before relevant authorities to obtain the renewal of Key Approvals which are expired.

S. No.	Description	Manufacturing unit/Depot	Fresh application/Renewal	Authority
Approval under the S&E Act				
1.	Approval under S&E Act	Hyderabad	Renewal application	Department of Labour

III. Approvals in relation to the Rajpura Expansion Project



As on the date of this Prospectus, the licenses and approvals that we have obtained in relation to Rajpura Manufacturing Facility, such as, license under Factories Act, approval from FSSAI, land related approvals, adequately covers the proposed scope and ambit of the Rajpura Expansion Project. While we do not require any further licenses/approvals from any governmental authorities at this stage, we will apply for all such necessary approvals that we may require at future relevant stages, prior to commencing the construction process for or prior to commissioning of the proposed production line for biscuits at the Rajpura Manufacturing Facility. For details, see “*Objects of the Offer - Government and other approvals*” and “*Risk*”

Factors - We are required to obtain licenses and approvals under several legislations including the FSS Act and the relevant rules and regulations, the Factories Act and the Shops and Establishments Acts under various states. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations” on pages 96 and 42, respectively.

IV. Intellectual Property

A. Trademarks

As on the date of this Prospectus, we have 68 registered trademarks which are currently operational in India and for which we have obtained valid registration certificates under the Trademarks Act.

Our logo ‘Mrs. Bector’s Cremica’,  and ‘English Oven’  registered under class 30 of the Trademarks Act and both of them are currently operational. Further, we have also made applications seeking registration for certain additional trademarks under the Trademarks Act, all of which are currently operational. We have also registered our trademarks in countries outside India.

B. Copyright

As on the date of this Prospectus, we have 16 copyrights which are currently operational in India under the Copyright Act for which we have obtained valid registration certificates under the Copyright Act.

C. Design

As on the date of this Prospectus, we hold two designs for which we have been granted valid registration certificates under the Designs Act.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorised the Offer by a resolution dated August 14, 2020.
- Our Shareholders have authorised the Fresh Issue, pursuant to a special resolution passed on October 16, 2020 under Section 62(1) (c) of the Companies Act 2013.
- The Board has, on October 19, 2020 approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
- The Board has, on December 8, 2020, approved the Red Herring Prospectus.
- The Board has, on December 19, 2020, approved this Prospectus.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, confirmed and authorised the transfer of their respective proportion of the Offered Shares pursuant to the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Date of Consent Letter	Date of Board resolution
1.	Linus	October 13, 2020	September 8, 2020
2.	Mabel	October 14, 2020 and December 3, 2020	August 27, 2020
3.	GW Crown	October 14, 2020 and December 3, 2020	August 27, 2020
4.	GW Confectionary	October 14, 2020 and December 3, 2020	August 27, 2020

Each Selling Shareholder, severally and not jointly, confirmed that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held the Equity Shares proposed to be offered and sold by them in the Offer for a period of at least one year prior to the date of filing of this Prospectus.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to its letter dated November 13, 2020 and November 19, 2020, respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Promoter, Mr. Anoop Bector is one of the promoters and was a director on the board of directors of CAFL and our Non-executive Director, Ms. Rajni Bector was a director on the board of directors of CAFL. CAFL was previously listed on OTCEI, an *erstwhile* stock exchange which was de-recognised as a stock exchange by SEBI pursuant to its order dated March 31, 2015. Pursuant to de-recognition of OTCEI, CAFL was identified as an exclusively listed company and was placed on the dissemination board of BSE. While CAFL was on the dissemination board, CAFL had received two notices from BSE dated March 28, 2018 and April 9, 2018, respectively, pursuant to which certain actions were undertaken against the directors of CAFL, including against our Promoter Mr. Anoop Bector and our Non-executive Director, Ms. Rajni Bector, pursuant to the SEBI 2016 Circular and the SEBI 2017 Circular, for the alleged failure of CAFL to not submit its plan of action to BSE in a timely manner. However, CAFL vide a letter dated February 8, 2017 had submitted its plan of action with BSE by citing its intention to list its equity shares on the MSEIL. Further, CAFL received listing approval from MSEIL vide a letter issued by MSEIL dated July 12, 2018 pursuant to which the equity shares of CAFL were admitted to listing on MSEIL with effect from July 16, 2018. Subsequent to the listing of equity shares of CAFL on MSEIL, the BSE, vide its letter dated July 20, 2018, has removed CAFL from its dissemination board in accordance with the SEBI 2016 Circular and the SEBI 2017 Circular. For details, see *“Risk Factors - In the past, our Group Companies, CAFL, has been in violation of listing requirements of an erstwhile recognised stock exchange,*

OTC Exchange of India (“OTCEI”) and CAFL, our Promoter and one of our Non-Executive Directors, have been subject to disciplinary actions by OTCEI in the past.” on page 24.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, none of our Company, our Subsidiaries, our Promoter, members of Promoter Group, our Directors or persons in control of our Company and each of the Selling Shareholders are prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, neither our Promoter nor our Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

Our Non-executive Nominee Director, Mr. Tarun Khanna is a beneficiary and trustee of AAJV Investment Trust. AAJV Investment Trust had received a letter from SEBI dated July 19, 2018, requesting for certain information with respect to trading activities in the scrip of Natco Pharma Limited. AAJV Investment Trust replied to SEBI by way of a letter dated August 6, 2018 providing the information requested by SEBI. There has been no further communication received from SEBI after the reply filed by AAJV Investment Trust.

Except for Mr. Tarun Khanna, none of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the past five years.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus.

Our Promoter or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our Directors have been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter, member of Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held as monetary assets;
- our Company has an average operating profit of ₹ 150.00 million, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;
- our Company has a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and
- there has been no change of name of our Company at any time during the last one year immediately preceding the date of filing of this Prospectus.

Set forth below are our Company’s operating profit, net tangible assets, monetary assets, monetary assets as a percentage of our net tangible assets and net worth, derived from our Restated Consolidated Financial Information included in this Prospectus.

(₹ in million, unless otherwise stated)

	Consolidated		
	Financial Year 2020	Financial Year 2019	Financial Year 2018
Net tangible assets*, as restated and consolidated	3,031.56	2,764.07	2,460.58
	513.65	609.67	571.57
Operating profit **, as restated and consolidated			
Net worth***, as restated and consolidated	3,192.99	2,947.52	2,666.14
Monetary assets, # as restated and consolidated	302.75	120.71	116.95
Monetary assets, as restated and consolidated as a % of net tangible assets, ## as restated and consolidated	9.99%	4.37%	4.75%

Notes:

* *Net tangible assets, Restated and consolidated, mean the sum of all net assets of the Issuer, and excluding intangible assets, each on restated basis and as defined in Indian Accountant Standard 38.*

** *Restated and consolidated Operating profit has been calculated as restated and consolidated net profit before tax excluding other income and finance cost each on a restated and consolidated basis.*

*** *Restated and consolidated net worth has been defined as the aggregate of share capital and other equity (including capital reserve and share options outstanding account) on restated basis.*

Restated and consolidated Monetary assets = Cash on hand + balance with bank in current accounts + deposit due to be matured within twelve months of the reporting date + Deposits with maturity of more than 12 months on restated basis.

'Monetary assets as restated as a percentage of the net tangible assets' means monetary assets as restated divided by net tangible assets, as restated, expressed as a percentage.

Our Company has operating profits in each of the Financial Years 2018, 2019 and 2020 in terms of our Restated Consolidated Financial Information.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMs, SBI CAPITAL MARKETS LIMITED, ICICI SECURITIES LIMITED AND IIFL SECURITIES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs, SBI CAPITAL MARKETS LIMITED, ICICI SECURITIES LIMITED AND IIFL SECURITIES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 19, 2020 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.cremica.in, or any website of any of our Subsidiaries, any affiliate of our Company, any of the Group Companies or any of the Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer were required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Subsidiaries, our Group Companies, the Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("HUFs"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("AIFs"), Foreign Portfolio Investors registered with SEBI ("FPIs") and QIBs. This Prospectus does not,

however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Punjab, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

“BSE Limited (“the Exchange”) has given vide its letter dated November 13, 2020 permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: - (a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or (b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or (c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”

Disclaimer Clause of NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/856 dated November 19, 2020 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinised this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor

does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. However, the respective Selling Shareholders shall not be liable to pay and / or reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Selling Shareholder and such liability shall be limited to the extent of their respective Offered Shares.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of: (a) the Selling Shareholders, our Directors, the Company Secretary and Compliance Officer, the legal counsel, the bankers to our Company, industry sources, independent chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Banker to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and this Prospectus with the SEBI.

Our Company has received consent of our Statutory Auditors, who hold a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Prospectus, and as an “expert”, as defined under Section 2(38) of the Companies Act 2013 in respect of the report of the Statutory Auditors on the Restated Consolidated Financial Information dated December 8, 2020 and the statement of possible special tax benefits dated December 8, 2020 included in the Red Herring Prospectus and this Prospectus.

Additionally, our Company has also received a letter dated December 3, 2020, in relation to the capacity utilisation and a letter dated December 3, 2020, in relation to the estimated cost of Rajpura Expansion Project from Mr. Anil Kumar Soni, independent chartered engineers, to include his name in the Red Herring Prospectus and this Prospectus as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act, 2013.

Particulars regarding Public or Rights Issues during the Last Five Years

There have been no public issues, including any rights issues to the public undertaken by our Company during the five years preceding the date of this Prospectus.

Commission or Brokerage on Previous Issues in the Last Five Years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

Capital Issues in the Preceding Three Years

Except as disclosed in “*Capital Structure*” on page 73, our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Performance vis-à-vis Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues to the public in the five years preceding the date of this Prospectus.

Performance vis-à-vis Objects – Public/ rights issue of the listed Subsidiaries of our Company

None of our Subsidiaries are listed on any stock exchange.

Price Information of past issues handled by the BRLMs

SBI Capital Markets Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by SBI Capital Markets Limited.

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/-% change in closing price, [+/-% change in closing benchmark] – 30 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 90 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 180 th calendar day from listing
1.	UTI Asset Management Company Ltd	21,598.84	544.00	October 12, 2020	500.00	-10.43% [+5.87%]	NA	NA
2.	Angel Broking Limited	6000.00	306.00	October 05, 2020	275.00	-2.32% [+2.70%]	NA	NA
3.	SBI Cards & Payment	1,03,407.88	755.00	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [+24.65]

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/-% change in closing price, [+/-% change in closing benchmark] – 30 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 90 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 180 th calendar day from listing
	Services Ltd. ¹							
4.	Indian Railway Catering and Tourism Corporation Ltd ²	6,379.60	320.00	October 14, 2019	626.00	191.53% [+5.05%]	186.64% [+8.07%]	291.84% [-19.66%]
5.	Sterling and Wilson Solar Limited	28,496.38	780.00	August 20, 2019	706.00	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
6.	Iron International Limited ³	4,667.03	475.00	September 28, 2018	412.00	-27.04% [+8.24%]	-6.60% [-1.84%]	-15.71% [+5.06%]
7.	RITES Limited ⁴	4,604.40	185.00	July 02, 2018	190.00	34.97% [+6.56%]	33.03% [+2.56%]	49.70% [+1.90%]
8.	ICICI Securities Ltd	35,148.49	520.00	April 04, 2018	435.00	-27.93% [+5.44%]	-37.26% [+5.22%]	-44.39% [+7.92%]
9.	Mishra Dhatu Nigam Limited ⁵	4,328.96	90.00	April 04, 2018	87.00	67.89% [+5.44%]	40.44% [+5.22%]	29.50% [+7.92%]

Source: www.nseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

* The Nifty 50 index is considered as the Benchmark Index

1. Price for eligible employees was Rs. 680.00 per equity share
2. Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 310.00 per equity share
3. Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 465.00 per equity share
4. Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 179.00 per equity share
5. Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 87.00 per equity share

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by SBI Capital Markets Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount – 30 th calendar day from listing			No. of IPOs trading at premium – 30 th calendar day from listing			No. of IPOs trading at discount – 180 th calendar day from listing			No. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2020-21	2	27,598.84	-	2	-	-	-	-	-	-	-	-	-	-
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1
2018-19	4	48,748.88	-	1	1	1	1	-	-	1	-	-	2	1

* The information is as on the date of this Prospectus.

Date of Listing for the issue is used to determine which Financial Year that particular issue falls into

ICICI Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/-% change in closing price, [+/-% change in closing benchmark] – 30 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 90 th calendar day from listing	+/-% change in closing price, [+/-% change in closing benchmark] – 180 th calendar day from listing
1.	IndiaMart InterMesh Ltd	4,755.89	973.00 ⁽¹⁾	04-Jul-19	1,180.00	+26.36%, [-7.95%]	+83.82%, [-4.91%]	+111.64%, [+2.59%]
2.	Affle (India) Limited	4,590.00	745.00	08-Aug-19	926.00	+13.09%, [-0.78%]	+86.32%, [+8.02%]	+135.49%, [+6.12%]
3.	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	824.00	-0.56%, [-2.14%]	+52.76%, [+7.61%]	+17.32%, [+9.59%]
4.	Sterling and Wilson Solar Limited	28,496.38	780.00	20-Aug-19	706.00	-21.88%, [-1.60%]	-48.63%, [+7.97%]	-64.78%, [+9.95%]
5.	Rossari Biotech Limited	4,962.50	425.00	23-July-20	669.25	+87.25%, [+1.39%]	+86.59%, [+6.08%]	NA*
6.	Happiest Minds Technologies Limited	7,020.20	166.00	17-Sep-20	350.00	+96.05%, [+2.14%]	+93.25%, [+17.82%]	NA*
7.	Route Mobile Limited	6,000.00	350.00	21-Sep-20	717.00	+105.81%, [+5.74%]	+231.04%, [+22.31%]	NA*
8.	Computer Age Management Services Limited	22,421.05	1,230.00 ⁽²⁾	01-Oct-20	1,518.00	+5.52%, [+1.97%]	NA*	NA*
9.	Angel Broking Limited	6,000.00	306.00	05-Oct-20	275.00	-2.32%, [+2.70%]	NA*	NA*
10.	UTI Asset Management Company Limited	21,598.84	554.00	12-Oct-20	500.00	-10.43%, [+5.87%]	NA*	NA*

*Data not available

- (1) Discount of Rs. 97 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 973.00 per equity share.
- (2) Discount of Rs.122 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 1,230.00 per equity share.

Notes:

- All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which data is sourced from www.bseindia.com
 - Benchmark index considered is NIFTY
 - 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.
2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount – 30 th calendar day from listing			No. of IPOs trading at premium – 30 th calendar day from listing			No. of IPOs trading at discount – 180 th calendar day from listing			No. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2020-21*	6	68,002.59	-	-	2	3	-	1	-	-	-	-	-	-
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1
2018-19	4	60,843.16	-	-	2	1	-	1	-	-	2	-	1	1

*This data covers issues up to YTD

IIFL Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]-180th calendar days from listing
1.	ICICI Securities Limited	35,148.49	520.00	April 04, 2018	435.00	-27.93%, [+5.44%]	-37.26% [5.22%]	-44.39% [7.92%]
2.	Varroc Engineering Limited	19,549.61	967.00	July 06, 2018	1,015.00	+1.62%, [+5.46%]	-7.29%, [+0.79%]	-24.01%, [+1.28%]
3.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04%, [+1.17%]	+30.61%, [7.32%]	+23.78%, [-4.33%]
4.	Credit Access Grameen Limited	11,311.88	422.00	August 23, 2018	390.00	-21.16%, [-3.80%]	-14.91%, [-8.00%]	-5.71%, [-8.13%]
5.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
6.	Spandana Sphoorty Financial Ltd	12,009.36	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32% [+9.59%]
7.	Sterling and Wilson Solar Ltd	28,809.42	780.00	August 20, 2019	706.00	-21.88%, [-1.60%]	48.63%, [+7.97%]	64.78%, [+9.95%]
8.	CSB Bank Ltd	4,096.77	195.00	December 4, 2019	275.00	+8.36%, [+1.98%]	-12.18%, [-7.56%]	-36.95%, [-20.45%]
9.	Ujjivan Small Finance Bank Limited	7,459.46	37.00	December 12, 2019	58.75	+41.08%, [+2.38%]	+10.27%, [-12.70%]	-16.62%, [-15.07%]
10.	Equitas Small Finance Limited	5,176.00	33.00	November 2, 2020	31.10	+5.45%, [+12.34%]	N.A.	N.A.

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing				No. of IPOs trading at premium – 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Less than 25%	
2020-21	1	5,176.00	-	-	-	-	-	1	-	-	-	-	-	-	
2019-20	5	65,827.61	-	-	2	-	1	2	1	1	1	-	-	2	
2018-19	4	94,013.29	-	1	1	1	-	1	-	1	2	-	-	1	

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered. NA means Not Applicable.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Atul Sud, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Mr. Atul Sud

Theing Road, Phillaur

Jalandhar 144 410

Punjab, India

Tel: (+91) 182-6225418

E-mail: compliance@cremica.in

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of the Offered Shares.

Our Company has obtained authentication on the SCORES and shall comply with the SEBI circulars bearing number CIR/OIAE/1/2013 dated April 17, 2013 and CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 189.

Our Company has not received any investor grievances during the three years preceding the date of the Draft Red Herring Prospectus and this Prospectus and as on date, there are no investor complaints pending.

Capital Issues in the Preceding Three Years

Except as disclosed in "***Capital Structure - History of Equity Share capital of our Company***" on page 73, our Company has not made any capital issues during the three years immediately preceding the date of this Prospectus. None of our Subsidiaries or Group Companies have made any capital issues during the three years preceding the date of this Prospectus.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues, including any rights issues to the public in the 10 years immediately preceding the date of this Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries and Group Companies

None of our Subsidiaries and our Group Companies have made any public issues, including rights issues to the public in the 10 years immediately preceding the date of this Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Prospectus.

Partly Paid-Up Shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Offer expenses, see "***Objects of the Offer***" on page 93.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs see "***Objects of the Offer***" on page 93.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Disposal of investor grievances by listed Group Companies

As on the date of this Prospectus, we have a listed Group Companies, i.e., CAFL. The board of directors of CAFL has constituted a stakeholder relationship committee in accordance with Regulation 20 of the SEBI Listing Regulations to look into the redressal of shareholder/investor complaints. Ms. Nageeta Chander is the compliance officer.

As of September 30, 2020, there were no pending investor complaints pending against CAFL.

Capitaliation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the five years immediately preceding the date of this Prospectus.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and this Prospectus, the Bid cum Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the CAN (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to offer for sale and listing and trading of securities, issued from time to time, by the SEBI, Government of India, Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by SEBI, RBI and/or any regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA read with SCRR, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of transfer in accordance with applicable law. For more information, see “*Main Provisions of Articles of Association*” on page 394.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be received by the Allottees. For more information, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” on pages 215 and 394, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10 and the Offer Price at the lower end of the Price Band was ₹ 286 per Equity Share and at the higher end of the Price Band was ₹ 288 per Equity Share. The Anchor Investor Offer Price was ₹ 288 per Equity Share. At any given point in time there will be only one denomination for the Equity Shares.

The Price Band, the minimum Bid Lot and the Employee Discount, if any, have been decided by our Company and the Selling Shareholders in consultation with the BRLMs, and have been published by our Company in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Patiala edition of Chardhikala (a widely circulated Punjabi daily, Punjabi being the regional language in the place where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, in, and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price pre-filled in the Bid-cum-Application Forms available at the respective websites of the Stock Exchanges.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable law and our Articles of Association, the Equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;

- Right to vote on a poll either in person or by proxy and e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of the Articles of Association*” on page 394.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated July 27, 2018 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated July 25, 2018 among CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share, subject to a minimum Allotment of 50 Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 376.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Bid/Offer Period

BID/OFFER OPENED ON*	December 15, 2020
BID/OFFER CLOSED ON	December 17, 2020

* The Anchor Investor Bid/Offer Period was December 14, 2020.

An indicative timetable in respect of the Offer is set out below:

BID/OFFER CLOSING DATE	December 17, 2020
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE.	On or about, December 22, 2020
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*	On or about, December 23, 2020
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about, December 24, 2020
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	On or about, December 28, 2020

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100.00 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly, confirm that they shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids have been uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time would have been granted by Stock Exchanges only for uploading Bids received by Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked in the relevant ASBA Account, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under the Offer. Bids were to be accepted only during Working Days. None of our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Minimum Subscription

On the date of closure of the Offer, if our Company does not receive (i) minimum subscription of 90% of the Fresh Issue and (ii) a subscription in the Offer equivalent to at least the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall be liable to pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

In the event of under subscription in the Offer, the Equity Shares will be Allotted in the following order:

- (i) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed;
- (ii) next, the Offered Shares will be Allotted, in proportion to the number of Equity Shares offered by each Selling Shareholder, in a pro-rata manner; and
- (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by the Company that the balance 10% of the Fresh Issue portion is also subscribed.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

It is clarified that, subject to applicable laws, none of the Selling Shareholders shall be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of such Selling Shareholders.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there were no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of pre-Offer equity shareholding, minimum Promoter's contribution and Anchor Investor lock-in in the Offer, as detailed in "**Capital Structure**" on page 73 and as provided in our Articles as detailed in "**Main Provisions of the Articles of Association**" on page 394, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/splitting.

OFFER STRUCTURE

The Offer of 18,769,701* Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ 288 per equity share comprising a Fresh Issue of 1,408,592* Equity Shares, aggregating up to ₹ 405.40 million by our Company and an Offer for Sale of up to 17,361,109 Equity Shares, aggregating up to ₹ 5,000.00 million by the Selling Shareholders.

The Offer included a reservation of up to 18,315** Equity Shares aggregating to ₹ 5.00 million for subscription by Eligible Employees. The Offer and the Net Offer constituted 31.95% and 31.92% respectively, of the post-offer paid-up Equity Share capital of our Company.

* Subject to finalization of Basis of Allotment

^ A discount of ₹ 15.00 per Equity Share has been offered to Eligible Employees bidding in the Employee Reservation Portion.

In terms of Rule 19(2) (b) of the SCRR, the Offer has been made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Investors
Number of Equity Shares available for Allotment or allocation ^{*(2)}	18,315 Equity Shares [^]	Not more than 9,375,692 Equity Shares	Not less than 2,812,708 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RII	Not less than 6,562,986 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment or allocation	The Employee Reservation Portion constitutes 0.03% of the post-Offer paid-up Equity Share capital of our Company	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the QIB Portion was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion was made available for allocation to other QIBs	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and RII	Not less than 35% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment if respective category is oversubscribed*	Proportionate; the value of allocation to an Eligible Employee shall not exceed ₹ 200,000.	Proportionate as follows (excluding the Anchor Investor Portion): a) 187,514 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and b) 3,562,763 Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate	The allotment to each RII will not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For further details, see “Offer Procedure” on page 376.

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Investors
		c) 5,625,415 Equity Shares were allocated on a discretionary basis to Anchor Investors		
Mode of Bid	Through ASBA Process only (except in case of Anchor Investors)			
Minimum Bid	50 Equity Shares	Such number of Equity Shares in multiples of 50 Equity Shares such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of 50 Equity Shares such that the Bid Amount exceeds ₹ 200,000.00.	50 Equity Shares and in multiples of 50 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid Amount by each Eligible Employee in this portion does not exceed ₹ 500,000.00, less Employee Discount, if any.	Such number of Equity Shares in multiples of 50 Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of 50 Equity Shares not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	50 Equity Shares and in multiples of 50 Equity Shares thereafter			
Allotment Lot	50 Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply ⁽³⁾	Eligible Employees (such that the Bid Amount does not exceed ₹ 500,000.00)	Public financial institutions of the Companies Act, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors), or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form			

* Subject to finalisation of the Basis of Allotment

^ A discount of ₹15.00 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion

- # Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 500,000.00. However, a Bid by an Eligible Employee in the Employee Reservation Portion has been considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion has been available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 200,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion has been added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription has been permitted from the Employee Reservation Portion.
- (1) Our Company and the Selling Shareholders have, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100.00 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million or part thereof will be permitted, subject to minimum allotment of ₹ 50.00 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100.00 million. One-third of the Anchor Investor Portion has been reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors, which price has been determined by our Company and the Selling Shareholders in consultation with the BRLMs.
 - (2) This Offer is made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.
 - (3) In case of joint Bids, the Bid cum Application Form were required to contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder wererequired in the Bid cum Application Form and such first Bidder were deemed to have been signed on behalf of the joint holders.
 - (4) Bidders were required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.
 - (5) Full Bid Amount was required to be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price was required to be payable by the Anchor Investor pay-in date as indicated in the CAN.

Employee Discount

A discount of ₹ 15.00 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIIs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law. If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“**UPI Phase I**”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. Accordingly, the Offer has been undertaken under UPI Phase II, till any further notice issued by SEBI.

Our Company, the respective Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids were submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer has been made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer was required to be allocated on a proportionate basis to QIBs. Our Company and the Selling Shareholders, in consultation with the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third has been reserved for domestic Mutual Funds, subject to valid Bids having been

received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the net QIB Portion (excluding the Anchor Investor Portion) was required to be made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was required to be made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was required to be made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer was required to be made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Furthermore, 18,315* Equity Shares were made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion (which do not exceed 5% of the post-Offer Equity of the Company), subject to valid Bids having been received at or above the Offer Price, net of Employee Discount.

**Subject to finalization of Basis of Allotment*

***A discount of ₹ 15.00 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion*

In accordance with Rule 19(2)(b) of the SCRR, the Net Offer constitutes 31.92% of the post Offer paid-up Equity Share capital of our Company. Bidders did not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, were to be treated as incomplete and were liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Investors using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

- a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form was also made available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that did not contain such details were liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection. Anchor Investors were not permitted to participate in the Offer through the ASBA process. ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. Since the Offer was made under Phase II of the UPI Circulars, ASBA Bidders could have submitted the ASBA Form in the manner below:

- (i) RIIs (other than the RIIs using UPI Mechanism) could have submitted their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) RIIs using the UPI Mechanism, could have submitted their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs could have submitted their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

For Anchor Investors, the Anchor Investor Application Form was available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [^]	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors ^{^^}	White
Eligible Employees bidding in the Employee Reservation Portion [#]	Pink

^{*}Excluding the electronic Bid cum Application Form

[^]Electronic Bid cum Application Form was made available for download on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com)

^{^^}Bid cum Application Forms for Anchor Investors were made available at the offices of the BRLMs.

^{###}Bid cum Application Forms for Eligible Employees were made available at the Registered Office of the Company

The relevant Designated Intermediaries were required to upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIIs using the UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

In case of ASBA forms, the relevant Designated Intermediaries were required to capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For RIIs Bidding using UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs, for blocking of funds. The Sponsor Bank were required to initiate request for blocking of funds through NPCI to RIIs, who were required to accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank was required to initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs Bidding using through the UPI Mechanism accepted UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

For ASBA Forms (other than RIIs Bidding using UPI Mechanism) Designated Intermediaries (other than SCSBs) were required to submit/deliver the ASBA Forms to the respective SCSB where the Bidder had an ASBA bank account and were required to not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by the Promoter, Promoter Group, BRLMs, the Syndicate Members and their associates and affiliates

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Portion as was applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, were required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any persons related to the BRLMs can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLMs;
- (ii) insurance companies promoted by entities which are associate of the BRLMs;
- (iii) AIFs sponsored by the entities which are associate of the BRLMs;
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are

associate of the BRLMs; or

- (v) Person related to Promoter and the members of the Promoter Group.

Further, an Anchor Investor was required to be deemed to be an “associate of the BRLM” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

The Promoter and members of the Promoter Group did not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter and Promoter Group did not apply in the Offer under the Anchor Investor Portion. However, a qualified institutional buyer who had rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, had been deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserved the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund was not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid had been made.

No Mutual Fund scheme could invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% was applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes could own more than 10% of our Company’s paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms were required to authorise their SCSB to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms were required to authorise their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRIs in the Offer were required to be subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange were considered for allotment.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 393.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder were required to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form as follows: “Name

of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs were considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis.

If the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. With effect from the April 1, 2020, the aggregate limit of investments by FPI is as per the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (blue in colour).

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilise the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("MIM Structure"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilise the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, *inter alia*, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholders, and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

Bids under Employee Reservation Portion by Eligible Employees were:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour form).
- (b) The Bid were for a minimum of 50 Equity Shares and in multiples of 50 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee did not exceed ₹ 500,000.00. However, a Bid by an Eligible Employee in the Employee Reservation Portion was required to be considered for allocation, in the first instance, for a Bid amounting up to ₹ 200,000.00 (which will be less Employee Discount). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion was required to be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹ 200,000.00 million, provided however that the maximum Bid in this category by an Eligible Employee could not exceed ₹ 500,000.00 (which will be less Employee Discount.).
- (c) The Bidder was required to be an Eligible Employee as defined above in this Prospectus in order to be eligible to apply in this Offer under the Employee Reservation Portion. In case of joint bids, the first Bidder was required to be an Eligible Employee. Eligible Employees were required to mention their employee number at the relevant place in the Bid cum Application Form.
- (d) Only those Bids, which were received at or above the Offer Price, net of Employee Discount, if any, would be considered for Allotment under this category.
- (e) Eligible Employees could apply at Cut-off Price.
- (f) Eligible Employees were required to not Bid through the UPI mechanism.
- (g) Bid by Eligible Employees could be made also in the “Net Offer to the Public” and such Bids were not treated as multiple Bids.
- (h) If the aggregate demand in this category is less than or equal to 18,315 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (i) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting 10% of the post-Offer share capital of our Company. If the aggregate demand in this category is greater than 18,315^{^A} Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

**Subject to finalization of Basis of Allotment*

^A discount of ₹ 15.00 per Equity Share was offered to Eligible Employees bidding in the Employee Reservations Portion

Bids by Limited Liability Partnerships

In case of Bids that were made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids that were made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company. Further, a banking company is restricted from holding more than 10% of the its own paid-up share capital not being its subsidiary engaged in non-financial services or 10 per cent of the bank's paid up capital and reserve, whichever is lower. Further, the aggregate equity investment by a banking company in all subsidiaries and other entities engaged in financial services company and non-financial services, including overseas investments cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account was required to be used solely for the purpose of making application in public issues and clear demarcated funds were required to be available in such account for such applications.

Bids by Insurance Companies

In case of Bids that were made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the

investee company operates. Insurance companies participating in the Offer were advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and were required to comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund were required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs reserved the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, were required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs are as prescribed by RBI from time to time.

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Prospectus or which have occurred after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in the Red Herring Prospectus and this Prospectus.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws was required to be lodged along with the Bid cum Application Form. Failing this, our Company reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Selling Shareholders in consultation with the BRLMs, deemed fit.

Bids by Anchor Investors

- (a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.
- (b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.
- (c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

- (d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.
- (e) Our Company and the Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 - (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;
 - (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and
 - (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.
- (f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
- (g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.
- (i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- (j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) shall apply in the Offer under the Anchor Investor Portion. For details, see “- *Participation by the BRLMs, the Syndicate Members and their associates and affiliates*” on page 379.
- (k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which have occurred after the date of the Red Herring Prospectus and may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable

- law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
 3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
 4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form;
 5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;
 6. RIIs Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
 7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
 8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
 9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
 10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
 11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
 12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned were liable to be rejected;
 13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
 14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
 15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
 16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
 17. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the

event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

18. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and PAN available in the Depository database;
19. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [http:// www.sebi.gov.in](http://www.sebi.gov.in));
20. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of RIIs Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
23. Bidders (except RIIs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIIs, once the Sponsor Bank issues the Mandate Request, the RIIs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a RII Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RII Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
25. RIIs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
26. RIIs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.
27. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and
28. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a RII;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors and ₹500,000.00 for Bids by Eligible Employees;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than RIIs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. If you are RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
19. Anchor Investors should not bid through the ASBA process;
20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
22. Do not submit the GIR number instead of the PAN;
23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;
26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RII and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RII Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIIs using the UPI Mechanism;
31. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI website is liable to be rejected; and
32. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs Bidding using the UPI Mechanism.
33. Do not Bid if you are an OCB.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” on page 54.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Net Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded

off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Account

Our Company and the Selling Shareholders, in consultation with the BRLMs has decided the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account were required to be drawn in favour of:

- (a) In case of resident Anchor Investors: “*Mrs. Bectors Food Specialities Limited R Account*”
- (b) In case of Non-Resident Anchor Investors: “*Mrs. Bectors Food Specialities Limited NR Account*”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company has, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Patiala edition of Chardhikala (a widely circulated Punjabi daily, Punjabi being the regional language in the place where our Registered Office is located).

In the pre-Offer advertisement, we stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the respective Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which have occurred after the date of the Red Herring Prospectus or may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

- (a) Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with applicable law, which is termed as the Prospectus. The Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1.00 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six working days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within six working days from the Bid/Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;
- except for any exercise of options vested pursuant to ESOP Plan 2017, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus and this Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.; and
- adequate arrangements were made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself and its respective portion of the Offered Shares:

- (i) it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;
- (ii) its respective portion of the Offered Shares are fully paid and are in dematerialised form;
- (iii) its respective portion of the Offered Shares are free and clear of any encumbrances and shall be transferred

to the Bidders within the time specified under applicable law; and

- (iv) it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from all the Stock Exchanges in accordance with applicable law.

Utilisation of Proceeds

Our Board certifies that:

- (i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;
- (ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- (iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FEMA, the Consolidated FDI Policy and the circulars and notifications issued thereunder. Unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy, subject to certain applicable pricing and reporting requirements.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of under D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DIPP issues an updated circular.

The Government proposes to update the Consolidated FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

Subject to certain condition, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or department of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy. It is not clear from the press note whether or not an issuance of the Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder was required to intimate the Company and the Registrar about such approval within the Offer Period.

As per the existing policy of the Government, OCBs were not permitted to participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which have occurred after the date of the Red Herring Prospectus and will occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the applicable limits under laws or regulations.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

The Articles of Association of the Company comprise two parts, Part I and Part II. In case of inconsistency or conflict between Part I and Part II, the provisions of Part II shall be applicable; however, Part II shall stand deleted, not have any force and be deemed to be removed from the Articles of Association upon the commencement of listing and trading of the equity shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the equity shares of the Company, without any further corporate or other action by the Company or its shareholders.

PART I OF THE ARTICLES OF ASSOCIATION

Application of Table F

The ‘Preliminary’ section provides that regulations contained in the table ‘F’ to the Schedule I of the Companies Act 2013, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

Share Capital, payment of commission and variation of rights

Article 8 provides that “Subject to the applicable provisions of the Act and these Articles, the Shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.”

Article 11 provides that “(i) The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 of the Act, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-Section (6) of Section 40 of the Act. (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.”

Article 12 provides that “(i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least 2 (two) persons holding at least one-third of the issued shares of the class in question.”

Article 13 provides that “The rights conferred upon the holders of the shares of any class issued with preferred or *other* rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.”

Article 14 provides that “Subject to the provisions of the Act, any preference shares may, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.”

Further issue of shares:

Article 15 provides that “(1) Where at the time in terms of Section 62 of the Act, the Company proposes to increase the subscribed capital by the issue of further shares, either out of the unissued capital or out of the increased share capital then:

- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid-up on those shares at the date;
 - (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer, if not accepted within such time period, will be deemed to have been declined;
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right. Provided that the Directors may decline, subject to Section 58 of the Act, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;
 - (d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think in their sole discretion, fit for the benefit of the Company.
- (1) Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
 - (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (2) Nothing in sub-clause (c) of (1) hereof shall be deemed:
- (a) To extend the time within which the offer should be accepted; or
 - (b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company:
- (a) To convert such debentures or loans into shares in the Company; or
 - (b) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of debentures or raising of the loans.”

Company’s lien on shares

Article 16 provides that “(i) The Company shall have a first and paramount lien:

- (a) on every share/debenture (not being a fully paid share/debenture) and upon the proceeds of sale thereof, for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares/debenture) standing registered (in the name of a single person or jointly with others), for all monies presently payable by him or his estate to the Company:

No equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and Company’s lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the company’s lien if any, on such shares.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.”

Article 17 provides that “The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.”

Article 18 provides that “(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer. (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.”

Article 19 provides that (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.”

Call on shares

Article 20 provides that “(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.

- (i) Each member shall, subject to receiving at least 14 (fourteen) days’ notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (ii) A call may be revoked or postponed at the discretion of the Board.”

Article 21 provides that “A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.”

Article 23 provides that “(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10% (Ten per cent) per annum or at such lower rate, if any, as the Board may determine. (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.”

Article 24 provides for “(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.”

Article 24 provides for “The Board: (i) may, if it thinks fit, subject to the provision of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and (ii) upon all or any of the monies so advanced, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which advance has been made may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent.) per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The provisions of this Article shall *mutatis mutandis* apply to the calls on debentures of the Company.”

Transfer and transmission of shares

Article 31 provides that “Subject to the provisions of sections 58 and 59 of the Act and section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.”

Article 32 provides that “ (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.”

Forfeiture of shares

Article 36 provides that “If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.”

Article 37 provides that “If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 40 provides that “(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.”

Article 42 provides that “The provisions of these regulations as to forfeiture shall apply in the case of non-payment

of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.”

Alteration of Share Capital

Article 43 provides for “The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.”

Article 44 provides for “Subject to the provisions of the Act, the Company may, by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
- (iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.”

Article 46 provides that “The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

- (i) its share capital;
- (ii) any capital redemption reserve account; or
- (iii) any share premium account.”

Capitalization of profits

Article 47 provides that “(i) The Company in general meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
 - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Article 48 provides that “(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power:
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as

fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.”

Buy Back of shares

Article 49 provides that “Notwithstanding anything contained in these Articles but subject to the provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.”

General Meetings and the proceedings at the general meetings

Article 51 provides that “All general meetings other than annual general meeting shall be called extra-ordinary general meeting.”

Article 53 provides that “The Board may, whenever it thinks fit, call an extraordinary general meeting.”

Article 54 provides that “(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act.”

Article 55 provides that “The chairperson, if any, of the Board shall preside as the chairperson at every general meeting of the Company.”

Voting Rights

Article 59 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (i) on a show of hands, every member present in person shall have 1 (one) vote; and
- (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

Article 60 provides that “A member may exercise his vote at a meeting by electronic means in accordance with the provisions of the Act and shall vote only once.”

Article 61 provides that “Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.”

Article 63 provides that “No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.”

Article 64 provides that “(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. (ii) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.”

Proxy

Article 67 provides that “A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.”

Directors and proceedings of the Board

Article 68 provides that “The number of Directors on the Board of the Company shall not be less than 3 (three) and more than 12 (twelve).”

Article 69 provides that “The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. Subject to provisions of the Act, each director shall be entitled to a sitting fee as determined by the Board for every meeting of the Board or committees thereof attended by him/her as may be determined by Board.”

Article 73 provides that “The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.”

Article 78 provides that “Subject to the applicable law and as may be required by the Securities and Exchange Board of India, until Linus, Mabel, GW Crown and GW Confectionary (“**Linus and Gateway**”) collectively hold at least such number of Equity Shares representing 10% of the share capital of the Company, on a fully diluted basis, as adjusted for any consolidation of the share capital of the Company, Linus and Gateway shall have the right to mutually agree upon and (a) nominate one Director on the Board to be elected as a non-executive director liable to retirement by rotation; (b) remove from office any person so nominated in terms of (a); and (c) nominate another person (including an alternate director) in his place (collectively ‘**Investors Nomination Rights**’), provided that such Investor Nomination Rights shall be subject to approval by the shareholders of the Company subsequent to the consummation of the Offer and applicable laws. Upon the collective shareholding of Linus and Gateway falling below such number of Equity Shares representing 10% of the share capital of the Company, on a fully diluted basis, as adjusted for any consolidation of the share capital of the Company, such Investors Nomination Rights shall automatically terminate and the nominee director shall tender his resignation as a nominee director at the next ensuing board meeting”.

Article 79 provides that “ (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

- (ii) Subject to the provisions of these Articles, the Board may in accordance with and subject to provisions of Section 161(2) of the Act appoint any person to act as alternate Director for a Director during the latter’s absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Director for whom he acts as an Alternate is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointer as a Director. It is clarified that references in these Articles to a Director shall include an alternate appointed in accordance with these Articles. An alternate Director shall, in addition to any ground under the Act on which he vacates his office, automatically vacate his office as an alternate director if the Director who appointed him ceases to be a Director.
- (iii) Without prejudice to the right of the Board to appoint additional and alternate Directors in accordance with these Articles, the Directors of the Company shall be appointed in the general meeting of the Company including reappointment or replacement of a Director who retires by rotation in accordance with the applicable laws at such general meeting.
- (iv) The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following general meeting. Such Director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.”

Article 80 provides that “(i) The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. (ii) A director may and the Managing Director or the Chairman on the requisition of any director may at any time, summon a meeting of the Board.”

Dividends and Reserve

Article 94 provides that “The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.”

Article 95 provides that “Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.”

Article 96 provides that “(i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Article 96 provides that “(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Article 98 provides that “The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.”

Article 99 provides that “(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.”

Article 100 provides that “Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.”

Article 94 provides that “Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.”

Article 94 provides that “No dividend shall bear interest against the Company.”

Indemnity

Article 108 provides that “Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court, the Company Law Board or the National Company Law Tribunal (as applicable).”

Information Rights

Article 109 provides that “At the request of any Shareholder, the Company shall provide to such Shareholder: (a)

annual reports; (b) annual, semi-annual, quarterly and other periodic financial statements and reports; (c) any other interim or extraordinary reports; and (d) prospectuses, registration statements, offering circulars, offering memoranda and other document relating to any offering of securities by the Company, provided, in each case, that (x) the Company has, prior to providing any Shareholder with such information, made such information available to the public; and (y) the Company is not prohibited under any applicable Law from providing such information to such Shareholder”.

PART II OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the shareholders’ agreements executed with certain shareholders of our Company. For more details on the shareholders’ agreements, see “*History and Certain Corporate Matters – Summary of Key Agreements and Shareholders’ Agreements*” on page 186.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Red Herring Prospectus) which are deemed material, have been entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus and filed with the RoC, and also the documents for inspection referred to hereunder were available for inspection at our Registered Office, from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. Due to the COVID-19 pandemic, SEBI pursuant to its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, granted the relaxation to provide procedure for inspection of material documents electronically, and accordingly, copies of the documents for inspection referred to hereunder, were also available on the website of the Company at www.cremica.in from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other Applicable Law.

Material Contracts to the Offer

1. Offer Agreement dated October 19, 2020 entered into among our Company, the Selling Shareholders and the BRLMs, as amended by way of an amendment agreement dated December 8, 2020.
2. Registrar Agreement dated October 17, 2020 entered into among our Company, the Selling Shareholders and the Registrar to the Offer, as amended by way of an amendment agreement dated December 8, 2020.
3. Escrow and Sponsor Bank Agreement dated December 8, 2020 entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker to the Offer and the Registrar to the Offer.
4. Share Escrow Agreement dated December 7, 2020 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated December 8, 2020 entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Underwriting Agreement dated December 19, 2020 entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.
2. Certificate of incorporation dated September 15, 1995.
3. Fresh certificate of incorporation dated December 15, 1999 issued consequent to change in name of the Company from Quaker Cremica Foods Private Limited to Mrs. Bectors Food Specialities Limited and fresh certificate of incorporation dated December 10, 2001 upon conversion into a public company.
4. Resolution of the Board of Directors of our Company, dated August 14, 2020, approving the Offer and other related matters.
5. Resolution of our Shareholders dated October 16, 2020 approving the Offer and other related matters.
6. Resolution of the Board of Directors of our Company, dated October 19, 2020 approving the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
7. Resolution of Board of Directors of our Company dated December 8, 2020 approving the Red Herring Prospectus filing with the RoC and subsequently with SEBI and the Stock Exchanges.

8. Resolution of Board of Directors of our Company dated December 19, 2020 approving this Prospectus for with with the RoC and subsequently with SEBI and the Stock Exchanges.
9. Consent letter dated October 13, 2020 and resolution of the board of directors of Linus, dated September 8, 2020 approving the participation of Linus in the Offer and other related matters.
10. Consent letter dated October 14, 2020 and letter dated December 3, 2020, and resolution of the board of directors of Mabel, dated August 27, 2020 approving the participation of Mabel in the Offer and other related matters.
11. Consent letter dated October 14, 2020 and letter dated December 3, 2020, and resolution of the board of directors of GW Crown, dated August 27, 2020 approving the participation of GW Crown, in the Offer and other related matters.
12. Consent letter dated October 14, 2020 and letter dated December 3, 2020, and resolution of the board of directors of GW Confectionary, dated August 27, 2020 approving the participation of GW Confectionary, in the Offer and other related matters.
13. Employment Agreement dated October 16, 2020 entered into with Mr. Anoop Bector.
14. Employment Agreement dated October 16, 2020 entered into with Mr. Ishaan Bector.
15. Board Resolution dated September 19, 2020 approving the remuneration of Mr. Anoop Bector.
16. Board Resolution dated September 19, 2020 approving the remuneration of Mr. Ishaan Bector.
17. Board Resolution dated September 19, 2020 approving the remuneration of Mr. Parveen Kumar Goel.
18. Employee Stock Option Plan of the Company as approved by the Board on February 20, 2017 and Shareholders on June 30, 2017.
19. Scheme of Amalgamation and Arrangement filed by our Company and Cremica Industries Limited, Mrs. Bector's Cremica Enterprises Limited, Bector Foods Limited, Cremica Foods Limited, Cremica Milk Specialities Limited and Cremica Food Industries Limited.
20. Copies of annual reports for the last three Financial Years, i.e., Financial Years 2020, 2019, 2018.
21. Shareholders Agreement dated August 24, 2015, as amended by Deed of Adherence and Amendment Agreement dated December 4, 2015, the first amendment and supplemental agreement dated August 8, 2018, executed by and amongst our Company, Mr. Anoop Bector, Mrs. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown and GW Confectionary, and the Deed of Adherence dated November 26, 2020 executed by and amongst our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus, Mabel, GW Crown, GW Confectionary, AB Family Trust, IB Family Trust and SB Family Trust.
22. Second amendment and supplemental agreement dated October 16, 2020, executed by and amongst, GW Crown, GW Confectionary, Linus, Mabel, our Company, Mr. Anoop Bector, Mrs. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF and Mr. Suvir Bector.
23. Statement of possible special tax benefits dated December 8, 2020 from the Statutory Auditors included in the Red Herring Prospectus and the Prospectus.
24. Consent of the Statutory Auditors dated December 8, 2020 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated November 28, 2020 on examination of our Restated Consolidated Financial Information and the statement of possible special tax benefits in the form and context in which it appears in the Red Herring Prospectus and this Prospectus.

25. Consents of our Directors, Bankers to our Company, the BRLMs, Syndicate Members, Registrar to the Offer, Banker to the Offer, legal counsel, lenders to the Company, Company Secretary and Compliance Officer of our Company, Chief Financial Officer, as referred to act, in their respective capacities.
26. Consent letter dated October 16, 2020 from Technopak to use their report titled “*Report on Indian Biscuit & Bakery Industry*”.
27. Letters both dated December 3, 2020, from Mr. Anil Kumar Soni, independent chartered engineers, in relation to the capacity utilisation and the estimated cost of Rajpura Expansion Project, respectively and also consent to include his name in the Red Herring Prospectus and this Prospectus as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act, 2013.
28. In-principle listing approvals dated November 13, 2020 and November 19, 2020 from BSE and NSE, respectively.
29. Tripartite Agreement dated July 27, 2018 among our Company, NSDL and the Registrar to the Offer.
30. Tripartite Agreement dated July 25, 2018 among our Company, CDSL and the Registrar to the Offer.
31. Due diligence certificate to SEBI from the BRLMs, dated October 19, 2020.
32. SEBI observation letter number SEBI/HO/CFD/DIL1/OW/P/18137/2020 dated October 28, 2020 and final observation letter number SEBI/HO/CFD/DIL1/YJ/KB/OW/P/2020/1/19706 dated November 19, 2020.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, the rules, regulations and guidelines issued by the Government of India, or the regulations, rules or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules, regulations and guidelines issued thereunder, as the case may be. We further certify that all the statements, disclosures, confirmations and undertakings in this R Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd.
Mr. Subhash Agarwal
(Chairman and Independent Director)

Sd.
Mr. Anoop Bector
(Managing Director)

Sd.
Mr. Ishaan Bector
(Whole – Time Director)

Sd.
Mr. Parveen Kumar Goel
(Whole – Time Director)

Sd.
Ms. Rajni Bector
(Non – Executive Director)

Sd.
Mr. Rahul Goswamy
(Non – Executive Nominee Director)

Sd.
Mr. Nem Chand Jain
(Independent Director)

Sd.
Mr. Rajiv Dewan
(Independent Director)

Sd.
Mr. Tarun Khanna
(Non – Executive Nominee Director)

Sd.
Ms. Pooja Luthra
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd.
Mr. Parveen Kumar Goel
(Chief Financial Officer)

Date: December 19, 2020

Place: Phillaur, Punjab

DECLARATION

LINUS PRIVATE LIMITED certifies that all statements and undertakings made or confirmed by it in this Prospectus about it or in relation to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. LINUS PRIVATE LIMITED assumes no responsibility for any other statements, including, any of the statements made by the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of LINUS PRIVATE LIMITED

Sd. _____
Authorised Signatory

Name: Doonaye Sookye

Designation: Director

Date: December 19, 2020

DECLARATION

MABEL PRIVATE LIMITED certifies that all statements and undertakings made or confirmed by it in this Prospectus about it or in relation to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. MABEL PRIVATE LIMITED assumes no responsibility for any other statements, including, any of the statements made by the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of MABEL PRIVATE LIMITED

Sd. _____
Authorised Signatory

Name: Sharmana Jhurreea

Designation: Director

Date: December 19, 2020

DECLARATION

GW CONFECTIONARY PTE. LTD. certifies that all statements and undertakings made or confirmed by it in this Prospectus about it or in relation to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. GW CONFECTIONARY PTE. LTD. assumes no responsibility for any other statements, including, any of the statements made by the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of GW CONFECTIONARY PTE. LTD.

Sd.

_____ **Authorised Signatory**

Name: Rahul Goswamy

Designation: Director

Date: December 19, 2020

DECLARATION

GW CROWN PTE. LTD. certifies that all statements and undertakings made or confirmed by it in this Prospectus about it or in relation to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. GW CROWN PTE. LTD. assumes no responsibility for any other statements, including, any of the statements made by the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of GW CROWN PTE. LTD.

Sd. _____
Authorised Signatory

Name: Rahul Goswamy

Designation: Director

Date: December 19, 2020